



Allianz Global Corporate & Specialty

# Cargo

Specialist UK Cargo Insurance Policy.

**Allianz** 

# Welcome

Dear Policyholder,

It gives me great pleasure to present you with your UK Cargo insurance policy with Allianz Global Corporate & Specialty – the cargo and logistics specialist of Allianz.

As an established presence in the UK insurance market, Allianz Global Corporate & Specialty has a strong tradition of providing high quality competitively priced products and solutions to our commercial customers.

By placing great emphasis on customer focus we have been able to tailor our UK Cargo policy to meet the demands of today's cargo insurance customer. Our extensive research and client liaison has led us to modernize our policy wording, providing you with a plain language policy that clearly explains the depth and breadth of cover and the actions required in the unfortunate event of a claim.

As an Allianz policyholder you have the security and peace of mind of dealing with Europe's largest insurer and one of the most renowned financial services providers in the world. We service more than 60 million customers via an international network of respected companies with first-class products.

The Allianz specialist UK cargo insurance policy is designed to protect the policyholder. I hope that this protection can form the basis of a secure relationship built on the confidence that a policyholder enjoys in purchasing our product and the knowledge that, in the event of a claim, Allianz Global Corporate & Specialty will respond effectively to a policyholder's needs.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. Godfrey', with a long horizontal flourish extending to the right.

Ryan Godfrey  
UK Cargo and Operations Manager

# Index

Section 1 .....	3	9. Concealed Damage Clause .....	16
A. Introduction .....	3	10. Duty/Taxes .....	16
B. Our Service .....	3	11. Packing Clause .....	16
C. Law Applicable To The Contract .....	4	12. Returned Goods Clause .....	17
D. Jurisdiction .....	4	13. Extension Of Voyage Clause .....	17
E. Data Protection Act 1998 .....	4	14. Fumigation .....	17
F. Recording Of Telephone Calls .....	4	15. Other Insurance .....	17
G. Claims And Underwriting Exchange .....	4	16. General Average And Salvage Charges .....	17
H. Definitions .....	5	17. On Deck Shipments .....	18
I. Area Definitions .....	6	18. Removal Of Debris Clause .....	18
J. Premium .....	7	19. Destruction By Governmental Authorities .....	18
K. Basis Of Premium .....	7	20. Additional Discharge Expenses .....	18
Section 2 - General Conditions .....	8	21. Foreign Currency .....	18
1. Type Of Goods, Voyages, Transit And Conveyances .....	8	Section 5 - Allianz Global Corporate & Specialty Special Clauses .....	19
2. Attachment .....	8	1. Exhibition Risk .....	19
3. Interest .....	8	2. Second-Hand/Pre-Used Equipment Clause .....	20
4. Limit Of Liability .....	8	3. Storage Conditions .....	20
5. Late Declaration .....	8	4. Own Vehicle Theft Exclusion .....	21
6. Cancellation .....	9	5. Assured's Tools And Samples .....	22
7. Insurance Premium Tax Clause .....	9	6. Sellers Contingent Interest .....	22
8. Other Insurance .....	9	7. Buyer's Interest Clause .....	22
Section 3 - Policy Conditions .....	10	Section 6 - Claims .....	24
1. Conditions .....	10	1. Insured Persons .....	24
2. Geographic Exclusion .....	10	2. Notice .....	24
3. Special Exclusions .....	10	3. Our Rights .....	24
4. Omission .....	11	4. Procedure In The Event Of Loss Or Damage For Which We May Be Liable: .....	25
5. Goods Insured Other Than Moving By Sea Conveyance .....	11	5. Documents To Accompany Claim .....	25
6. ISM Endorsement .....	11	Section 7 - Amount Payable .....	26
7. ISPS Endorsement .....	11	Section 8 - Standard Institute Clause .....	27
8. Date Recognition Clause .....	11	1. Institute Cargo Clauses (A) .....	27
9. Termination Of Transit Clause (Terrorism) .....	12	2. Institute Cargo Clauses (B) .....	30
10. Contracts (Rights Of Third Parties) Act 1999 Exclusion Clause (Cargo) .....	12	3. Institute Cargo Clauses (C) .....	33
11. Cutting Clause .....	12	4. Institute Strikes Clauses (Cargo) .....	36
12. Process Clause .....	12	5. Institute War Clauses (Cargo) .....	38
13. Labels/Packaging Clause .....	12	6. Institute Classification Clause .....	41
14. Pairs And Sets Clause .....	13	7. Institute Cargo Clauses (Air) (excluding sendings by post) .....	42
15. War Risk Cover .....	13	8. Institute Strikes Clauses (Air Cargo) .....	44
16. Institute Clause Revision .....	13	9. Institute War Clauses (Air Cargo) (excluding sendings by post) .....	46
Section 4 - Allianz Global Corporate & Specialty Additional Clauses .....	14	10. Institute War Clauses (sendings by post) .....	48
1. Air Freight Charges .....	14	11. Institute Cyber Attack Exclusion Clause .....	49
2. Attachment Of Transit Clause .....	14	12. Institute Radioactive Contamination, Chemical, Biological, Biochemical & Electromagnetic Weapons Exclusion Clause .....	50
3. Cargo ISM Forwarding Charges Clause .....	14	13. Institute Replacement Clause .....	51
4. Cargo ISPS Forwarding Charges Clause .....	15	14. Institute Frozen Food Clauses (A) (excluding frozen meat) .....	52
5. Insolvency Exclusion Clause (IC 93 (Amended)) .....	15	15. Institute Strikes Clauses (Frozen Food) (excluding frozen meat) .....	55
6. Unseaworthiness And Unfitness Exclusion Clause .....	15		
7. Certificates .....	15		
8. Brands Clause .....	15		

# Section 1

## A Introduction

1. Your Policy and Schedule form a legally binding contract between us, Allianz Global Corporate & Specialty AG and you, the Insured named in the Schedule.
2. Please read these documents carefully. The cover that you have is shown in the Schedule. If the Policy and the Schedule do not provide you with the protection you want either now or at any time in the future please inform your broker.
3. This insurance contract has been based on the answers that you gave us on your presentation and information that you provided presenting the risk to us. You must tell us of any change in this information as soon as possible since failure to do so could invalidate your Policy. You should not wait until the next renewal date. You must tell us of any information or fact that might influence us in deciding the terms and conditions upon which we issue you, the Premium we charge or whether to insure you.
4. You are responsible to your broker for the payment of the Premium.
5. Please read the documents carefully. We are obliged to give you certain information before you make your decision to buy this Policy or alternatively give you a "cooling off" period of 14 days from the time you received this Policy. If the Policy and Schedule do not provide you with the protection you want and you do not want to continue with the insurance you may cancel the Policy within this period and we will return the full premium, provided no claims have been made.
6. Allianz Global Corporate & Specialty is the UK branch operation of Allianz Global Corporate & Specialty AG. Your Policy is written through the UK branch whose registered office for service of proceedings in England is 27 Leadenhall Street, London EC3A 1AA. Allianz Global Corporate & Specialty AG is authorised in Germany by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and regulated by the Financial Services Authority (FSA) for the conduct of business under FRN214374, head office Allianz Global Corporate & Specialty AG, Königinstraße 28, 80802 München, Germany.



