



Marine Cargo

POLICY WORDING – TRV4422 01/23A – POLICY CODE: 2307 01/23



IMPORTANT NOTICE

Please read this **Policy** carefully to ensure that it is in accordance with **your** requirements and that **you** understand its terms, exclusions and conditions. Contact **us** immediately if any corrections are necessary.

Any enquiries **you** may have regarding **your Policy** may be addressed either to the insurance broker who arranged the **Policy** for **you** or directly to **us**.

CLAIMS PROCEDURE

If **you** wish to make a claim, please contact the insurance broker who arranged the **Policy** or contact **us** quoting **your** policy number.

Travelers Insurance Designated Activity Company,
Third Floor, Block 8,
Harcourt Centre,
Charlotte Way,
Dublin 2

Email: reportclaim@travelers.com

Tel 01 609 5601

COMPLAINTS PROCEDURE

Our promise to **you**

- **We** will acknowledge complaints promptly
- **We** will investigate quickly and thoroughly
- **We** will keep **you** informed of progress
- **We** will do everything to resolve **your** complaint fairly
- **We** will learn from **our** mistakes and use **your** feedback continually to improve **our** service

What to do if **you** have a complaint

If **you** have a complaint, please contact **us** on 01 609 5600, or email us at CustomerRelations@travelers.com.

For full information on **your** rights and how **we** will handle **your** complaint, please see **our** website here:

www.travelers.ie/documents/ComplaintsProcedure_Ireland.pdf

USING PERSONAL INFORMATION

How **we** treat information about **you** and **your** rights under data protection legislation

In order to provide **our** insurance services, **we** (Travelers Insurance Designated Activity Company acting as a Data Controller) will collect certain personal information about **you**. The type of information that **we** collect will depend on **our** relationship with **you**. For example, **you** may be a Travelers policyholder, prospective policyholder or a third party making a claim under a Travelers' insurance policy.

If **you** provide **us** with personal information about a third party, **you** should share this notice with them.

We will also collect different types of information depending upon the kind of insurance cover **we** are being asked to provide or the kind of claim **we** are being asked to assess or pay.

Some of the information **we** collect may be classified as 'special category data', which is data that may contain information about physical or mental health, religious beliefs and criminal and disciplinary offences (including convictions).

Your personal information may be used in a number of ways including:

- considering an application for insurance,
- providing and administering an insurance policy,
- handling claims including claims validation,
- preventing and detecting fraud, including providing information to the relevant authorities.



Where relevant, **we** will share **your** information with other companies in the Travelers group, third parties such as claims handlers, loss adjusters, other insurers and reinsurers, fraud prevention agencies, service companies associated with **our** products, or as required by law (including providing the information to government or regulatory authorities). This may involve the transfer of **your** information to countries inside and outside the European Economic Area.

We may also use **your** personal information for marketing purposes, but only in accordance with **your** marketing preferences.

For more information about how **we** process **your** data and the rights **you** have please click here:

<http://www.travelers.co.uk/main/privacy-policy.aspx>



The Contract of Insurance

The **Assured** having made to the **Insurers** a proposal and declaration and having paid or agreed to pay the premium to **us, we** will provide the insurance indicated in the **policy** during the **period of insurance** or during any subsequent period of insurance for which **we** may accept payment subject to the terms conditions and exclusions contained herein or endorsed hereon

The **policy** and the Proposal shall be read as one contract and unless otherwise stated any word or expression to which a particular meaning has been given in the general definitions or specific definitions in this **policy** shall bear the same meaning wherever it appears in the **policy** or specific Section respectively and unless the context requires otherwise

- (a) the singular includes the plural and vice versa
- (b) the male gender includes the female and neutral genders
- (c) person includes a body corporate
- (d) the meaning of terms in accordance with Marine Law shall apply wherever such terms are used

General Definitions

WORDS SHOWN IN **BOLD** TYPE HAVE THE SAME MEANING THROUGHOUT THE **POLICY** AND ARE DEFINED BELOW.

All-risks

These words should not be understood to cover all damage howsoever caused. Such damage as is inevitable from ordinary wear and tear and inevitable depreciation is not within the **policy**. An all-risks policy covers direct physical damage due to some fortuitous circumstance or casualty.

Assured/You/Your

The company (ies) named in the **schedule**, whose goods are covered by this **policy**.

Basis of Valuation

The basis on which **Insurers'** liability for any claims are calculated and on which the **Assured** should calculate the declarations due under the **policy**.

Conveyance

Any ship, vessel, aircraft, postal service, rail, or road transport used to transport the **subject matter insured**.

Endorsement

A change to the terms of the **policy** agreed by **us** in writing.

Excess

The amount for which **you** are responsible as the first part of each insured loss. The amount of the **excess** applicable to this **policy** is set out in the **schedule**, this **policy**, or an **endorsement** to this **policy** (if any).

Where an **excess** is expressed as:

- A specified sum – it means the amount specified:

and

- A percentage – it means the monetary equivalent of such percentage of each loss.

Where a claim is made in respect of more than one occurrence, the **excess** will apply to each individual occurrence.

Excluded Goods

Goods and/or merchandise for which **Insurers** do not provide cover, unless agreed prior to shipment and stated in the **schedule**. The following are excluded goods: precious metals, diamonds and other stones; bullion, money, credit cards, debit cards, ATM cards, cash-replacement cards, store and gift vouchers and cards, travelers cheques, securities, bonds, deeds, bank notes, treasury notes, stamps and similar cash substitutes; weapons and explosives of all kinds; live animals and plants; laptop computers, personal computers, computer chips, memory modules, expansion cards, software licenses, and the like; plasma screens; mobile telephones, pre-paid mobile phone vouchers, SIM cards, accessories and the like; **your** own computer equipment; **your** own machinery and/or tools and/or vehicles.

General Average

A general average is an intentional sacrifice or expenditure voluntarily and reasonably made or incurred in time of peril for the purpose of preserving property imperiled in the common adventure. The rules relating to general average are contained in the York Antwerp Rules. These rules have been amended from time to time, the most recent version being the York-Antwerp Rules 2004. The York-Antwerp Rules 2004 define a general average act as follows:

There is a general average act when, and only when, any extraordinary sacrifice or expenditure is intentionally and reasonably made or incurred for the common safety for the purpose of preserving from peril the property involved in a common maritime adventure.

References to general average in this **policy** are references to general average as defined in the York-Antwerp Rules 2004.

INCOTERMS - International Commerce Terms.

A set of international sales terms published by the International Chamber of Commerce and widely used in international commercial transactions.

The following **INCOTERMS** referred to in this **policy**:

CFR Cost and Freight. This is an **INCOTERM** describing the contract situation where:

- The seller must pay the costs and freight necessary to bring the **subject matter insured** to the named port of destination; and
- The buyer assumes risk of loss or damage to the **subject matter insured**, as well as any additional costs due to events occurring after the **subject matter insured** has been delivered on board the vessel when the **subject matter insured** has been delivered on board the vessel at the port of shipment.

CIF Cost, Insurance and Freight. This is an **INCOTERM** describing the contract situation where:

- The seller is obligated to get the **subject matter insured** delivered to the carrier at the named port of departure. The seller must also arrange the insurance, any export permits, licenses and the contract of carriage. However, once the goods are loaded onto the vessel the risk of loss passes to the buyer.

CIP Carriage and Insurance Paid To [*named place of destination*]. This is an **INCOTERM** describing the contract situation where:

- The seller fulfils their obligation to deliver the **subject matter insured** to the named point of destination, whilst bearing freight costs. The seller retains the risk for loss of or damage to the **subject matter insured**, until the goods are delivered to the carrier.
- The seller is obligated to obtain insurance on behalf of the buyer or any other party with insurable interest.

EXW Ex-Works. This is an **INCOTERM** describing the contract situation where:

- The seller fulfils their obligation to deliver when they make the **subject matter insured** available at their premises (i.e. factory, warehouse). The seller is not responsible for the loading of the **subject matter insured** and is not responsible for export clearance.
- The buyer has to bear all costs, including freight costs, and risks of loss of or damage to the **subject matter insured** from that point.

FAS Free Alongside Ship. This is an **INCOTERM** describing the contract situation where:

- The seller fulfils their obligation to deliver when the subject matter insured has been placed alongside the vessel on the quay or in lighters at the named port of shipment; and
- The buyer has to bear all costs and risks of loss of or damage to the **subject matter insured** from that point.



FOB Free on Board. This is an **INCOTERM** describing the contract situation where:

- The seller fulfils their obligation to deliver when the **subject matter insured** has been delivered on board the vessel at the port of shipment.
- The buyer has to bear all costs, including freights costs, and risks of loss of or damage to the **subject matter insured** from that point.

Institute Clauses

The Institute Clauses are standard clauses issued by the International Underwriting Association. Together with the clauses found in Section B of this **policy**, they form the basis for the cover provided by this **policy**. The Institute Clauses applicable to **your policy** can be found in Terms of Cover Section A below.

Insurers/We/Us/Our

Travelers Insurance Designated Activity Company

ISM Code

The International Safety Management Code. This is an international standard for the safe management and operation of ships, and for pollution prevention.

ISPS Code

The International Ship & Port Facility Security Code.

Limits

The maximum extent of **Insurers'** liability for any one accident or loss. Any claim that occurs where the **policy** limits are exceeded will be subject to the "Average Clause" contained herein.

Lloyd's Agent

The Lloyd's Agency Network provides an independent marine surveying and claims adjusting service to the global insurance industry and its customers. If **you** are overseas when **you** need to give **us** notice of a claim, or of any happening or event likely to give rise to a claim, then **you** can give such notice to **your** nearest **Lloyd's Agent**. There are **Lloyd's Agents** in every major port and commercial centre in the world, so **you** can give **us** notice of **your** claim wherever **you** are (see Claims section below).

Marine Insurance Act 1906

An Act of Parliament which codifies the law relating to Marine Insurance. The Marine Insurance Act 1906 applies to this **policy**, copies are available on request.