Dr. Volker-Joachim Bergeest  
Head of Marine, Allianz Global Corporate & Specialty AG

## B Our service

It is our aim to provide the highest possible standard of service. If for any reason you are not satisfied with the service you have been given we would ask that you state your complaint in writing, in the first instance, to the intermediary who arranged your insurance. Alternatively, you may contact the UK Cargo Manager, Allianz Global Corporate & Specialty, 27 Leadenhall Street, London EC3A 1AA. Please quote policy details in any correspondence.

We will acknowledge receipt of your complaint within five working days and do our best to resolve your complaint within four weeks. If we cannot we will let you know when an answer will be given.

If relevant under the terms of the Financial Services Ombudsman Scheme we must:

1. reply to you within four weeks; and
2. resolve your complaint within eight weeks.

Failing satisfaction, if you are a private person or your business has a turnover of less than £1 million or a charity with an annual income of less than £1 million or a trustee of a trust with a net asset value of less than £1 million and are a resident of England, Scotland, Wales or Northern Ireland, you may then approach the Financial Service Ombudsman, South Quay Plaza, 183 Marsh Walk, London E14 9SR, telephone 0845 080 1800, [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) who will advise whether he is able to deal with your complaint. This is in addition to any other action you may subsequently wish to take. An application to the Financial Services Ombudsman must be made within six months of being notified of our final decision about your complaint.

## C Law applicable to the contract

1. The law applicable to this contract is subject to agreement between the parties.
2. Unless a special Endorsement to the contrary has been requested by you and agreed by us, the law applying to this insurance contract will be as follows:
  - 2.1 if you are applying for insurance protection as a private individual, the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you or the first named policy holder normally resides; or
  - 2.2 if you are applying for insurance protection in your capacity as a sole trader or as a company the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you have your principal place of business; or
  - 2.3 if the above does not apply, the law of England and Wales.

## D Jurisdiction

In respect of goods in transit where the transit consists of or is connected with or includes carriage by ship or aircraft or any "large risk" as defined in Council Directive 73/239/EEC, as amended by Council Directives 88/357/EEC and 90/618/EEC. The English Court shall have exclusive jurisdiction over any dispute arising out of this Policy.

## E Data Protection Act 1998

To enable us to provide a fast and efficient service we operate a new centralised database of all information relating to your Policy including information provided to us on your proposal form or in respect of your presentation for insurance, information contained within the Schedule of Insurance, policy periods and renewal dates together with any correspondence that we might exchange. Under the Data Protection Act 1998 we need to obtain your consent to holding this information on our system. If we should need to store any additional information we will of course approach you first to obtain your permission. The information will be used for underwriting

purposes and in the unfortunate event of a claim.

For the purposes of providing you with good customer service we may share your details with other carefully chosen suppliers within the Allianz Group. We would also like to keep you informed (by telephone, post or email) with other products and services available from us or other Allianz group companies. We may share your information with these companies for these purposes. If you prefer not to hear from us, please let us know when you call or write.

If you have any objection to us holding your information either in part or in full or wish to obtain details of any information we are currently holding on you, please let us know immediately at the address shown in the policy.

## F Recording of telephone numbers

For your protection your telephone calls may be recorded and may be monitored.

## G Claims and underwriting exchange

Insurers pass information to a claims underwriting exchange register, run by Insurance Database Services Limited ("IDS Limited"). The aim is to help us to check information provided and also to prevent fraudulent claims. When you tell us about an incident which may or may not give rise to a claim, we may pass information relating it to the register.

You can ask us for more information about this.

You should show this notice to anyone who has an interest in property insured under this Policy.

# H Definitions

Applicable to the whole Policy wherever these words appear starting with a capital letter.

Basis of Valuation	The method of establishing the Agreed Value of the Goods and upon which you should calculate declarations under the Policy.
CIF	Cost insurance and freight and is used for both import and export valuations. For import the cost element is the cost element to you of Goods being imported but for export it is the sale price that you charge your customer.
Condition Precedent	A condition of the Policy with which you must comply for any claim to be recoverable under the Policy. If you fail to comply with a condition precedent you will not be able to recover that claim under the Policy.
Conveyance	The method of transport of the Goods for which we insure you as shown in the Policy.
Deductible	The amount noted on the Schedule to be deducted from any claim settlement.
Endorsement	A written alteration to the terms of the Policy.
Goods	The subject matter insured being those types of Goods described in the Schedule for which we insure you and which are new, unused and of recent manufacture unless otherwise described. It does not include Goods shipped on or above deck unless Goods are in fully enclosed metal containers.
Gross Proceeds	The actual price obtained at a sale where all charges on sale are paid by the seller.
Gross Value	The wholesale price or, if there is no such price, the estimated value with, in either case, freight, landing charges and duty paid beforehand. In the case of Goods customarily sold in bond, the bonded price is deemed to be the Gross Value.
Insured Peril	Those risks which are a direct cause of loss of or damage to the Goods for which we insure you subject to the Warranties and other terms of the Policy.
Insurer	Allianz Global Corporate & Specialty AG.
Limit of Liability	The maximum amount we pay to you for any one accident or loss arising out of the same event and is the maximum amount of Agreed Value of Goods that you can have on any one Conveyance or at any one Location at any one time or the maximum amount of Agreed Value of Goods as shown in the Schedule.
Location	Any one place, building or area in which Goods are consolidated (but does not include a Conveyance) during the course of the Voyage/Transit.
Measure of Indemnity	The sum which you can recover in respect of loss occurring covered by the Policy and is subject to the Limit of Liability.
Named Assured	The commercial entity named in the Schedule.
Period of Insurance	The period set out in the Schedule during which we insure Goods on the terms of the Policy.
Premium	The amount of money that you pay to us to insure your Goods.
Voyage/Transit	The Geographical movements for which we insure Goods shown in the Schedule or as defined in the Policy, beginning and ending in accordance with the appropriate Institute Clause applicable to the Voyage/Transit and for the Conveyance.
Warranty	<ol style="list-style-type: none"> <li>1 A Warranty is a promise by you that: <ol style="list-style-type: none"> <li>1.1 some particular thing shall or shall not be done; or</li> <li>1.2 some condition shall be fulfilled; or</li> <li>1.3 a particular state of affairs does not exist.</li> </ol> </li> <li>2 A Warranty must be strictly complied with. If it is not we are discharged from liability as from the date of the breach of Warranty.</li> <li>3 If you give us prior notice in writing that you wish to alter or delete a warranty we may, at our discretion, and upon payment of any additional premium or the insertion of additional terms and conditions required, agree in writing to such alteration or deletion.</li> </ol>

# I Area definitions

Areas are defined as follows:

Australasia	Australia, Fiji, New Zealand, Papua New Guinea, Solomon Islands, Tasmania, Tonga and Western Samoa.
Baltic States	Estonia, Latvia and Lithuania.
Central Africa	Central African Republic, Chad, Democratic Republic of Congo, Burundi, Cameroon, Equatorial Guinea, Gabon, Principe, Republic of the Congo, Rwanda and Sao Tome.
Central America	Belize, Costa Rica, Cuba, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama West Indies and Caribbean Islands.
CIS	Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Republic of Moldavia, Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.
East Africa	Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Tanzania, Sudan and Uganda.
Eastern Europe	Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia, Georgia, Turkey, Malta and Greece.
Far East	Cambodia, China, Hong Kong, Indonesia, Japan, Laos, Malaysia, Mongolia, North Korea, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.
Former Yugoslavian States	Slovenia, Macedonia, Croatia, Serbia, Bosnia and Montenegro.
Indian sub-continent	Bangladesh, Bhutan, India, Nepal, Pakistan, Madagascar, Maldives, Mauritius, Myanmar, Seychelles and Sri Lanka.
Middle East	Afghanistan, Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, United Arab Emirates and Yemen.
North Africa	Algeria, Egypt, Libya, Morocco, Tunisia and Canary Islands.
North America	Bermuda, Canada, Hawaii and United States of America.
Southern Africa	Angola, Botswana, Comoros, Lesotho, Malawi, Mozambique, Namibia, Reunion, South Africa, Swaziland, Zambia and Zimbabwe.
South America	Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Falkland Islands, French Guiana, Galapagos Islands, Guyana, Paraguay, Suriname, Uruguay, Venezuela and Peru.
United Kingdom	United Kingdom of Great Britain and Northern Ireland including the Channel Islands, Isle of Man and other offshore islands.
West Africa	Benin, Burkina Faso, Cape Verde, Ivory Coast, The Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo and Western Sahara.
Western Europe	Austria, Belgium, Denmark, Finland, Faroe Islands, France, Germany, Gibraltar, Holland, Iceland, Italy, Liechtenstein, Luxembourg, Monaco, Norway, Republic of Ireland, Portugal, Spain, Sweden and Switzerland.

These area definitions are used for rating purposes only.

## J Premium

In consideration of your payment to us of the Premium specified in the Schedule we agree to insure your Goods subject to the terms, conditions and Warranties of the Policy and Schedule against loss or damage.

## K Basis of premium

### 1. DECLARATION PREMIUM

Where the Schedule states that Premium is payable on declaration you must provide to us declarations covering the specified period within 30 days of the expiry of such period. Should you not provide us with the declarations then we may at our option:

- 1.1 cancel the policy from the date when you last provided to us declarations; and/or
- 1.2 make an assessment on the best available information to us of the declarations which you should have declared and assess premium on our assessment, and there shall be due and owing to us Premium based on that assessment, such premium being due to us within 14 days of our giving to you notice of our assessment.

### 2. DEPOSIT PREMIUM

- 2.1 The Deposit Premium is that sum fixed at inception for the purpose of commencing cover. If the Deposit Premium is stated as being a Minimum Premium this represents the lowest sum acceptable to us for the cover provided. If the Policy is cancelled prior to the actual expiry we are entitled to retain all the Minimum Premium.
- 2.2 If the Schedule states that your Premium is subject to an adjustment the Deposit Premium has been calculated based upon your estimated sendings and is subject to adjustment. You agree to provide to us a Declaration of all actual sendings made by you within 30 days of expiry of the Period of Insurance. Should you not provide to us any Declarations then we may at our option assess on the basis of the information before us the sendings that we calculate you have made and calculate Premium on that basis. We will give you notice of our assessment made and the Premium

due and you will be obliged to pay us within 14 days of the date of such notice the Premium we assess.

### 3. FLAT PREMIUM

Where the Premium is stated on the Schedule as Flat this is a non-adjustable fixed amount based on the original declared Sum Insured or turnover and no return of premium will be made for any reason. You warrant to us that if your turnover or the value of Goods insured under this Policy should increase by more than 10% of the original estimate you will tell us in writing when we may charge you an additional premium assessed on your increased turnover or value of Goods shipped.

# Section 2

## General Conditions

### 1. TYPE OF GOODS, VOYAGES, TRANSIT AND CONVEYANCES

1. The Policy is to insure the Goods for the Voyages/Transit and on the Conveyances and on the terms set out in the Schedule by or for the account of you.
2. Unless agreed otherwise by us in writing on the Schedule we only cover Goods which are the subject of a bona fide sale or purchase by you in the ordinary course of your business.
3. Unless otherwise agreed by us on the Schedule we do not cover Goods whilst being personally carried.
4. All vessels used for sea transit must comply with the Institute Classification Clause 01/01/2001.CL.354 for the standard rates to apply. Any vessels that fall outside these provisions will be covered at rates to be agreed but must be declared to us as soon as information is received by you that any vessel used for sea transit does not comply with the provisions of the Institute Classification Clause.
5. Packing is to be sufficient to protect the Goods against normal hazards that may be encountered during the Transit taking into account:
  - (i) the susceptibility of the Goods to damage; and
  - (ii) the route employed; and
  - (iii) the time of year they are despatched.
6. In the event that Goods are shipped unpacked you warrant to us that you will advise this fact to us prior to shipment so that cover conditions can be amended to reflect this fact.

### 2. ATTACHMENT

- transit 1. Cover attaches to all Goods that commence Transit within the Period of Insurance.
- storage 2. In respect of storage risk if insured insurance attaches at the commencement of the Period of Insurance and ends on expiry of the Period of Insurance specified in the Schedule irrespective of the date of any Transit. It is a Condition Precedent that any claim arising out of or during storage must be notified to us during the Period of Insurance or within 21 days of the expiry of that Period. We only insure Goods in store if we have noted and agreed to so on the Schedule.

### 3. INTEREST

Unless otherwise agreed by us on the Schedule this policy does not cover the interest of any person other than the Named Assured or those to whom a certificate of insurance has been assigned in the ordinary course of business.

### 4. LIMIT OF LIABILITY

Our liability in respect of any one accident or series of accidents arising out of the same event in respect of any one Conveyance or Location or Goods as appropriate shall not exceed the Limit of Liability shown in the Schedule.

### 5. LATE DECLARATION

In the event of loss, accident or arrival before you have declared to us the Agreed Value it shall be calculated in accordance with Basis of Valuation.

## 6. CANCELLATION

- (i) The Policy may be cancelled by us or you at any time by 30 days written notice sent by prepaid post to the relevant address shown in the Schedule (or to your broker) except in the case of War Risks and Strike Risks as defined in the appropriate Institute War and Strike clauses, when the policy will be subject to seven days written notice of cancellation, except in respect of Strike Risks for sendings to or from the USA which is subject to 48 hours written notice of cancellation.
- (ii) In the event of non-payment of Premium as provided for in Section 1.K. 1 and 2 the terms of Section 1.K. 1 and 2 of the Policy will prevail.

## 7. INSURANCE PREMIUM TAX CLAUSE

- 7.1 The Insurance Premium Tax (Taxable Insurance Contracts) Order 1994 (SI 1995/1698) - Schedule 7A of the Finance Act 1994 makes underwriters responsible for insurance premium tax which will be collected at the current rate on taxable gross premium paid by you.
- 7.2 We will calculate the tax liability and you agree to pay all amounts due to us.
- 7.3 Late notification by us of tax due as a result of de-minimis rules being exceeded or for any other reason will not reduce or negate the liability of you to pay the tax.

## 8. OTHER INSURANCE

We shall not pay for any loss or damage if at the time when the loss or damage occurs, the Goods are, or would, but for this insurance be covered by any other insurance. If, however, the Agreed Value of the Goods covered by the Policy is greater than the insured value provided in such other Policies we shall, subject to the Warranties and other terms of the Policy, pay the difference.