Normal working hours

All times when the vehicle and/or trailer and/or container being used to transport the **subject matter insured** is being used specifically in connection with or for the purpose of **your** business. This excludes all use for social and domestic purposes by any person, including the driver, and overnight stops.

Period of Insurance

The period of insurance stated in the **policy**. Cover will not attach prior to the beginning of the period stated and will cease at the end of the period. Shipments commenced at the end of the period of insurance will not be covered.

Policy

Means this policy wording, the current **schedule** and any endorsement, all of which are to be read together and any word or expression to which a specific meaning has been attached in any part of the policy or in the **schedule** shall bear the same meaning wherever it may appear. In the event of any ambiguity between the policy and **schedule**, the **schedule** shall take precedence.

Premium

The premium specified in the Premium and Rates, any endorsement premium and any adjustment premium, in accordance with General Conditions, Premium Adjustment and Declarations Clause.

Salvage

A salvage operation is an act or activity undertaken to assist a vessel or property in danger, where that vessel or property is in water. Property includes freight at risk.

Salvage Charges

The charges recoverable by a salvor for salvage services performed. These charges are recoverable by salvors as a matter of maritime law, and independently of contract.

Salvage charges do not include the expenses of services in the nature of salvage rendered by **you** or someone employed or hired by **you** in order to avert an insured peril.

Schedule

The document showing **your** name, **your** address, and **your** insurance details that **we** sent to **you** when **we** accepted this insurance, or following any subsequent amendment to **your** cover, whichever is the more recent.

SOLAS Convention

The International Convention for the Safety of Life at Sea. This is an international maritime safety treaty. The most recent version was adopted in 1974, and a number of amendments have been accepted since.

Subject Matter Insured

The goods, as described in the **schedule**, that are covered by this **policy**. All goods are assumed to be new unless otherwise stated in the **schedule**. Packing should be sufficient to protect the goods against the normal hazards that may be encountered during transit, taking into account the susceptibility of the goods to loss and/or damage, the **conveyance**, route and the time of the year the subject matter insured is dispatched. It is recognised that some goods are shipped unpacked. It is essential that **Insurers** are made aware of any such goods so that **we** can take this into consideration when setting the terms and conditions applying to a risk.

Substantial Construction

Constructed of brick, stone or concrete and the external surface of the roof constructed of slates, tiles, concrete, asphalt or any entirely incombustible mineral ingredients.

Voyage

The **subject matter insured** is covered between countries shown in the rating schedule. Cover attaches and terminates in accordance with the "Attachment and Termination of Transit Clause" contained herein.

Any voyage falling outside of the scope of the insured transit must be advised to **Insurers** prior to the cover attaching, or as soon as possible after transit commences, and in any event prior to any known loss or damage to the **subject matter insured**.

Area Definitions

For the rating purposes of this **policy**, the following areas shall be defined as follows:

AFRICA:

Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Democratic Republic of Congo, Côte d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Réunion, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalis, South Africa, St. Helena, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia, Zimbabwe.

ASIA:

Afghanistan, Armenia, Azerbaijan, Bangladesh, Bhutan, Brunei, Cambodia, China, India, Indonesia, Japan, Kazakhstan, Kyrgyzstan, Laos, North Korea, South Korea, Macau, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Tajikistan, Thailand, Timor-Leste and Vietnam.

AUSTRALASIA:

Australia and New Zealand.

CENTRAL AMERICA INC. CARRIBEAN:

Antigua and Barbuda, Aruba, Bahamas, Barbados, Belize, British Virgin Islands, Cayman Islands, Costa Rica, Cuba, Dominica, Dominican Republic, El Salvador, Grenada, Guadeloupe, Guatemala, Haiti, Honduras, Jamaica, Martinique, Mexico, Netherland Antilles, Nicaragua, Panama, Puerto Rico, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, St. Pierre and Miquelon, Trinidad and Tobago, Turk and Caicos Islands and U.S. Virgin Islands.

EASTERN EUROPE:

Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Turkey, Turkmenistan, Uzbekistan, Latvia, Lithuania, Macedonia FYR, Moldova, Poland, Romania, Russia, Serbia and Montenegro, Slovakia, Slovenia and Ukraine.

EUROPEAN UNION:

Austria, Belgium, Bulgaria, Cyprus, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

MIDDLE EAST:

Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen.

FAR EAST:

Brunei, Cambodia, China, Indonesia, Japan, Laos, North Korea, South Korea, Macau, Myanmar, Philippines, Singapore, Thailand, Timor-Leste and Vietnam.

NORTH AMERICA:

Canada, Greenland and United States of America.



PACIFIC ISLANDS:

Cook Islands, Fiji Islands, French Territories, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Northern Mariana Islands, Palau, Papua New Guinea, Pitcairn Islands, Samoa, Solomon Islands, Tonga, Tuvalu, United States Territories and Vanuatu.

SOUTH AMERICA:

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Falkland Islands, French Guiana, Guyana, Paraguay, Peru, Suriname, Uruguay and Venezuela.

UNITED KINGDOM:

United Kingdom of Great Britain and Northern Ireland, including the Channel Islands, Isle of Man and other offshore islands.

WESTERN EUROPE:

Andorra, Austria, Belgium, Denmark, Finland, France, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland and Vatican City.

How to claim

If **you** wish to make a claim, please contact the insurance broker who arranged the insurance or contact **us** on 01 609 5601 or at the address below or email **us** at reportclaim@travelers.com, quoting **your** policy number. Please also refer to **our** on-line guidance on how to make a claim which can be found at www.travelers.ie

Travelers Insurance Designated Activity Company,
Third Floor, Block 8, Harcourt Centre,
Charlotte Way,
Dublin 2

Claims Payable

All claims are payable by **Insurers** from London. This means that **Insurers** will make payment in the currency of the **policy** into **your** nominated Irish Bank Account.

Your obligations in the event of a claim

IF YOU DO NOT COMPLY WITH YOUR OBLIGATIONS, WE MAY BE DISCHARGED FROM LIABILITY UNDER THIS POLICY.

THIS MEANS THAT **YOU** MAY NOT BE COVERED FOR ANY LOSS. **You** must adhere to the following procedure.

In the event of a loss covered by the **policy**, **you** must act sensibly, as if **your** loss was not covered by insurance. **You** must act to minimise the loss and/or damage to the **goods** and to protect any recovery rights that may be available.

In the event of any happening or event likely to give rise to a claim under this **policy**, **you** must ensure that **we** are informed about the event as soon as possible but in any event within 7 (seven) working days from discovery. **You** must also give notice in writing as soon as reasonably practicable. This notice should be given, with full particulars, to **your** broker or to **us** (details are given above); and/or if **you** are overseas, to the nearest **Lloyd's Agent**. Details of **your** nearest **Lloyd's Agent** can be found online at: <https://www.lloydsagency.com/agency>

You must then take the following steps:

1. Submit as soon as possible all written particulars, supporting documentation and correspondence regarding the event including invoices, statements or other documents evidencing the amount being claimed. For further information on this obligation, see "Documentation of Claims" below.
2. Take reasonable measures to avoid or minimise any loss, damage or expense. **Insurers** will pay the costs of such measures provided that they are both reasonable and necessary.
3. Properly preserve and exercise all rights against carriers, bailees or other third parties, specifically:
 - a. Do not release those parties from liability.
 - b. **You** must not admit, nor promise payment to anyone without **our** written consent.
 - c. Deliver to the parties responsible a notice of intention to claim within 3 (three) days of delivery.
 - d. Do not give clean receipts where the **subject matter insured** is in doubtful condition except under written protest.
 - e. If a consignment is delivered damaged or with **subject matter insured** missing mark the delivery note accordingly.
 - f. Where delivery is made by container, ensure that the seals are examined immediately by a responsible official.
 - g. If any package is delivered damaged, e.g. torn, wet damaged, note the delivery note accordingly and retain all packaging for subsequent inspection. If possible, take photos of the damaged package(s) to assist with **your** claim.
 - h. If a container is delivered damaged or with seals broken or missing or with seals other than stated in the shipping documentation, mark the delivery note accordingly and retain the seals for subsequent identification.
 - i. Upon discovery of any loss or damage, apply immediately for surveys by the carriers or other bailees to be conducted within 3 (three) days of delivery.
4. Inform the police as soon as possible after a theft has occurred.
5. In the event of a **general average** or **salvage** contribution arising under this **policy**, consult **Insurers** or **Insurers'** nominated settling agent before signing any **general average** or **salvage** bond.

Fraudulent Claims

If any claim is fraudulent or false or intentionally exaggerated (whether ultimately material or not) in any respect, **Insurers** may refuse to pay the whole or part of the claim to the extent permitted by law, and also may be entitled to void or cancel the **policy**.

Documentation of claims

To enable claims to be dealt with promptly and to avoid prejudicing **your** claim under the **policy**, **you** are required to submit all available supporting documents to **Insurers** or the nominated **Lloyd's Agent** and/or appointed **Lloyd's Agent** without delay, including when applicable:

1. Original certificate of insurance
2. Original or copy shipping invoices, together with shipping specification and/or weight notes, indicating quantity and value
3. Original bill of lading and/or other contract of carriage
4. Any survey report or other documentary evidence to show the extent of the loss or damage and/or landing account and weight notes at final destination
5. Correspondence exchanged with the carriers and other parties regarding their liability for the loss or damage.

Subrogation Clause

When **Insurers** settle a claim, they may pursue recovery rights against a carrier or third party who caused the loss or damage to the **subject matter insured**. The **Assured** agree that:

1. **Insurers** may act in the **Assured's** name in such recovery action; and
2. The **Assured** will give **Insurers** reasonable assistance with such actions.

Waiver Clause

Measures taken by the **Assured** or **Insurers** with the object of saving, protecting or recovering the **subject matter insured** shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Waiver of Rights Clause

Where another person(s) is liable to compensate the **Assured** for any loss or damage covered by this **policy** but the **Assured** have previously agreed not to seek recovery from that person(s), then **Insurers** will reduce their liability under the **policy**.

Waiver of Survey Clause

Once claims details have been submitted for **Insurers'** consideration, then subject to **our** approval, it is agreed to waive surveys in respect of claims not expected to exceed EUR 1,000.00 (One thousand Euros) or equivalent in other currencies, such claims to be accepted by **Insurers** on presentation of the **Assured's** statement and supporting documentation only.

Terms of Cover

THE TERMS OF COVER UNDER **YOUR POLICY** ARE SET OUT IN SECTIONS A AND B BELOW. PLEASE READ BOTH SECTIONS CAREFULLY.

Section A - Institute Clauses:

This section sets out the **institute clauses** applicable to **your policy**. The following **institute clauses** form part of **your policy** with us.

Institute Cargo Clauses (A) Cl. 382 1/1/09

Institute Cargo Clauses (Air) (excluding sendings by Post) Cl. 387 1/1/09

Institute Cargo Clauses (B) applying to Returned Shipments Clause Cl. 383 1/1/09

Institute Cargo Clauses (C) Cl. 384 1/1/09

Institute War Clauses (Cargo) Cl. 385 1/1/09

Institute War Clauses (Air Cargo) (excluding sendings by Post) Cl. 388 1/1/09

Institute War Clauses (sendings by Post) Cl. 390 1/3/09

Institute Strikes Clauses (Cargo) Cl. 386 1/1/09

Institute Strikes Clauses (Air Cargo) Cl. 389 1/1/09

Institute Classification Clause Cl. 354 1/1/01

Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause Cl. 370 10/11/03

Institute Replacement Clause Cl. 372 1/12/08

The **institute clauses** referred to herein are those current at the inception of this **policy** but should such Clauses be revised during the period of this **policy**, it is hereby understood that the revised **institute clauses** will automatically replace the corresponding clause referred to and will be applicable to any risks commencing on or after the date of issue of the revised clause.

Section B - Other Clauses:

In addition to the **institute clauses** set out above, **your policy** contains the following clauses which also form part of **your policy** with us. **Standard Policy Conditions:**

- Accumulation Clause
- Airfreight Replacement Clause
- Attachment and Termination of Transit Clause
- Average Clause
- Brands Clause
- Buyers' and/or Sellers' Contingent Interest Clause
- Cargo ISM Endorsement (JC 98/019)
- Cargo ISM Forwarding Charges Clause (JC 98/023 for use only with JC 98/019)
- Cargo ISPS Endorsement (JC 2004/050)
- Cargo ISPS Forwarding Charges Clause (JC 2004/050b - for use only with JCC Cargo ISPS Endorsement (JC 2004/050))
- Concealed Damage Clause
- Container Demurrage Clause
- Customs Damage Clause
- Cutting Clause
- Debris Removal Clause (Transit)
- Deliberate Damage/Pollution Hazard Clause
- Duty Payable Clause
- Exhibition and Demonstration Risks Extension Clause
- Fumigation Damage Clause
- Fumigation Expenses Clause
- **General Average** and **Salvage Charges** Clause
- Non-Delivery Clause
- On Deck Shipments Clause
- Packers Premises Extension Clause (30 days)
- Pairs and Sets Clause
- Replacement Clause
- Returned Shipments Clause
- Sanction Limitation and Exclusion Clause
- Seals Intact Clause
- Second-hand/Pre-used Equipment Clause
- Sorting and Testing Charges Clause
- Storage Risks Extension Clause
- Termination of Transit Clause (Terrorism) (JC 2009/056) - Amended

Standard Policy Conditions:

Accumulation Clause

If an accumulation of the **subject matter insured**, in excess of the **policy limits** expressed in the **policy schedule**, occurs during the ordinary course of transit, which by reason of circumstances beyond the control of the **Assured**, **Insurers** agree to hold covered to an amount at risk not exceeding twice the **policy transit limits** expressed herein.

The **Assured** shall give notice to **Insurers** of all such circumstances, as soon as practicable.

Airfreight Replacement Clause

In the event of an insured peril occurring to the **subject matter insured**, **Insurers** agree to pay the cost of either airfreighting the damaged **subject matter insured** to the Manufacturers and/or Suppliers for repair and return, or the airfreighting of replacement **subject matter insured** from the Manufacturers and/or Suppliers to their original intended destination, notwithstanding that the **subject matter insured** were not originally dispatched by airfreight.

Subject to a limit of EUR 5,000.00 (Five thousand Euros) any one incident in addition to any indemnity provided for elsewhere herein.

Attachment and Termination of Transit Clause

This insurance commences from the attachment of the **Assured's** interest in the **subject matter insured** but unless otherwise specifically agreed herein, not prior to the time the **subject matter insured** are set in motion within the premises for the commencement of transit. Cover continues during loading, packing, storage in the ordinary course of transit, containerisation, transshipping, and unloading.

Cover terminates in accordance with the termination provisions contained in the Duration Clause of the **institute clauses** applicable to this **policy**.

Average Clause

If the **subject matter insured** is, at the time of any loss, of greater value than the sum insured under this **policy**, the **Assured** shall only be entitled to recover hereunder such proportion of the said loss as the sum insured by this **policy** bears to the total value of the said property.

However, if any of the **subject matter insured** included in such average is, at the time of the loss, covered by any other more specific insurance, i.e. by any insurance which at the time of such loss applies to part only of the property actually at risk and protected by this **policy**, and to no other property whatsoever, then this **policy** shall not insure the same, except only as regards any excess of value beyond the amount of such more specific insurance or insurances. That excess will be under the protection of this **policy**, and subject to **average** as aforesaid.

An example of average:

*Goods worth EUR 500,000.00 (Five hundred thousand Euros) are covered under a **policy** with a EUR 300,000.00 (Three hundred thousand Euros) limit. Any loss will be borne 3/5 by the insurer, and 2/5 by the **Assured**. If all the goods are lost, the insurer will be liable for 3/5 of EUR 500,000.00 (Five hundred thousand Euros), i.e. **policy limits**. If EUR 100,000.00 (One hundred thousand Euros) of the goods are lost, the insurer will be liable for 3/5 of this amount, i.e. EUR 60,000.00 (Sixty thousand Euros). The **Assured** will be treated as his own insurer for the remaining EUR 40,000.00 (Forty thousand Euros).*

*The principle of average is established by s.81 of the **Marine Insurance Act 1906**.*

Brands Clause

The **Assured** shall have full rights to possession of the **subject matter insured** bearing embossed or indented brands or labels or any other permanent markings identifying the **Assured** as manufacturer thereof, or the sale of which carries or implies a guarantee of the supplier or of the **Assured**, and shall retain control of the **subject matter insured**.

On shipments covered under this **policy**, **Insurers** may pay up to a total loss on the **subject matter insured** and/or packaging damaged by risks insured against, which the **Assured** elects to either destroy or return to their factory, or recondition, **Insurers** being entitled to such **salvage** as may be obtained.

The **Assured**, exercising a reasonable discretion, shall in conjunction with the **Insurers'** representative judge as to whether the **subject matter insured** involved in any loss hereunder is suitable for marketing and no **subject matter insured** deemed by the **Assured** to be unfit for marketing shall be sold or otherwise disposed of except by the **Assured** or with their consent, but the **Assured** shall allow **Insurers** any **salvage** obtained on any sale or other disposition of such **subject matter insured**.

Buyers' and/or Sellers' Contingent Interest Clause

This **policy** extends to cover the **Assured's** contingent financial interest in any goods where the **Assured** has no responsibility to insure under the terms of sale or where the cover provided is more restrictive than that afforded under this **policy**.

Where interest in the goods reverts to the **Assured** for any reason during transit, such goods shall be covered continuously during any reasonable period whilst awaiting resale or return including any additional transit resultant upon such resale or return.

The cover provided is however limited to loss and damage which would otherwise be recoverable under the terms and conditions of this **policy** but only up to the extent that the **Assured** is unable to recover such loss and damage under the insurance effected by the buyer or seller as may be applicable.

Provided that:

- The **Assured** does not knowingly purchase goods where the insurance arranged by the seller is more restrictive than Institute Cargo Clauses (A) 1/1/82 (CI.252) or local equivalent.
- The existence of this extension is not to be disclosed to any other parties interested in the shipment(s).
- Immediate notice must be given to **Insurers** of any known loss of or damage to the goods covered under this extension or any known circumstances which may render this extension operative.
- The **Assured** must in the first instance take all reasonable steps to invoke the terms of the contract of sale and obtain reimbursement from the buyers or sellers and any other interested parties.
- In the event of any claim settlement under this extension, all the **Assured's** rights of recovery against buyers or sellers and any other interested parties will be subrogated to the **Insurers**.

This extension is not to be deemed a double insurance.

The following clauses, (specifically comprising Cargo ISM Forwarding Charges Clause; Cargo ISM Endorsement; Cargo ISPS Forwarding Charges Clause; and Cargo ISPS Endorsement) are standard form clauses produced by the Lloyd's Joint Cargo Committee. They extend the cover provided by Institute Cargo Clauses (A).

These clauses are designed to cover forwarding charges incurred in circumstances where a vessel has been arrested, detained, or diverted because it was not properly certified, or its owners or operators did not have proper documentation.

Cargo ISM Forwarding Charges Clause (for use only with JC98-019)

This insurance is extended to reimburse the **Assured**, up to the limit of the sum insured for the **voyage**, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the **subject-matter insured** hereunder following release of cargo from a vessel arrested or detained at or diverted to any port or place (other than the intended port of destination) where the **voyage** is terminated due either:

1. to such vessel not being certified in accordance with the **ISM Code**; or
2. to a current Document of Compliance not being held by her owners or operators

as required under the **SOLAS Convention** 1974 as amended. This clause, which does not apply to **general average** or **salvage** or **salvage charges**, is subject to all other terms conditions and exclusions contained in the **policy** and to JCC Cargo ISM Endorsement JC 98/019.

Cargo ISM Endorsement (JC98 - 019)

Applicable to shipments on board Ro-Ro passenger ferries. Applicable with effect from 1st July 1998 to shipments on board:

1. passenger vessels transporting more than 12 (twelve) passengers and
2. oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 (five hundred) gt or more.