# Section 3

## Policy Conditions

(For Institute Clauses see section 8)

### 1. CONDITIONS

The following conditions will apply to your Policy unless otherwise shown in the Schedule.

#### 1.1 In respect of Goods moving by sea, road or rail:

- 1.1.1 Institute Cargo Clauses (A). 1.1 1982 (CL 252);
- 1.1.2 Institute Strike Clauses (Cargo) 1.1 1982 (CL 256);
- 1.1.3 Institute War Clauses (Cargo). 1.1. 1982 (CL 255);
- 1.1.4 Institute Classification Clause 01/01/2001 (CL 354).

#### 1.2 In respect of Goods moving by air:

- 1.2.1 Institute Cargo Clauses (Air) 1.1.1982 (CL 259); and
- 1.2.2 Institute Strike Clauses (Air) 1.1.1982 (CL 260); and
- 1.2.3 Institute War Clauses (Air) (excluding sendings by post) 1.1. 1982 (CL 258); and
- 1.2.4 Institute War Clauses (Sendings) by Post 1.1. 1982 (CL 257).

#### 1.3 For all Goods:

- 1.3.1 Institute Cyber Attack Exclusion Clause 10.11.2003 (CL 380)
- 1.3.2 Institute Radioactive Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Clause 10.11.2003 (CL 370)
- 1.3.3 Institute Replacement Clause 1.1.1934 (CL 161)

### 2. GEOGRAPHIC EXCLUSION

- 2.1 We do not cover Goods, Voyages or Transits to or from or via any of the following Countries or Areas:
  - 2.1.1 Afghanistan, Iran, Iraq, Lebanon, Cambodia, Laos, North Korea, CIS; and
  - 2.1.2 East Africa, West Africa, Central Africa, Southern Africa [excluding South Africa] and former Yugoslavian Countries (excluding Croatia); and
  - 2.1.3 any country where local legislation precludes the insurance from being placed outside of that country or requires insurance to be placed in the locality of that country.

### 3. SPECIAL EXCLUSIONS

In addition to those exclusions shown in the relevant Institute Clauses we shall not be liable for:

- 3.1 loss, damage or expense caused by rust, oxidisation, discoloration in respect of unpacked or unprotected goods; and
- 3.2 loss, damage or expense due to or caused by electronic or mechanical breakdown or derangement unless caused by an Insured Peril;
- 3.3 loss or damage to Goods carried on vehicles owned or operated by you unless we have agreed otherwise on the Schedule; and
- 3.4 if we have agreed to insure Goods which are frozen or otherwise temperature controlled the following conditions apply:
  - 3.4.1 Institute Frozen Food Clauses (A) (excluding frozen meat) 1.1 1986 (CL 263).
  - 3.4.2 Institute Strikes Clauses (Frozen Food) (excluding frozen meat) 1.1 1986 (CL 265).

#### 4. OMISSION

Your insurance is not to be prejudiced by any unintentional or inadvertent omission, error, incorrect valuation or incorrect description of interest, risk, vessel or voyage on declaration to us, provided that notice is given to us as soon as practicable on discovery of any such error or omission.

#### 5. GOODS INSURED OTHER THAN MOVING BY SEA CONVEYANCE

Even though the insurance of Goods on the Voyage/Transit insured by the Policy may not be marine insurance it is hereby agreed that the terms, conditions and Warranties and provisions of the Marine Insurance Act 1906 shall apply to this insurance and to such Goods.

#### 6. ISM ENDORSEMENT

6.1 Applicable to Goods carried onboard:

- 6.1.1 Ro-Ro passenger ferries; and
- 6.1.2 passenger carrying vessels transporting more than 12 passengers; and
- 6.1.3 oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gross tonnes or more; and
- 6.1.4 all other cargo ships and mobile offshore drilling units of 500 gross registered tonnes or more.

6.2 In no case shall this insurance cover loss, damage or expense where Goods are carried by a vessel described in this clause which is either:

- 6.2.1 not ISM certified; or
- 6.2.2 its owners or operators do not hold an ISM Code Document of compliance; or if, at the time of the loading of the Goods onboard the vessel:
- 6.2.3 you were aware; or
- 6.2.4 in the ordinary course of business ought to have been aware that either:
  - 6.2.4.1 such vessel was not certified in accordance with the ISM Code; or

6.2.4.2 a current document of compliance was not held by the owner or operators, as required under the SOLAS Convention 1974 as amended.

6.3 This exclusion will not apply where this insurance has been assigned to a party claiming under this insurance who has bought or agreed to buy the Goods in good faith under a binding contract.

#### 7. ISPS ENDORSEMENT

7.1 In no case shall this insurance cover loss, damage or expense where Goods are carried by a vessel that does not hold a valid International Ship and Port Facility Security (ISPS) Code if at the time of loading of Goods on board the vessel:

- 7.1.1 You were aware; or
- 7.1.2 in the ordinary course of business ought to have been aware that the vessel was not certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

7.2 This exclusion will not apply where the insurance has been assigned to a party claiming under this insurance who has bought or agreed to buy the Goods in good faith under a binding contract.

#### 8. DATE RECOGNITION CLAUSE

8.1 In no case do we cover any loss, damage, expense or liability of whatever nature which might otherwise be recoverable under the Policy arising out of or in any way connected directly or indirectly, with 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 either:

- 8.1.1 any date change; or
- 8.1.2 any change or modification of or to any such computer, computer system, computer software, programme or process or to any electronic system in relation to any such data change.

## 9. TERMINATION OF TRANSIT CLAUSE (TERRORISM)

This Clause shall be paramount and shall override anything contained in the Policy inconsistent therewith

9.1 Notwithstanding any provision to the contrary contained in the Policy or the Clauses referred to in the Policy it is agreed that insofar as this Policy covers loss of or damage to Goods caused by any terrorist or any person acting from a political motive, such cover is conditional upon Goods being in the ordinary course of transit and, in any event, SHALL TERMINATE either:

- 9.1.1 in accordance with the Transit Clauses contained within the Policy; or
- 9.1.2 on delivery to the consignee's or other final warehouse or place of storage at the destination; or
- 9.1.3 on delivery to any other warehouse or place of storage, whether prior to or at the destination named for delivery which you or any assignee of the certificate elects to use either for storage other than the ordinary course of transit or for allocation or distribution; or
- 9.1.4 in respect of marine transits on the expiry of 60 days after completion of discharge overseas of the Goods from the overseas vessel at the port of discharge; or
- 9.1.5 in respect of air transit, on the expiry of 30 days after unloading the Goods insured from the aircraft at the final place of discharge;

whichever shall first occur

- 9.2 The Policy covers a sum not exceeding £100,000 or equivalent other currencies in respect of any loss or series of losses arising out of any one event for loss of or damage to the subject matter insured caused by any terrorist or any person acting from a political motive which would have been excluded from cover under the Policy under Clause 9.1 above.
- 9.3 If the Policy specifically provides cover for inland or other further transits following on from storage or termination as provided for above, cover will

reattach and will continue during the ordinary course of transit terminating in accordance with sub-clause 9.1 of this Clause and subject always to sub-clause 9.2 of this Clause.

## 10. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE (CARGO)

- 10.1 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to the Policy or to any certificate(s) of insurance under it and neither this Policy nor any certificate issued hereunder confer any benefits on any third parties except a bona fide assignee in the ordinary course of business of a certificate of insurance issued hereunder.
- 10.2 No third party may enforce any term of this Policy or any certificate issued under it except a bona fide assignee in the ordinary course of business of a certificate of insurance issued hereunder.

## 11. CUTTING CLAUSE

If Goods are damaged by an Insured Peril but are reasonably useable if cut to a shorter length we will only pay to you the value of the damaged part cut off and will receive the benefit of any salvage on the cut off part.

## 12. PROCESS CLAUSE

This policy does not cover loss or damage to Goods due to or directly resulting from any process of use, testing or repair.

## 13. LABELS/PACKAGING CLAUSE

In the event of loss or damage affecting labels, capsules, wrappers or packaging, by an Insured Peril, our liability will not exceed the cost of new labels, capsules, wrappers or packaging and the cost of re-labelling and packaging and reconditioning the Goods.

#### 14. PAIRS AND SETS CLAUSE

If Goods consist of a pair or one of a number of individual units or is part of a set or pair, we shall only pay for that piece or part damaged and we shall not pay and we shall not be liable for any diminution in value of the whole set or part by virtue of loss of or damage to part of the Goods or set or pair.

#### 15. WAR RISK COVER

War risk cover (as provided for by the inclusion of the relevant Institute Clauses specified in the Policy) shall be subject to the provision regarding attachment and termination of risk incorporated in the relevant Institute Clauses.

#### 16. INSTITUTE CLAUSE REVISION

The Institute Clauses referred to are those current at the inception of the Policy and should the clauses be revised during the Period of Insurance, and provided that we give you 30 days written notice thereof, then the Institute Clauses so revised shall apply to Goods first sent forward or stored if we insure storage after the date of expiry of such notice.

# Section 4

## Allianz Global Corporate & Specialty

### Additional Clauses

The following conditions will apply to the Policy of insurance irrespective of whether they are referred to in the Schedule and any cover provided by these clauses will be subject to the terms and conditions and other Warranties of the Policy.

#### 1. AIR FREIGHT CHARGES

- 1.1 In the event of loss of or damage to Goods hereunder we shall either pay the costs of:
  - 1.1.1 returning by air freight damaged Goods to manufacturers and/or suppliers for repair; or
  - 1.1.2 air freight and replacement Goods from manufacturers and/or suppliers to destination, notwithstanding the Goods lost or damaged were not originally despatched by air freight.
- 1.2 Our Maximum liability under this extension shall be the lesser of either:
  - 1.2.1 £5,000; or
  - 1.2.2 25% of the insured value, in respect of any one occurrence or series of occurrences arising out of any one event.

#### 2. ATTACHMENT OF TRANSIT CLAUSE

- 2.1 Notwithstanding Clause 8.1 of the Institute Cargo Clauses (A) or (Air) it is agreed that this insurance attaches at the later of the time when either:
  - 2.1.1 you acquire interest in the Goods; or
  - 2.1.2 the Goods are set in motion at the warehouse or place of storage for the commencement of the transit, and then continues providing that the Goods remain in the ordinary course of transit.
- 2.2 We cover Goods during loading and whilst being packed by professional packers and whilst at professional packers premises for up to 30 days (including while in transit to and from professional

packers premises) and storage in the ordinary course of transit, containerisation and transhipping all in accordance with the Institute Cargo Clauses applying to your policy.

- 2.3 Cover terminates in accordance with the termination provisions contained in the Duration Clause of the Institute Clauses as applicable to the relevant Transit/Voyage.
- 2.4 We will cover periods in excess of 30 days at packers premises providing that you give us notice prior to expiry of the first period of 30 days or any subsequent period that may be agreed by us and subject to terms and conditions to be agreed prior to the expiry of the first period of 30 days or such further period as may be agreed by us.

#### 3. CARGO ISM FORWARDING CHARGES CLAUSE

- 3.1 The Policy is extended to reimburse to you up to 10% of the Agreed Value of Goods subject to a Limit of Liability of £50,000 for any extra charges properly and reasonably incurred in unloading, storing and forwarding Goods to the destination to which the Goods are insured following release of Goods 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 either to:
  - 3.1.1 such vessel not being certified in accordance with ISM Code; or
  - 3.1.2 to a current Document of Compliance not being held by the owners or operators as required under the SOLAS Convention 1974 as amended.
- 3.2 It is a Condition Precedent to our liability under this extension that:
  - 3.2.1 you were not aware; nor
  - 3.2.2 in the ordinary course of business ought to

have been aware that, the vessel was not certified in accordance with the ISM code.

This extension does not apply to General Average or Salvage Charges and is otherwise subject to all other Warranties, terms, conditions and exclusions contained in the Policy.

#### 4. CARGO ISPS FORWARDING CHARGES CLAUSE

4.1 The Policy is extended to reimburse you up to 10% of the Agreed Value of Goods subject to a Limit of Liability of £50,000 for any extra charges properly and reasonably incurred in unloading, storing and forwarding Goods to the destination to which the Goods are insured 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 as required under the Solas Convention 1974 as amended (the ISPS Code).

4.2 It is a Condition Precedent to our liability under this extension that:

4.2.1 you were not aware; or

4.2.2 in the ordinary course of business you ought not to have been aware that the vessel was not certified in accordance with the ISPS Code.

4.3 This extension does not apply to General Average or Salvage Charges and is subject to all terms, conditions, execution and warranties of the Policy.

#### 5. INSOLVENCY EXCLUSION CLAUSE (JC 93 (AMENDED))

It is hereby agreed that the exclusion contained within the Insolvency Exclusion Clause (JC 93)

*"loss damage or expense arising from insolvency or financial default of the owners, managers, charterers, or operators of the vessel"*

is amended to read as follows:

*"In no case shall this insurance cover loss, damage, or expense arise from insolvency or financial default of the owners, manager's charterers or operators of the Conveyance where you are unable to show that prior to the loading of Goods onboard the Conveyance all*

*reasonable practical and prudent measures were taken by you, your servants and agents, to establish the financial reliability of the party in default."*

#### 6. UNSEAWORTHINESS AND UNFITNESS EXCLUSION CLAUSE

6.1 We hereby agree with you that the Unseaworthiness and Unfitness Exclusion Clause contained in the Institute Clauses applicable to the insurance is deleted and replaced by the following:

*"In no case shall this Policy cover loss or damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel, aircraft, Conveyance, container or lift van for the safe carriage of the Goods, where you or an assignee of any certificate of insurance is privy to such unseaworthiness or unfitness at the time that the subject matter insured is loaded therein".*

6.2 The above exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has bought the Goods in good faith without notice of such unseaworthiness or unfitness.

#### 7. CERTIFICATES

7.1 We agree that you may issue Claims Payable Abroad (C.P.A.) Certificates of Insurance and/or Claims Payable London (C.P.L.) Certificates of Insurance.

7.2 We authorise you to issue and countersign certificates and/or endorsements thereto on any Goods insured by this Policy but subject to the terms, conditions and Warranties of this Policy.

7.3 You warrant to us that all certificates and/or endorsements shall be countersigned by a duly authorised representative of you.