Applicable with effect from 1st July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 (five hundred) gt or more.

In no case shall this insurance cover loss, damage or expense where the **subject matter insured** is carried by a vessel that is not **ISM Code** certified the time of loading of the **subject matter insured** on board the vessel, the **Assured** were aware, or in the ordinary course of business should have been aware: -

- a. Either that such vessel was not certified in accordance with the **ISM Code**.
- b. Or that a current Document of Compliance was not held by her owners or operators.

as required under the **SOLAS Convention** 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the **subject matter insured** in good faith under a binding contract.

Cargo ISPS Forwarding Charges Clause (JC 2004/050b - for use only with JCC Cargo ISPS Endorsement (JC 2004/050))

In consideration of an additional **premium** to be agreed, this insurance is extended to reimburse the **Assured**, up to the limit of the sum insured for the **voyage**, for any extra charges properly and reasonably incurred in unloading, storing and forwarding the subject-matter to the destination to which it is insured hereunder following release of cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the **voyage** is terminated due to such vessel not being certified in accordance with the **ISPS Code** required under the **SOLAS Convention** 1974 as amended.

This clause, which does not apply to **general average** or **salvage** or **salvage charges**, is subject to all other terms conditions and exclusions contained in the **policy** and to JCC Cargo ISPS **Endorsement** (JC 2004/050).

Cargo ISPS Endorsement (JC 2004/050)

In no case shall this insurance cover loss, damage or expense where the **subject matter insured** is carried by a vessel that does not hold a valid International Ship Security Certificate as required under the International Ship and Port Facility Security (ISPS) Code when, at the time of loading of the **subject matter insured** on board the vessel, the **Assured** were aware, or in the ordinary course of business should have been aware that such vessel was not certified in accordance with the **ISPS Code** as required under the **SOLAS Convention** 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the **subject matter insured** in good faith under a binding contract.

Concealed Damage Clause

This **policy** covers loss of or damage to the **subject matter insured** discovered on opening containers, cases or packages within 90 (ninety) days of termination of the insured transit. **Insurers** shall, unless there is conclusive proof to the contrary, deem that said loss or damage occurred during transit, provided always that any containers, cases or packages showing visible signs of damage at the time of delivery must be opened and their contents checked for quantity and condition immediately.

Container Demurrage Clause

Demurrage charges and/or late penalties assessed against, and paid by, the **Assured** for late return of containers, when said containers are retained by the **Assured** at the instruction of **Insurers** for inspection by **Insurers'** representative in investigation of loss or damage, are recoverable under this **policy**.

The time period for which **Insurers** shall be liable for said charges and/or penalties shall begin at the time **Insurers** instruct the **Assured** to retain the container for inspection and end at the time **Insurers'** representative instructs the **Assured** to return the container, or any claim is agreed by **Insurers** whichever the first shall occur.

Customs Damage Clause

Notwithstanding Clause 6.2 of Institute Cargo Clauses (A) contained in this **policy**, this insurance shall include physical damage to the **subject matter insured** directly caused by the legal actions of Customs inspectors or other authorised Government agencies during the course of their inspections; provided that said physical damage would otherwise be covered by this insurance in the absence of Clause 6.2 of Institute Cargo Clauses (A).

Cutting Clause

In the event of damage or breakage caused by an insured peril it is agreed that the damaged, broken length or portion shall be cut off, the remaining length or portion be considered as sound and **Insurers** shall be liable only for the insured value of the length or portion which has been lost by being broken off or cut off. In addition, **Insurers** shall be liable for the cost of cutting.

Debris Removal Clause (Transit)

This insurance is extended to include reimbursement of extra expenses, in addition to any other amount recoverable hereunder, reasonably incurred by the **Assured** for the removal and disposal of debris of the **subject matter insured**, or part thereof, damaged or destroyed by the operation of an insured peril, but excluding absolutely:

- any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or any threat thereof or liability thereof; and/or
- the cost of removal of the **subject matter insured** from any vessel or craft.
- Subject to a maximum limit of 10% (ten percent) of the value of the **subject matter insured** lost or damaged.

Deliberate Damage Pollution Hazard Clause

This insurance is also extended to cover, but only while the **subject matter insured** is on board a waterborne **conveyance**, loss of or damage to said property directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat thereof, provided that the accident or occurrence creating the situation which required such governmental action would have resulted in a recoverable claim under the **policy** (subject to all of its terms, conditions and warranties) if the **subject matter insured** would have sustained physical loss or damage as a direct result of such accident or occurrence. This clause shall not increase the **limits** of liability provided for elsewhere herein.

Duty Payable Clause

In the event of a claim resulting from the operation of an insured peril recoverable under this **policy**, **Insurers** will pay the amount of import duty and/or taxes paid or payable by the **Assured** in respect of the **subject matter insured**, provided that:

- a. The **Assured** includes in their declaration to **Insurers** the amount of import duty and/or taxes paid or payable on all imports insured hereunder, for which an additional **premium** will be charged at the agreed rate.
- b. The **Assured** assists **Insurers** to recover any amounts paid by using reasonable efforts to obtain abatement or refunds of import duty and/or taxes paid in respect of such claims.

Nothing within this clause shall increase the **limit of liability** expressed in the **schedule**. This clause does not cover claims arising from:

- a. Total loss of the **subject matter insured**, or total loss of a part thereof prior to arrival at destination or prior to duty and taxes becoming payable.
- b. **General average** and **salvage charges**.
- c. Duty waived by Customs Authorities at destination.

Exhibition and Demonstration Risks Extension Clause

Where stated in the **schedule** this **policy** is extended to include property of the **Assured**, as described in the **schedule**, including stands, fixtures and fittings belonging to the **Assured**, whilst in transit to, from and whilst at the exhibition and/or demonstration site, during unpacking, assembly, awaiting and on exhibition, dismantling and repacking, for a period up to 30 (thirty) days.

Where the **Assured's** attendance at an intended exhibition or demonstration is cancelled following loss and/or damage, recoverable under the **policy**, to the **subject matter insured** destined for such exhibition or demonstration, **Insurers** agree to pay for exhibition or demonstration fees incurred, subject to a maximum of EUR 5,000.00 (Five thousand Euros) per any one exhibition or demonstration.

Notwithstanding anything contained herein to the contrary this insurance excludes loss or damage due to:

- a. Moth, vermin, wear, tear and gradual deterioration to the **subject matter insured**, including stands, fixtures and fittings belonging to the **Assured**.
- b. Loss or damage to the **subject matter insured** including stands, fixtures and fittings belonging to the **Assured** caused by latent defect, faulty assembly or construction.
- c. Loss or damage to the **subject matter insured** including stands, fixtures and fittings belonging to the **Assured** resulting directly from mechanical, electrical or manual operation of the **subject matter insured** including stands, fixtures and fittings belonging to the **Assured** for demonstration, testing or other purposes.

- d. Theft and/or pilferage from exhibition/demonstration site unless following forcible and/or violent means of entry to and/or exit from the exhibition/demonstration site.
- e. Employees personal effects.
- f. Third party liability absolutely.
- g. Property on loan from Third Parties unless agreed with **insurers**, prior to known loss and/or damage.

It is warranted that the **subject matter insured** including stands, fixtures and fittings belonging to the **Assured** and any items on loan that **Insurers** have agreed to cover under this **policy**, is packed to no less than the same standard as for the outward journey and that a responsible official of the **Assured** shall supervise repacking and check the quantity of all items covered by this **policy** during repacking.

Fumigation Damage Clause

This insurance covers the risks of loss of or damage to the **subject matter insured** proximately caused by the process of fumigation, including the risk of fire resulting from the application of heat during fumigation. Coverage under this clause excludes any expense for fumigation or quarantine of associated freight, where infestation was not a peril recoverable on existing cover conditions.

Fumigation Expenses Clause

Subject to existing cover conditions, **Insurers** will cover the reasonable costs, charges and/or expenses necessarily incurred should the **subject matter insured**, on arrival at the port of destination be ordered by the appropriate authorities to be fumigated and/or quarantined because of infestation or suspected infestation, including:

Cost of actual fumigation or quarantine and related charges; and additional freight costs incurred to/from quarantine/fumigation.

Cover under this clause excludes customary or mandatory fumigation or quarantine costs/expenses (per Government Quarantine Regulations or similar statutory requirements).

General Average and Salvage Charges Clause

For the purpose of claims for **general average** contributions and **salvage charges** recoverable hereunder, the **subject matter insured** shall be deemed to be insured for its full contributory value. **General average** deposits shall be payable on production of **general average** deposit receipts.

Non-Delivery Clause

In the event of a claim for non-delivery, where the **subject matter insured** remains unlocated for a period of 60 (sixty) days from the date the **subject matter insured** should have arrived at its' final destination, then provided that the **Assured** has taken all reasonable and practical steps to locate the **subject matter insured**, **Insurers** will advance to the **Assured** the amount of the loss, less any **policy** deductible.

Any payment by **Insurers** shall not be an acceptance of abandonment. Should the **subject matter insured** be subsequently located or found, the **Assured** shall repay **Insurers** the amount of loss advanced.

On Deck Shipment Clause

For the purpose of this **policy**, "On Deck" shipments in ISO containers, shall be considered as "Under Deck" shipments, but, unless otherwise agreed all other "On Deck" cargo shipments, shall be subject to Institute Cargo Clauses (C).

Packers Premises Extension Clause (30 days)

The **policy** is extended to cover the **subject matter insured** whilst in transit to, from and whilst at packer's premises, up to a maximum period of 30 (thirty) days.

The above agreement is not to interfere with any rights of subrogation against packers and/or their insurers.

Pairs and Sets Clause

Where any insured item consists of articles in a pair or set, this **policy** is not to pay more than the value of any particular part or parts which may be lost, without reference to any special value which such article or articles may have as part of such pair or set, nor more than a proportionate part of such pair or set.

Replacement Clause

In the event of loss of or damage to any part or parts of an insured machine or article caused by a peril covered by the **policy**, the sum recoverable shall not exceed the cost of replacement or repair of such part or parts, plus charges for forwarding and refitting, if incurred, but excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable.