#### 8. BRANDS CLAUSE

8.1 In the event of Goods becoming damaged by an Insured Peril and should some Goods:

8.1.1 bear embossed or indented brands or labels or any other permanent marking identifying you as manufacturer of the Goods; or

8.1.2 the Goods contain an exclusive and/or secret formulae that might be involved in any loss hereunder

you shall have full liberty to retain control of all such Goods.

8.2 In such event you will have an option to either:

- 8.2.1 destroy the Goods providing such destruction averts or minimises any loss recoverable under the Policy; or
- 8.2.2 return the Goods to the manufacturing factory; or
- 8.2.3 recondition the Goods, and we shall pay to you a total loss except in the event of 8.2.2 or 8.2.3 when we shall be entitled to any salvage you might obtain.

8.3 You will exercise a reasonable discretion in conjunction with us or our appointed representative in deciding whether any Goods involved in any loss recoverable hereunder are suitable for marketing so as to avert or minimise any such loss.

8.4 No Goods agreed by you and us to be unfit for marketing shall be sold or otherwise disposed of except by you with our consent.

8.5 You will allow us any salvage obtained on any sale or any other disposition of such goods.

## 9. CONCEALED DAMAGE CLAUSE

9.1 It is agreed that any loss or damage discovered on opening containers, cases and/or packages shall be deemed to have occurred during the Voyage/Transit irrespective of the time of attachment of your interest in Goods unless evidence to contrary is provided by us.

9.2 You warrant to us that:

- 9.2.1 if any containers, cases, packages, or packaging shows any signs of damage at the time of arrival at final destination such containers, cases, packages are to be immediately unpacked and we are to be immediately notified of such signs of damage; and
- 9.2.2 the time between delivery of Goods to destination and notification of any loss or damage to us will not exceed 60 days.

9.3 It is agreed that this Additional Clause will not apply where there is evidence of loss or damage occurring after either:

- 9.3.1 the date of arrival at final destination; or
- 9.3.2 termination of cover.

## 10. DUTY/TAXES

10.1 If we insure a value representing the payment of custom duties and other charges which would be incurred after discharge of Goods at the final port of discharge and in the event of loss of or damage to Goods before payment of duty and other charges so that you and/or the consignee is thereby relieved from payment of that duty or other charges in part or in whole, such amount of duty and charges thereby relieved will be deducted in arriving at our liability.

10.2 In the event of a rebate being granted by the appropriate authorities then:

- 10.2.1 if such rebate is granted by the customs authorities after payment by us such amount of rebate will be remitted by you to us; or
- 10.2.2 if a rebate is granted by the appropriate authorities prior to any payment by us your claim shall be reduced by the amount of such rebate.

## 11. PACKING CLAUSE

11.1 In the event of a claim being made for loss or damage which is alleged to have been caused by insufficiency or unsuitability of packing or preparation of Goods for the Voyage/Transit we agree that we will not use such alleged insufficiency or unsuitability as a defence for any claim in any case whether packing or preparation was carried out by a party other than the Named Assured and the insufficiency or unsuitability arose entirely without their privity or knowledge.

11.2 For the purpose of this Additional Clause "packing" shall be deemed to include stowage in a container or other similar intermodal method of unit load.

11.3 You warrant to us to assist us in all respects to pursue rights of recovery against Sellers or any other responsible third party.

- 11.4 This extension does not interfere with any rights of subrogation against packers and/or their insurers.

## 12. RETURNED GOODS CLAUSE

- 12.1 In the event that Goods insured under this Policy are rejected or returned for any reason other than for refurbishment, reconditioning or repair, we will cover the Goods subject to the Warranties and other terms of this policy continuously until terminated either:

- 12.1.1 on the expiry of 60 days starting on the day of arrival at the consignees or other warehouse or place of storage outside the ordinary course of transit; or
- 12.1.2 on completion of delivery to an alternative buyer's premises or return to the original consignee's premises or other nominated destination or until finally disposed of by you; whichever shall first occur.

- 12.2 You warrant that you will report to us all rejections and/or returned shipments as soon as practicable after you have knowledge of such return and/or rejection but not later than 30 days after arrival of Goods at the final port of discharge.

- 12.3 All such Goods rejected and/or returned and declared under this Policy for this Additional Clause will be subject to a Premium to be agreed for each Declaration.

- 12.4 If the outward journey was not insured under this Policy or where the cover provided by this Policy has not been continuous then it is agreed that shipment under the Additional Clause are held covered subject to the terms and conditions of the Institute Cargo Clauses (B) including jettison and washing overboard and the Institute War and Institute Strike Clauses at rates to be agreed.

## 13. EXTENSION OF VOYAGE CLAUSE

- 13.1 We agree to accept declarations covering voyage extensions or any other variations to original policies arranged elsewhere provided such extension remains in the scope of cover provided by the Policy.
- 13.2 Such extensions are held covered at rates to be agreed subject to prompt notice.

## 14. FUMIGATION

- 14.1 We will pay to you the cost of fumigating cargo, but excluding damage or depreciation caused by such fumigation except as provided in this Additional Clause.
- 14.2 You warrant to us that there is no compulsory order in being or published at the time of the commencement of the Voyage/Transit requiring fumigation.
- 14.3 We further agree that in the event of the Conveyance being fumigated by order of a properly constituted authority and loss or damage to Goods results, we will indemnify you for such loss or damage, and you agree to subrogate to us any recourse that you may have for recovery for such loss or damage from others.

Our maximum liability under this extension shall not exceed the lesser of 10% of the Agreed Value of Goods or £5,000.

## 15. OTHER INSURANCE

- 15.1 If a seller of Goods to you insures those Goods and if the terms of that insurance are more restrictive than the terms of this insurance, we will insure your Goods on the terms and Conditions of this Policy for the difference between the insurance cover arranged by your seller and the terms of this insurance.
- 15.2 The insurance provided under this extension is on the terms, conditions and warranties of this policy.
- 15.3 We shall be subrogated to all your rights including against your seller and carriers.
- 15.4 The extension is only to benefit you and is not for the benefit of any third party and may not be assigned by you to any third party.
- 15.5 You warrant that you will not disclose the existence of this insurance to your seller or any other third party except as may be required by any rule or regulation.

## 16. GENERAL AVERAGE AND SALVAGE CHARGES

For the purposes of claims for General Average Contributions and Salvage Charges recoverable under the Policy Goods shall be deemed to be insured for their full contributory value.

## 17. ON DECK SHIPMENTS

- 17.1 In respect of Goods carried in fully enclosed metal containers on deck we cover also the risk of jettison and washing overboard.
- 17.2 Goods carried on deck but not in metal containers will be covered at rates and on conditions to be agreed prior to shipment.

## 18. REMOVAL OF DEBRIS CLAUSE

- 18.1 If Goods are lost or damaged because of the operation of an Insured Peril we will pay the costs and expenses necessarily incurred by you in connection with:
  - 18.1.1 removing and disposing of the debris of any Goods;
  - 18.1.2 the transfer of Goods from one conveyance to another in the event of an accident to the original conveyance;
  - 18.1.3 loss of or damage to goods whilst being transferred.
- 18.2 We shall not be liable for:
  - 18.2.1 any expense incurred in consequence of or to avert or mitigate pollution or contamination or any threat or liability therefore; and
  - 18.2.2 the cost or removal of any cargo from any vessel or craft.
- 18.3 Our Limit of Liability under this Additional Clause is limited to the lesser of either:
  - 18.3.1 10% of the Agreed Value; or
  - 18.3.2 £5,000.
- 18.4 It is agreed this indemnity is in addition to the Limit of Liability shown in the Schedule.

## 19. DESTRUCTION BY GOVERNMENTAL AUTHORITIES

We will pay you for loss of or damage to Goods directly caused by Governmental Authorities (acting for the public welfare) to prevent or mitigate a pollution, hazard or threat, provided a recoverable claim would have resulted under the Policy (subject to all the Policy's terms, conditions and Warranties) had your goods been damaged as a result of the accident or occurrence which gave rise to the threat of pollution.

## 20. ADDITIONAL DISCHARGE EXPENSES

- 20.1 Subject to the terms, conditions and Warranties of the Policy, in the event of loss of or damage to Goods giving rise to a claim under the Policy we shall pay to you any additional expense incurred by you in discharging, handling, storing, reloading or transporting sound and/or damaged goods by any means other than the normal methods or other than at normal rates.
- 20.2 We shall be credited with the recovery where such charges are recovered, either in General Average or from carriers.
- 20.3 Our Limit of Liability under this Additional Clause is limited to the lesser of either:
  - 20.3.1 10% of the Agreed Value; or
  - 20.3.2 £5,000

## 21. FOREIGN CURRENCY

- 21.1 You may insure in foreign currencies in which event:
  - 21.1.1 losses are payable in the same currency as you have insured;
  - 21.1.2 for the purposes of adjustment of claims, any rate of exchange shall be taken at the date of despatch of Goods; and
  - 21.1.3 the premium shall nonetheless be payable in pounds sterling at the rate of exchange applicable on the last date of the declaration period.

# Section 5

## Allianz Global Corporate & Specialty

### Special Clauses

The following clauses will only apply to the Policy if we have noted and agreed them in writing on the Schedule or by Endorsement and apply subject to the terms conditions and Warranties of the Policy.

#### 1. EXHIBITION RISK

1.1 Subject to the terms and other Warranties of the Policy we will cover Goods whilst in transit to and from and at exhibition sites including unpacking, assembly, awaiting and at exhibition, dismantling and repacking all for a period not exceeding 30 days.

1.2 We do not cover:

1.2.1 loss of or damage to plasma screens, computers and mobile telephones unless we have agreed to insure such items in the Schedule for Exhibition Risk under this Special Clause;

1.2.2 damage to:

1.2.2.1 machinery due to running operations;

1.2.2.2 any electrical machine or apparatus due to overrunning, excessive pressure, short circuiting or self heating;

1.2.3 loss or damage caused by:

1.2.3.1 wear, tear, depreciation, deterioration, mildew, moss, vermin, any process of cleaning or repairing, inherent vice, or inherent natures;

1.2.3.2 mechanical or electrical breakdown, failure or derangement unless external damage has occurred;

1.2.3.3 resulting directly from mechanical, electrical or manual operation of Goods, demonstration, testing or other purposes;

1.2.4 loss of or damage to Goods

1.2.4.1 in or on:

(a) any vehicle owned or operated by you or your employers or agents when left unattended;

(b) any vehicle which is being used for social, domestic, or pleasure purposes;

(c) open vehicles owned or operated by you caused by atmospheric or climatic conditions which are not protected by vehicle sheets;

1.2.4.2 caused by or arising from atmospheric, climatic or weather conditions in respect of exhibitions held in the open or in marquees or in tents;

1.2.5 theft of goods or malicious acts:

1.2.5.1 during exhibition hours unless the stand is attended by you or your representative at all times;

1.2.5.2 from a room containing exhibits outside exhibition hours unless:

(a) the room is attended by a representative of you or the theft involves entry to or exit from the room by forcible and violent means; or

(b) the exhibition premises or site is controlled by security personnel.

1.3 You warrant to us that any goods exhibited will be repacked to no less than the same standard as was used for the outward journey and that repacking is supervised by your responsible official.

## 2. SECOND-HAND/PRE-USED EQUIPMENT CLAUSE

- 2.1 The term Goods is amended to include Second Hand and/or pre used equipment.
- 2.2 In the event of loss of or damage to any part or parts of an insured machine which forms Goods or part of Goods which machine is second-hand or has been used prior to shipment and which loss or damage is caused by an Insured Peril the sum recoverable under the Policy shall not exceed such proportion of the cost of replacement of the part or parts lost or damaged as the Agreed Value bears to the value of a new machine, plus the additional charges for forwarding and refitting the replacement part or parts if incurred.
- 2.3 We shall not pay:
- 2.3.1 duty unless the full duty is included in the Agreed Value insured in which case loss, if any, sustained by payment of additional duty shall be payable; and
- 2.3.2 loss or damage consisting of or caused or contributed to by rust, oxidisation, discolouration, denting, bruising or scratching of any such second-hand or pre-used equipment.
- 2.4 It is a Condition Precedent to our liability under this extension that new spare parts are readily available.

In no case shall our liability exceed the Agreed Value of Goods.

## 3. STORAGE CONDITIONS

- 3.1 Where we have agreed in the Schedule to extend the Policy to cover Goods in store outside the ordinary course of transit the following Conditions Precedents, terms and conditions shall apply in addition to the terms conditions and Warranties of the Policy:
- 3.1.1 For the purposes of this Special Clause 3 only the term The Premises means the premises owned or controlled by you in which Goods are stored.
- 3.1.2 It is a Condition Precedent to our liability in respect of loss of or damage to Goods stored

in The Premises that:

- 3.1.2.1 The Premises are protected by an intruder alarm installed and inspected under a contract by a NSI/NACOSS approved installer;
- 3.1.2.2 such alarm is subject to RedCARE protection or such other protection as may be agreed by us in writing;
- 3.1.2.3 the intruder alarm together with all connections to RedCARE or such other protection as may be agreed by us in writing are kept in full working order;
- 3.1.2.4 whenever The Premises are closed for business or left unattended the intruder alarm will be fully operational, properly maintained and fully set to protect them;
- 3.1.2.5 you will keep in force a maintenance contract for the intruder alarm with a maintenance company agreed by us;
- 3.1.2.6 you will obtain our permission before entering into a maintenance contract with another company;
- 3.1.2.7 you will not alter the intruder alarm without first obtaining our permission;
- 3.1.2.8 if any defect in the intruder alarm is discovered or the police withdraw their services you will:
- (a) immediately notify us when we will have the option of immediately cancelling this insurance on Goods stored in The Premises; and
- (b) not leave The Premises unattended without our prior consent; and
- (c) put into effect the additional temporary safeguards when required; and

- (d) give immediate instructions to the maintenance company to carry out the necessary repairs.

3.1.3 You will notify us immediately if:

3.1.3.1 you receive notification from the police authority that they have, maybe or are considering the withdrawing of police response to alarm calls; and

3.1.3.2 failure of the telecommunication lines used to transmit alarm signals from the Premises occurs.

3.2 We shall not be liable for any loss or damage to any Goods stored at third party premises unless we have agreed with you our requirements as to the installation, inspection and maintenance of alarms at third party premises.