But, in respect of used and/or second-hand goods, where agreed by **Insurers**, the sum recoverable shall not exceed such proportion of the cost of replacement or repair as the insured value bears to the value of the goods when new plus charges for forwarding and refitting, if incurred.

Provided always, that in no case shall the liability of **Insurers** exceed the insured value of the complete machine or article.

Returned Shipments Clause

This insurance is extended to continuously cover **subject matter insured** which is immediately returned by the consignee, including temporary storage for a period of up to 30 (thirty) days, excluding **subject matter insured** returned for refurbishment, reconditioning or repair, unless necessitated by the operation of an insured peril during the original transit.

Where returned **subject matter insured** were not insured under this insurance for the original **voyage** or where cover under this insurance has not been continuous, then cover will be subject to Institute Cargo Clauses (B) including heavy weather damage, loss overboard, malicious damage and theft or non-delivery of entire load, and Institute War and Strikes Clauses.

These risks are held covered at rates to be agreed, subject to the particular circumstances of each case, and subject to **Insurers'** agreement regarding the overall extension period required.

The **Assured** is to report the facts of such situations to **Insurers** as soon as is practicable.

Sanction Limitation and Exclusion Clause (JC2010/014)

No **Insurer** shall be deemed to provide cover and no **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 **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.

Seals Intact Clause

In case of claims in respect of theft or non-delivery for an entire load of the **subject matter insured** shipped in an ISO container or trailer or vehicle, **Insurers** hereby agree to consider the **Assured's** claim, even though the seals appeared intact.

In the absence of proof to the contrary, production of documentary evidence that the **subject matter insured** was loaded into the container or trailer or vehicle, along with an out turn report and a claused delivery note, may be deemed by **Insurers** to be sufficient evidence of loss.

Second-hand/Pre-used Equipment Clause

In the event of loss of or damage to any part or parts of the **subject matter insured** caused by the operation of an insured peril, the sum recoverable shall not exceed that proportion of the cost of replacement or repair of such part or parts as the sum insured bears to the cost of the **subject matter insured** when new.

This **policy** will, in addition, pay reasonably incurred forwarding and refitting charges. This section also excludes loss or damage arising from rust, oxidation, discolouration, corrosion, scratching, denting, bruising, pre-existing damage and defects of any second-hand or pre-used equipment.

In no case shall **Insurers'** liability exceed the sum insured of the **subject matter insured**.

Sorting and Testing Charges Clause

Expense incurred by the **Assured** for sorting, separation and inspection following loss of, or damage to, the **subject matter insured** as a result of the operation of an insured peril, is recoverable under this **policy**. This **policy** excludes expenses incurred as a result of testing; calibration or recalibration except as may be specifically agreed by **Insurers** at the time of loss or damage.

Storage Risks Extension Clause

Where stated in the schedule this **policy** is extended to include the **subject matter insured** whilst in store, within premises of **substantial construction** named in the **schedule**, outside the ordinary course of transit, subject to the **policy** terms and conditions plus the following additional clauses:

Automatic Fire Alarm (Own Premises)

Where declared to **Insurers** that the premises are protected by an Automatic Fire Alarm, it is a condition precedent to **Insurers'** liability that the **Assured** undertake to:

- a) Test at least once a week for the purposes of ascertaining the condition of
 - i. The batteries; and
 - ii. The fire brigade connection

Note 1: As regards ii. Above, where the Fire Brigade have given a written undertaking to carry out tests the

Assured's responsibility will be confined to requirement i.

- b) Obtain promptly a quarterly report from the installing engineers and to remedy any defect revealed and to file such report ready for examination by **Insurers'** representative when required.
- c) Send promptly a notification to the installing engineers of any serious disablement, disconnection or temporary disuse from any cause of installation, (except during the actual testing), and to file a copy of the same with a memorandum of the time the alarm was inoperative for the examination of **Insurers'** representative.
- d) Notify **Insurers** immediately of the removal of any automatic fire alarm installation.

Changing Locks

This **policy** is extended to include the cost of changing locks at the **Assured's** own premises, where the **subject matter insured** is sited, following loss of keys by:

1. a) Theft or any attempt thereat from the **Assured's** own premises or from the homes of the **Assured** or their authorised employees.
2. b) Robbery whilst such keys are in the personal custody of the **Assured** or authorised employees

Subject to a maximum **limit** of EUR 500.00 any one loss.

Debris Removal Clause (Storage)

This insurance is extended to include reimbursement of extra expenses, in addition to any other amount recoverable hereunder, reasonably incurred by the **Assured** for the removal and disposal of debris of the **subject matter insured**, or part thereof, damaged or destroyed by the operation of an insured peril, but excluding absolutely any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or any threat thereof or liability thereof

Subject to a maximum **limit** of 10% of the value of the **goods** lost or damaged.

Intruder Alarm Clause (Own Premises)

Where declared to **Insurers** that the premises are protected by an Intruder Alarm, it is a condition precedent to **Insurer's** liability that:

1. Whenever the premises are closed for business or left **unattended** and at all other appropriate times, they shall be protected by an intruder alarm, which shall be set in its' entirety.
2. The **Assured** shall keep in force during the **period of insurance** a contract with a company that is approved by the National Security Inspectorate (NSI) to maintain the intruder alarm in proper working order.
3. If the police give warning of withdrawal of their services the **Assured** shall immediately notify **Insurers**, as soon as is practicable.
4. If any defect in the Intruder Alarm is discovered or the Police have withdrawn their response the **Assured** shall:
 - I. Immediately notify **Insurers**
 - II. Not leave the premises **unattended** without prior consent of **Insurers**
 - III. Put into effect such additional temporary precautions and safeguards as **Insurers** may require
 - IV. Notify the maintenance company immediately and give immediate instructions for the necessary repairs to be carried out

Fire Extinguishing Appliances, Warning and Fire Suppression Systems Maintenance Clause

It is a condition precedent to **Insurer's** liability that all fire extinguishing appliances, warning and fire suppression systems at the premises shall be maintained during the **period of insurance**, within manufacturers maintenance guidelines and/or statutory Fire regulations.

Fireproof Doors

It is a condition precedent to **Insurer's** liability that all fireproof doors and shutters be kept closed, except during working hours and will be kept in efficient working order during the **period of insurance**.

Stillage Condition Precedent to Liability

It is a condition precedent to liability that the Subject Matter Insured is stored at least 4 inches above floor level and written instructions shall be given, by the Assured, to all Third-Party Service Provider(s) of storage facilities.

Storage at Third Party Premises

Where declared to **Insurers** that the **Assured** use third party service provider(s) for storage facilities of the **subject matter insured**, it is a condition precedent to **Insurer's** liability that the **Assured**:

- a) Notify **Insurers**, as soon as is practicable, of any change to the third-party service provider(s)
- b) Notify **Insurers**, as soon as is practicable, of any material change in risk
- c) Do not provide any waiver of subrogation to the Third-Party Service Provider

Exclusions

This **policy** does not cover:

- a) Property which at the time of happening of loss/damage is insured by or would but for the existence of this **policy** be insured by any property **policy** or **policies**, except in respect of any **excess** beyond the amount which would have been payable under the property **policy** or **policies** had this insurance not been effected.
- b) Any property more specifically insured by or on behalf of the **Assured**.
- c) Consequential Loss or damage of any kind or description.
- d) Loss or damage due to theft or attempt thereat unless following forcible and/or violent entry and/or exit.
- e) Losses as a result of mysterious disappearance or losses discovered following stock taking.

Termination of Transit Clause (Terrorism) (JC 2009/056) - Amended

*This is a standard form clause issued by the Lloyd's Joint Cargo Committee to clarify the extent of terrorism cover that **your** policy provides.*

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. Notwithstanding any provision to the contrary contained in this **policy** or the Clauses referred to therein, it is agreed that in so far as this **policy** covers loss of or damage to the **subject matter insured** caused by

- a. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or
- b. any person acting from a political, ideological or religious motive, such cover is conditional upon the **subject matter insured** being in the ordinary course of transit and, in any event, **SHALL TERMINATE**:

either

1.1 as per the transit clauses contained within the **policy**,

or

1.2 on completion of unloading from the carrying vehicle or other **conveyance** in or at the final warehouse or place of storage at the destination named in the **policy**,

1.3 on completion of unloading from the carrying vehicle or other **conveyance** in or at any other warehouse or place of storage, whether prior to or at the destination named in the **policy**, which the **Assured** or **your** employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

1.4 when the **Assured** or **your** employees elect to use any carrying vehicle or other **conveyance** or any container for storage other than in the ordinary course of transit,

or

1.5 in respect of marine transits, on the expiry of 60 days after completion of discharge overside of the subject- matter insured from the overseas vessel at the final port of discharge,

1.6 in respect of air transits, on the expiry of 30 days after unloading the **subject matter insured** from the aircraft at the final place of discharge,

whichever shall first occur.

2. This **policy** extends to include cover up to a maximum first loss limit of EUR 100,000.00 (One hundred thousand Euros) or equivalent in other currencies any one loss or series of losses at any one location as detailed herein only arising out of one event in respect of any loss of or damage to the **subject matter insured** caused by:
 - a. any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or
 - b. any person acting from a political, ideological or religious motive any terrorist or any person acting from political motive which

would have been excluded from cover under this **policy** due to Clause 1 above.

- c. If this **policy** or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with Clause 1.
- d. This clause is subject to English law and practice.

Exclusions

The following exclusions and cover limitations apply to all sections of this **policy**. Some of these exclusions also appear elsewhere in the **policy** but are grouped together here for ease of reference.

- Cargo ISM Endorsement (JC 98/019)
- Cargo ISPS Endorsement (JC 2004/050)
- Communicable Disease Exclusion (Cargo)
- Computer Millennium Clause (Cargo) – With Named Peril Extension (JC98/024)
- Consequential Loss/Delay Exclusion Clause
- Contracts Rights of Third Parties Act 1999 Exclusion Clause (Cargo) (JC2000/02)
- Electrical, Electronic, Electro-magnetic and/or Mechanical Derangement Exclusion Clause
- Excluded Countries Clause
- Excluded Goods Clause
- Five Powers War Exclusion Clause
- Marine Cargo Cyber Exclusion and Affirmation Endorsement
- Process Clause
- Rust, Oxidation, Discolouration and/or Corrosion Exclusion Clause
- Scratching, Denting, Chipping, Bruising or Gouging, Cost of Repainting/Repolishing Exclusion Clause
- Sonic Boom Exclusion Clause

Cargo ISM Endorsement (JC98 - 019)

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 1st July 1998 to shipments on board:

1. passenger vessels transporting more than 12 (twelve) passengers and
2. oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 (five hundred) gt or more.

Applicable with effect from 1st July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 (five hundred) gt or more.

In no case shall this insurance cover loss, damage or expense where the **subject matter insured** is carried by a vessel that is not **ISM Code** certified or whose owners or operators do not hold an **ISM Code** Document of Compliance when, at the time of loading of the **subject matter insured** on board the vessel, the **Assured** were aware, or in the ordinary course of business should have been aware:

- a. Either that such vessel was not certified in accordance with the **ISM Code**.
- b. Or that a current Document of Compliance was not held by her owners or operators. as required under the **SOLAS Convention** 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the **subject matter insured** in good faith under a binding contract.

Cargo ISPS Endorsement (JC 2004/050)

In no case shall this insurance cover loss, damage or expense where the **subject matter insured** is carried by a vessel that does not hold a valid International Ship Security Certificate as required under the International Ship and Port Facility Security (ISPS) Code when, at the time of loading of the **subject matter insured** on board the vessel, the **Assured** were aware, or in the ordinary course of business should have been aware that such vessel was not certified in accordance with the **ISPS Code** as required under the **SOLAS Convention** 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the **subject matter insured** in good faith under a binding contract.

Communicable Disease Exclusion (Cargo)

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not cover any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3 the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

Computer Millennium Clause (Cargo) - With Named Peril Extension (JC 98/024)

In no case shall this insurance cover any loss, damage, expense or liability of whatever nature which might otherwise be recoverable under this insurance arising out of or in any way connected with, whether directly or indirectly, the use or operation of any computer, computer system, computer software, programme or process or any electronic system where any such loss, damage, expense or liability arises, whether directly or indirectly, as a consequence of

- (i) the date change to the year 2000 or any other date change
and/or
- (ii) any change or modification of or to any such computer, computer system, computer software, programme or process or any electronic system in relation to any such date change.

This exclusion does not apply to:

1. Claims for loss of or damage to the **subject matter insured** reasonably attributable to
 1. Fire or explosion
 2. Vessel or craft being stranded grounded sunk or capsized
 3. Overturning or derailment of land **conveyance**
 4. Collision or contact of vessel craft aircraft or **conveyance** with any external object other than water
 5. Total loss of aircraft in flight
 6. Discharge of cargo at a port of distress
 7. Total loss of any package lost overboard or dropped whilst loading onto or unloading from, vessel craft or aircraft.
 8. **General average** sacrifice
 9. Jettison or washing overboard
 10. Entry of sea, lake or river water into vessel, craft, holds, **conveyance**, liftvan or place of storage.
2. **General average** and **salvage charges**, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded elsewhere in this insurance.

Subject always to the terms, conditions, **limits**, and exclusions contained elsewhere in this **policy**.

Consequential Loss/Delay Exclusion Clause

This **policy** does not cover loss of market and/or loss or damage arising from delay or consequential loss of any description.

Contracts Rights of Third Parties Act 1999 Exclusion Clause (Cargo) JC2000/02

The Provision of the Contracts (Rights of Third Parties) Act 1999 do not apply to this insurance or to any certificate(s) of insurance issued hereunder. Neither this insurance nor any certificate issued hereunder confers any benefits to third parties. No third party may enforce any term of this insurance or of any certificate issued hereunder. This clause shall not affect the rights of the **Assured** (as assignee or otherwise) or rights of any loss payee.

Electrical, Electronic, Electro-magnetic and/or Mechanical Derangement Clause

This **policy** does not cover loss or damage due to electrical, electronic, electro-magnetic and/or mechanical derangement unless caused by a peril insured against under the terms of this **policy** and there is evidence of an external damage.

Excluded Countries Clause

Aside from any other country where local legislation requires insurance to be effected locally, this **policy** does not cover shipments to and/or from and/or via the following countries:

Afghanistan, Angola, Armenia, Azerbaijan, Burundi, Colombia, Cuba, DR Congo (formerly Zaire), Eritrea, Ethiopia, Georgia, Guinea-Bissau, Haiti, Iran, Iraq, Lebanon, Liberia, Malawi, Nigeria, North Korea, Rwanda, Sierra Leone, Somalia, South Sudan, Sudan, Syrian Arab Republic, Uganda, Yemen, Zambia.

N.B. Where any country has legislation in place which requires "imports from" or "exports to" the country to be covered under a locally arranged insurance **policy** the agreement of **insurers** must be specifically sought.

Excluded Goods Clause

This **policy** does not cover **excluded goods**, unless agreed prior to shipment. The following are **excluded goods**:

Precious metals, diamonds and other stones; bullion, money, credit cards, debit cards, ATM cards, cash -replacement cards, store and gift vouchers and cards, travellers cheques, securities, bonds, deeds, bank notes, treasury notes, stamps and similar cash substitutes; weapons and explosives of all kinds; live animals and plants; laptop computers, personal computers, computer chips, memory modules, expansion cards, software licences, and the like; Plasma screens; Mobile telephones, pre-paid mobile phone vouchers, SIM cards, accessories and the like; **your** own computer equipment; **your** own machinery and/or tools and/or vehicles.

Five Powers War Exclusion Clause

Where any war risks coverage is provided by underwriters, this insurance excludes loss, damage, liability or expense arising from the outbreak of war, (whether there be a declaration of war or not), between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China.

Marine Cargo Cyber Exclusion and Affirmation Endorsement

1. Notwithstanding anything within this **policy** to the contrary and subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.
2. Subject to the conditions, limitations and exclusions of the **policy**, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
3. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

Process Clause

This **policy** does not cover loss and/or damage to the **subject matter insured** caused by processing, errors in processing and/or as a direct result of being worked upon unless due to an external cause otherwise covered by this **policy**.

Rust, Oxidation, Discolouration and/or Corrosion Exclusion Clause

This **policy** does not cover loss, destruction or damage directly caused to the **subject matter insured** arising from rust, oxidation, discolouration and/or corrosion unless the **subject matter insured** is packed as is customary to the industry/trade for which the goods are designed for use and in addition that the loss/damage sustained is detrimental to end use.

Scratching, Denting, Chipping, Bruising or Gouging, Cost of Repainting/Repolishing Exclusion Clause

This **policy** does not cover loss, destruction or damage directly caused to the **subject matter insured** arising from scratching, denting, chipping, bruising or gouging and/or the cost of repainting or repolishing the **subject matter insured**.

Sonic Boom Exclusion Clause

This **policy** does not cover loss, destruction or damage directly caused to the **subject matter insured** by pressure waves created by aircraft or other aerial devices travelling at sonic or supersonic speeds.

General Conditions

The following general conditions apply to this **policy**.

- Acquired Companies Clause
- Authorisation
- Cancellation Rights
- Co-Assured and/or Third-Party Interests Clause
- Duration of Contract
- Law and Jurisdiction
- Marine Insurance Act Clause
- Non-Contribution Clause
- Policy Availability
- Premium Adjustment and Declarations Clause
- Travelers Insurance Designated Activity Company
- War and Strikes Rates Variation
- War and Strikes Risks Rating
- War and/or Strikes Premium Clause

Acquired Companies Clause

The **Assured** named in the **schedule** includes any company, subsidiary company or firm, formed, purchased or otherwise acquired by the **Assured** during the **period of insurance**, provided that the **Assured**:

- Advise **Insurers** of their interest in the company, subsidiary company or firm within 30 (thirty) days from the date of signing the purchase contract or date of formation.
- Hold a controlling interest in the company, subsidiary company or firm or have agreed to accept responsibility for insurance.
- Declare to **Insurers** the turnover or value of sendings, type of goods to be insured, past loss history, and then agree to any additional conditions and pay any additional **premium** required by **Insurers**.

Authorisation

The **Assured** agree that **Insurers** may give to and obtain from any other insurers, insurance reference bureaus and Credit Reporting Agencies:

- Insurance claims information; and
- Information relating to the **Assured's** Credit or insurance history.

Cancellation Rights

You may cancel **your** insurance at any time by giving 30 (thirty) days' notice in writing to **us**.

We may cancel **your** insurance **policy** by sending **you** 30 (thirty) days' notice by registered post to **your** correspondence address shown in the **schedule**.

If either **you** or **we** want to cancel this **policy**, the following notice periods apply:

| | |
|--|------------------------|
| MARINE &/OR TRANSIT &/OR STORAGE &/OR SIMILAR RISKS | 30 (thirty) days |
| WAR RISKS | 7 (seven) days |
| STRIKES RISKS | 7 (seven) days |
| But STRIKES RISKS in respect of shipments &/or sendings to or from USA | 48 (forty eight) hours |

Notice shall commence from midnight of the day it was issued. Cancellation shall not apply to any risks that have attached in accordance with the cover granted under this **policy** before cancellation becomes effective.

Co-Assured and/or Third-Party Interests Clause

The interests of any **Co-Assured** and/or Third Party (e.g. financier or lessor) are only protected under this **policy** where the **Assured** have informed **Insurers** and such Co-Assured and/or Third Party are noted in the **schedule**.

Duration of Contract

Insurance contracts normally run for a period of 12 (twelve) months unless **we** have agreed a different **period of insurance**. This will be confirmed in the **schedule**. Please speak to **us** if **you** require a different **period of insurance**. **We** strongly urge **you** to review **your** contract each year to ensure **you** have adequate cover in place.

Law and Jurisdiction

Unless some other law is agreed in writing, this **policy** is subject to English Law, and to the exclusive jurisdiction of the English courts.

Marine Insurance Act Clause

All the terms, conditions, warranties and other matters contained within the **Marine Insurance Act 1906** apply to this **policy**. A copy of this Act can be provided upon request.

Non-Contribution Clause

This insurance does not cover any loss or damage which at the time of happening of such loss or damage is insured by or would but for the existence of this **policy**, be insured by any other existing insurance policies, except in respect of any excess beyond the amount which would have been payable under such other policy or policies had this **policy** not been effected.

Policy Availability

If, at any stage, the **Assured**, would like to receive a further copy of the **policy**, please contact the Insurance Broker concerned at their usual address.

Premium Adjustment and Declarations Clause

The **premium** payable under this **policy** is based upon the estimated amount of shipments or sales provided by the **Assured** for the **period of insurance**. Unless otherwise agreed, the **Assured** must advise **insurers** within 3 (three) months from the expiry of each **period of insurance** of the actual amount of shipments or sales, which should include the actual value of the **subject matter insured** for which **Insurers** were at risk.

For this reason, the **Assured** are required to keep accurate records of such shipments or sales and to provide **Insurers** with an audited copy of these records if required by **Insurers**. If **Insurers** request an audited copy of these records and this is not available, then **Insurers** may appoint an auditor. **Insurers** shall pay for the cost of the audit and in such circumstances where the audit reveals a substantial difference to those originally supplied by the **Assured**; the cost of any audit will be borne by the **Assured**.

Travelers Insurance Designated Activity Company

Travelers Insurance DAC is regulated and authorized by the Central Bank of Ireland.

Registered office: Third Floor, Block 8, Harcourt Centre, Charlotte Way, Dublin 2, Ireland

War and Strikes Rates Variation

If **Insurers** amend the war and strikes rates then **Insurers** will give 7 (seven) days' notice (48 (forty eight) hours for strikes rates on shipments to or from the USA) of the amendment in accordance with the Institute War Cancellation Clause (Cargo).

The amended rate shall apply from the end of the period of notice which begins at midnight of the day that the notice is issued by **Insurers**. It will not apply to insured **voyages** where the cover under this **policy** has attached before the amended rate applies.

Insurers' rights to cancel cover for war and strikes are not prejudiced by the prepayment of war and strikes **premium**.

War and Strikes Risks Rating

The above premium is inclusive of war/strikes, as may be applicable.

War and/or Strikes Premium Clause

Notwithstanding anything to the contrary stated in the rates/**premium** applicable to the **policy** into which this Clause is incorporated, it is agreed that in the event of a transit to or from or within the geographical areas as listed as Elevated, High or Severe in the Global Cargo Watch List (GCWL), war and/or strikes risks in respect of such transits are held covered in accordance with the applicable war and/or strikes clauses contained in the **policy** at rate(s) to be agreed, by **Insurers**, prior to commencement of shipment.

Where storage and/or other static exposures are also covered by the **policy**, this clause shall also apply to strikes risks from the time the relevant geographical area changes in the GCWL.

The applicable GCWL designated category for any particular transit/risk shall be that which is in force at the time transit/risk commences.

For current details of the geographical areas listed as Elevated, High or Severe in the Global Cargo Watch List (GCWL) please contact your broker.

Specific Obligations

The following obligations apply to this **policy**.

- Misrepresentation and Fraud
- Own Vehicles – Vehicle Security Requirements Clause

IF **YOU** DO NOT COMPLY WITH **YOUR** OBLIGATIONS, **WE** MAY BE DISCHARGED FROM LIABILITY UNDER THIS **POLICY**. THIS MEANS THAT **YOU** MAY NOT BE COVERED FOR ANY LOSS.

Misrepresentation and Fraud

Provided that with respect to any misrepresentation or non-disclosure by any **Assured** in circumstances where **we** would be entitled to avoid or rescind the **Policy** then **we** waive **our** right to avoid or rescind this **Policy** in whole or in part provided that

- (i) such non-disclosure or misrepresentation was innocent (and not deliberate nor reckless) and free from any fraudulent conduct or intent to deceive
- (ii) **We** shall be entitled to amend the terms conditions and **premium** for this **Policy** upon review of any information previously misrepresented or not disclosed to **us** and
- (iii) **We** shall be entitled to determine the effective date of any amendments in consequence of the exercising of **our** rights under this Condition

Own Vehicles - Vehicle Security Requirements Clause

*Applicable to all transits by vehicles owned or operated by the **Assured**, **your** Employees or Representatives.* Claims for theft of or from unattended vehicle(s) are excluded unless the following security requirements are complied with:

1. all doors, windows and other openings must be left closed, securely locked and properly fastened.
2. Vehicle(s) left unattended at the end of the normal working day are either garaged in a building which is securely closed and locked or parked in a compound secured by locked gates.
3. steering column lock, immobiliser and alarm, where fitted, must be in efficient working order and duly operated
4. all contents of vehicle(s) must be removed from view whenever possible and/or practicable

THE ASSURED MUST ENSURE THAT THE ABOVE REQUIREMENTS ARE KNOWN TO AND UNDERSTOOD BY ALL DRIVERS IN THEIR EMPLOY.

In the event that one or more of the above requirements are not complied with, the **Insurers** agree to reimburse the **Assured**, subject otherwise to the **policy** terms and conditions, provided that the **Assured** shall bear 20% (twenty percent) of each and every agreed loss.

INSTITUTE CARGO CLAUSES (A)**RISKS COVERED**Risks

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 4, 5, 6 and 7 below.

General Average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to Blame Collision Clause"

3. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
prior to attachment of this insurance or
by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.
7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4 caused by any person acting from a political, ideological or religious motive.

DURATIONTransit Clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,
- continues during the ordinary course of transit
- and terminates either
- 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 8.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,
- whichever shall first occur.
- 8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur, or
 - 9.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage

- 10.10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMSInsurable Interest

- 11.11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading, storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault, negligence, insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14.14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

14.2 **Where this insurance is on Increased Value the following clause shall apply:**

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

15. This insurance

15.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

15.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

18. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

19. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

INSTITUTE CARGO CLAUSES (AIR)
(excluding sendings by Post)**RISKS COVERED**Risks

1. This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 3, 4 and 5 below.

Salvage Charges

2. This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 3, 4 and 5 below.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. In no case shall this insurance cover loss damage or expense caused by
 - 4.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 4.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 4.3 derelict mines torpedoes bombs or other derelict weapons of war.
5. In no case shall this insurance cover loss damage or expense
 - 5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 5.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 5.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 5.4 caused by any person acting from a political, ideological or religious motive.

DURATIONTransit Clause

6. 6.1 Subject to Clause 9 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
- 6.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
 - 6.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 6.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 6.1.4 on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur.
- 6.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 6.1.1 to 6.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 6.3 This insurance shall remain in force (subject to termination as provided for in Clauses 6.1.1 to 6.1.4 above and to the provisions of Clause 7 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

7. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 6 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 7.1 until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur, or
- 7.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 6 above.

Change of Transit

8. 8.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 8.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 6.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMSInsurable Interest

9. 9.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 9.2 Subject to Clause 9.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

10. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 10, which does not apply to salvage charges, shall be subject to the exclusions contained in Clauses 3, 4 and 5 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

11. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

12.12.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

12.2 Where this insurance is on Increased Value the following clause shall apply:

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

13. This insurance

13.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

13.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

14. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

14.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and

14.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

15. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

16. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

17. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 7, or a change of destination is notified under Clause 8, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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INSTITUTE CARGO CLAUSES (B)**RISKS COVERED**Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,
 - 1.1 loss of or damage to the subject-matter insured reasonably attributable to
 - 1.1.1 fire or explosion
 - 1.1.2 vessel or craft being stranded grounded sunk or capsized
 - 1.1.3 overturning or derailment of land conveyance
 - 1.1.4 collision or contact of vessel craft or conveyance with any external object other than water
 - 1.1.5 discharge of cargo at a port of distress
 - 1.1.6 earthquake volcanic eruption or lightning,
 - 1.2 loss of or damage to the subject-matter insured caused by
 - 1.2.1 general average sacrifice
 - 1.2.2 jettison or washing overboard
 - 1.2.3 entry of sea lake or river water into vessel craft hold conveyance container or place of storage,
 - 1.3 total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.

General Average

3. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to Blame Collision Clause"

4. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons
 - 4.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
 5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
prior to attachment of this insurance or
by the Assured or their employees and they are privy to such unfitness at the time of loading.
 - 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.

7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 8.1.4 on the expiry of 60 days after completion of discharge outside of the subject-matter insured from the overseas vessel at the final port of discharge, whichever shall first occur.
- 8.2 If, after discharge outside from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
 - 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur, or
- 9.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage

- 10.10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

- 11.11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14.14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

14.2 **Where this insurance is on Increased Value the following clause shall apply:**

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

15. This insurance

15.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

15.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

18. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

19. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

INSTITUTE CARGO CLAUSES (C)**RISKS COVERED**Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,
 - 1.1 loss of or damage to the subject-matter insured reasonably attributable to
 - 1.1.1 fire or explosion
 - 1.1.2 vessel or craft being stranded grounded sunk or capsized
 - 1.1.3 overturning or derailment of land conveyance
 - 1.1.4 collision or contact of vessel craft or conveyance with any external object other than water
 - 1.1.5 discharge of cargo at a port of distress,
 - 1.2 loss of or damage to the subject-matter insured caused by
 - 1.2.1 general average sacrifice
 - 1.2.2 jettison.

General Average

4. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 below.

"Both to Blame Collision Clause"

5. This insurance indemnifies the Assured, in respect of any risk insured herein, against liability incurred under any Both to Blame Collision Clause in the contract of carriage. In the event of any claim by carriers under the said Clause, the Assured agree to notify the Insurers who shall have the right, at their own cost and expense, to defend the Assured against such claim.

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons
 - 4.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device_employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
prior to attachment of this insurance or
by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.

7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 8.1.4 on the expiry of 60 days after completion of discharge outside of the subject-matter insured from the oversea vessel at the final port of discharge, whichever shall first occur.
- 8.2 If, after discharge outside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
 - 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur, or
- 9.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage

- 10.10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

12. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured.

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

13. No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter insured to the destination to which it is insured would exceed its value on arrival.

Increased Value

14.14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

14.2 **Where this insurance is on Increased Value the following clause shall apply:**

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

15. This insurance

15.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,

15.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

16. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

17. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

18. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

19. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 9, or a change of destination is notified under Clause 10, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

INSTITUTE WAR CLAUSES (CARGO)

RISKS COVEREDRisks

1. This insurance covers, except as excluded by the provisions of Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
 - 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2 capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3 derelict mines torpedoes bombs or other derelict weapons of war.

General Average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these Clauses.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7 any claim based upon loss of or frustration of the voyage or adventure
 - 3.8 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
prior to attachment of this insurance or
by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATIONTransit Clause

5. 5.1 This insurance
 - 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel and
 - 5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge,
or
on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge,
whichever shall first occur;
nevertheless,
subject to prompt notice to the Insurers and to an additional premium, such insurance
 - 5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,
and
 - 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,

or

on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge, whichever shall first occur.

- 5.2 If during the insured voyage the overseas vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by overseas vessel or by aircraft, or the subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2
- 5.2.1 where the on-carriage is by overseas vessel this insurance continues subject to the terms of these Clauses,
or
- 5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by air.
- 5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then *provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium*, this insurance reattaches
- 5.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;
- 5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;
thereafter this insurance terminates in accordance with 5.1.4.
- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the overseas vessel, but in no case beyond the expiry of 60 days after discharge from the overseas vessel unless otherwise specially agreed by the Insurers.
- 5.5 *Subject to prompt notice to Insurers, and to an additional premium if required*, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

(For the purpose of Clause 5

"arrival" shall be deemed to mean that the vessel is anchored, moored or otherwise secured at a berth or place within the Harbour Authority area. If such a berth or place is not available, arrival is deemed to have occurred when the vessel first anchors, moors or otherwise secures either at or off the intended port or place of discharge

"overseas vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

Change of Voyage

6. 6.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 6.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.
7. **Anything contained in this contract which is inconsistent with Clauses 3.7, 3.8 or 5 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

Insurable Interest

8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

9. 9.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

- 9.2 **Where this insurance is on Increased Value the following clause shall apply:**

The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.



In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

10. This insurance

- 10.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 10.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

11. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

- 11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
- 11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

12. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

13. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

14. This insurance is subject to English law and practice.

NOTE:- Where a reattachment of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL385

01/01/2009

INSTITUTE WAR CLAUSES (AIR CARGO)
(excluding sendings by Post)**RISKS COVERED**Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2 capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3 derelict mines torpedoes bombs or other derelict weapons of war.

Salvage Charges

5. This insurance covers salvage charges, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 3 below.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 any claim based upon loss of or frustration of the transit or adventure
 - 3.9 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

DURATIONTransit Clause

4. 4.1 This insurance
 - 4.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured and
 - 4.1.2 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge or
on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge, whichever shall first occur;
nevertheless,
subject to prompt notice to the Insurers and to an additional premium, such insurance
 - 4.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom,
and
 - 4.1.4 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,
or
on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge, whichever shall first occur.
- 4.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2

- 4.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these Clauses,
or
- 4.2.2 where the on-carriage is by overseas vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.
- 4.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, *provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium*, this insurance reattaches
- 4.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;
- 4.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge;
- thereafter this insurance terminates in accordance with 4.1.4.
- 4.4 *Subject to prompt notice to Insurers, and to an additional premium if required*, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

(For the purpose of Clause 4 "overseas vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

Change of Transit

5. 5.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 5.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.
6. **Anything contained in this contract which is inconsistent with Clauses 3.8, 3.9 or 4 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

Insurable Interest

7. 7.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 7.2 Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.
- 8.2 **Where this insurance is on Increased Value the following clause shall apply:**
- The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

9. This insurance
- 9.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 9.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

10. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and

10.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

11. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

12. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

13. This insurance is subject to English law and practice.

NOTE:- Where a reattachment of cover is requested under Clause 4, or a change of destination is notified under Clause 5, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL388

01/01/2009

INSTITUTE WAR CLAUSES (Sendings by Post)**RISKS COVERED**Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2 capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3 derelict mines torpedoes bombs or other derelict weapons of war.

General Average

6. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these Clauses.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 any claim based upon loss of or frustration of the voyage or adventure
 - 3.7 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

DURATIONTransit Clause

4. 4.1 This insurance attaches only as the subject-matter insured and as to any part as that part is first moved in the premises of the senders at the place named in the contract of insurance for the immediate commencement of the transit and continues, but with the exclusion of any period during which the subject-matter insured is in packers' premises, until the subject-matter insured and as to any part as that part is delivered to the address on the postal package(s) when this insurance shall terminate.
5. Anything contained in this contract which is inconsistent with Clauses 3.6, 3.7 or 4 shall, to the extent of such inconsistency, be null and void.

CLAIMSInsurable Interest

6. 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 6.2 Subject to Clause 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

BENEFIT OF INSURANCE

7. This insurance shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSESDuty of Assured

8. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder
 - 8.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 8.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

9. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

10. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.



LAW AND PRACTICE

11. This insurance is subject to English law and practice.

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CL390

01/03/2009

INSTITUTE STRIKES CLAUSES (CARGO)**RISKS COVERED**Risks

1. This insurance covers, except as excluded by the provisions of Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
any person acting from a political, ideological or religious motive.

General Average

2. This insurance covers general average and salvage charges, adjusted or determined according to the contract of carriage and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these Clauses.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure
 - 3.9 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
prior to attachment of this insurance or
by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

5. 5.1 Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,
- continues during the ordinary course of transit
- and terminates either
- 5.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 5.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 5.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 5.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,
- whichever shall first occur.
- 5.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 5.1.1 to 5.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, re-shipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 6.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur, or
 - 6.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 5 above.

Change of Voyage

- 7. 7.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 7.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

- 8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

9. 9.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.
- 9.2 **Where this insurance is on Increased Value the following clause shall apply:**
- The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

10. This insurance
- 10.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 10.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

11. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder
- 11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and
- 11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

12. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

AVOIDANCE OF DELAY

13. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

14. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 6, or a change of destination is notified under Clause 7, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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INSTITUTE STRIKES CLAUSES (AIR CARGO)**RISKS COVERED**Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
any person acting from a political, ideological or religious motive.

Salvage Charges

2. This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 3 below.

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.9 any claim based upon loss of or frustration of the transit or adventure
 - 3.10 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.11 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

DURATIONTransit Clause

4. Subject to Clause 7 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit
and terminates either
 - 4.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
 - 4.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 4.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 4.1.4 on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge,
whichever shall first occur.
- 4.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 4.1.1 to 4.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

- 4.3 This insurance shall remain in force (subject to termination as provided for in Clauses 4.1.1 to 4.1.4 above and to the provisions of Clause 5 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

5. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 4 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either
- 5.1 until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur,
- or
- 5.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 4 above.

Change of Transit

6. 6.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 6.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

7. 7.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 7.2 Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.
- 8.2 **Where this insurance is on Increased Value the following clause shall apply:**
- The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by the Assured, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
- In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

9. This insurance
- 9.1 covers the Assured which includes the person claiming indemnity either as the person by or on whose behalf the contract of insurance was effected or as an assignee,
- 9.2 shall not extend to or otherwise benefit the carrier or other bailee.

MINIMISING LOSSES

Duty of Assured

10. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder
- 10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
- 10.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

11. Measures taken by the Assured or the Insurers with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.



AVOIDANCE OF DELAY

12. It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.

LAW AND PRACTICE

13. This insurance is subject to English law and practice.

NOTE:- Where a continuation of cover is requested under Clause 5, or a change of destination is notified under Clause 6, there is an obligation to give prompt notice to the Insurers and the right to such cover is dependent upon compliance with this obligation.

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CL389

01/01/2009

QUALIFYING VESSELS

1. This insurance and the marine transit rates as agreed in the policy or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:
 - 1.1 a Member or Associate Member of the International Association of Classification Societies (IACS*), or
 - 1.2 a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed. **Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.**

AGE LIMITATION

2. Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the policy or open cover conditions **subject to an additional premium to be agreed.**

Bulk or combination carriers over 10 years of age or other vessels over 15 years of age unless they :

 - 2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
 - 2.2 were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

CRAFT CLAUSE

3. The requirements of this Clause do not apply to any craft used to load or unload the vessel within the port area.

NATIONAL FLAG SOCIETY

4. A National Flag Society is a Classification Society which is domiciled in the same country as the owner of the vessel in question which must also operate under the flag of that country.

PROMPT NOTICE

5. **Where this insurance requires the assured to give prompt notice to the Underwriters, the right to cover is dependent upon compliance with that obligation.**

LAW AND PRACTICE

6. This insurance is subject to English law and practice.

* For a current list of IACS Members and Associate Members please refer to the IACS website at www.iacs.org.uk

CL354

1 January 2001



INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
 - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

CL370

10/11/2003



01/12/2008

INSTITUTE REPLACEMENT CLAUSE

In the event of loss of or damage to any part(s) of an insured machine or other manufactured item consisting of more than one part caused by a peril covered by this insurance, the sum recoverable shall not exceed the cost of replacement or repair of such part(s) plus labour for (re)fitting and carriage costs. Duty incurred in the provision of replacement or repaired part(s) shall also be recoverable provided that the full duty payable on the insured machine or manufactured item is included in the amount insured.

The total liability of Insurers shall in no event exceed the amount insured of the machine or manufactured item.

CL372

01/12/2008



Travelers Insurance Designated Activity Company

Travelers Insurance DAC is regulated and authorized by the Central Bank of Ireland.

Registered office: Third Floor, Block 8, Harcourt Centre, Charlotte Way, Dublin 2, Ireland

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