3.3 We shall not be liable for any loss or damage to Goods stored at any premises:

3.3.1 due to theft, malicious act or attempt thereat unless there is evidence of forcible and violent entry to or exit from the premises; or

3.3.2 due to unexplained and/or mysterious disappearance; or

3.3.3 following the taking of inventories.

3.4 It is a condition precedent to our liability in respect of loss of or damage to Goods in store that all stock is and will be kept at least 15 centimetres above the floor level.

#### 4. OWN VEHICLE THEFT EXCLUSION

4.1 We shall not be liable for any loss or damage caused by theft or malicious act or from any attempted theft or attempted malicious act whilst Goods are on, or contained in, any unattended Conveyance owned or operated by you:

4.1.1 at any time during the working day of the driver between 06:00 hours or when the Conveyance is first used and 18:00 hours or when the Conveyance is last occupied, unless all doors and openings are locked and

the windows and other means of access are adequately and properly secured and all keys are removed and all other security protections fitted are properly employed;

4.1.2 at any other time after completion of the working day of the driver and in any event between the hours of 18:00 hours or when the Conveyance is last occupied, whichever is the later, and 06:00 hours or until the Conveyance is first used, whichever is the earlier, and non-working days, unless the Conveyance:

4.1.2.1 is garaged in a fully enclosed building or substantial construction which is securely closed and locked and has all keys removed; or

4.1.2.2 is locked with all keys removed and parked in a yard or compound which yard or compound is fully enclosed and locked or is fully enclosed under human surveillance 24 hours a day; or

4.1.2.3 is in any location agreed by us in writing; or

4.1.2.4 is under constant surveillance by the driver or other responsible person authorised by you.

4.1.3 You warrant to us that the carrying Conveyance, vehicle and/or trailer and/or container is fitted with an alarm system and/or immobiliser and/or tracker which is/are in full efficient working order and regularly tested and set when the Conveyance and/or vehicle and/trailer and/or container is left loaded unoccupied.

4.1.4 In the event of your acting reasonably and being unable to comply with clause 4.1.2.4 we will continue to insure your Goods, provided always the Goods are removed from the carrying vehicle to a private dwelling house, hotel or other suitable premises, and further providing that loss or damage precedes or follows forcible and violent entry to or exit from the place to which the Goods are removed.

## 5. ASSURED'S TOOLS AND SAMPLES

5.1 We will insure you for tools, samples and similar equipment used in your business while in or about a Conveyance owned and operated by you and while in use for the purpose of your business but excluding loss, damage or expense:

5.1.1 arising out of use, wear, tear and natural deterioration; and

5.1.2 rust, oxidisation and discolouration.

This cover is subject to all the other Policy terms, conditions and Warranties of the Policy.

## 6. SELLERS CONTINGENT INTEREST

6.1 The Policy is extended as provided in this Clause to cover the contingent interest of you being unpaid where the contract of sale does not place upon you responsibility for insurance up to arrival of the overseas vessel at the intended port of discharge and Goods being lost and/or damaged.

6.2 We agree to insure you under the terms, conditions and Warranties of the Policy for physical loss of or damage to Goods, Salvage and General Average Charges from the commencement of the Vessel/Transit in the event of ownership and/or responsibility for the goods remaining with you or reverting to you and your buyer not paying you for the Goods, even if at the time of such reversion Goods have already sustained loss or damage. We will only insure Goods under this Special Clause on the happening of the following events:

6.2.1 the buyer failing, refusing to accept or being prevented from accepting the Goods or the documents therefore; or

6.2.2 you exercising a right of lien on Goods, or interrupting their transit, or suspending the sale contract whilst Goods are in transit when it is reasonable for you to do so to safeguard your interest.

6.3 In the event of any delay or deviation caused by the failure of the buyer to take up Goods or documents, we will hold Goods covered subject to an additional Premium to be arranged, subject to you giving us prompt notice of any such delay or deviation.

6.4 You Warrant that you will notify us immediately when you become aware of any event that might give rise to a claim under this Special Clause.

6.5 All rights and benefits of any action which you may possess or acquire against the buyer and/or the buyer's insurers and/or carriers and/or other persons, are to be subrogated to us and you Warrant that you will not do anything to affect any subrogation right.

6.6 You Warrant to us that:

6.6.1 you will take all reasonable steps:

6.6.1.1 to protect Goods; or

6.6.1.2 to enforce the sale contract or if this is not possible to expedite the sale of Goods to another party or their return to the seller,

6.6.2 you will not disclose this Endorsement to any other interested party;

6.6.3 you will not assign the benefit of this Special Clause.

## 7. BUYER'S INTEREST CLAUSE

7.1 We will insure Goods and your interest in Goods if it attaches after the commencement of Voyage/Transit and we will regard the cover as attaching at the commencement of the Voyage/Transit.

7.2 We will be subrogated to all your rights against your supplier or supplier's insurers or third parties.

7.3 It is a Condition Precedent to our liability under this Special Clause that:

7.3.1 there is physical loss of or damage to Goods; or

7.3.2 you have suffered a pecuniary loss; and

7.3.3 you have taken all reasonable steps to invoke the contract of sale and the responsibilities thereunder and have attempted to recover from Seller and/or Seller's insurers any pecuniary loss that you have suffered by reason of loss of or damage

to Goods from an Insured Peril arising during the currency of Policy; and

- 7.3.4 you have not divulged the existence of this insurance to the Seller or the Seller's insurers.
- 7.4 If we pay to you any claim, you hereby subrogate to us all your rights and remedies and we shall have all rights to sue or proceed in any way against your Seller or your Seller's insurers either in your own name or our name.
- 7.5 Cover throughout is in accordance with the Clauses stated to apply in this insurance or as noted on the Schedule.

# Section 6

## Claims

1. INSURED PERSONS	In this Section ( <b>'The Insured'</b> ) means any person(s) company or corporation whose Goods are covered by the Policy.
2. NOTICE	The Insured must: <ul style="list-style-type: none"> <li>2.1 notify us or your insurance broker direct of any occurrence which might give rise to a claim under the Policy as soon as possible;</li> <li>2.2 if the Goods are outside the geographical area of the British Isles, Northern Ireland or Eire at the time of occurrence which might give rise to a claim under the Policy, notify our nominated agent at the port or place of destination as soon as possible;</li> <li>2.3 immediately hold liable any responsible carrier, bailee or other third party;</li> </ul>
Written notice:	2.4 provide us with a written report of the occurrence as soon as possible;
Theft:	2.5 notify the police as soon as possible of any theft, malicious damage or other crime involving the Goods;
Riot:	2.6 notify us within seven days of any event of riot which might give rise to a claim under the Policy;
Communications from third parties:	2.7 as soon as possible pass onto us unanswered all communications from third parties relating to a matter which might give rise to a claim under the Policy;
Admission:	2.8 not admit liability, offer to settle, compromise or make a payment in respect of any event which might give rise to a claim under the Policy without our prior written consent;
Mitigation:	2.9 avoid, minimise or mitigate any loss or damage;
Statement of truth:	2.10 within seven days, sign and return to us or our representative duly signed or comment constructively upon any statement of truth which we may require from you for prosecution or defence of any claim which is or may be the subject of indemnity under this Policy;
Disclosure:	2.11 search for and provide to us any documents that may be required by us for the purpose of prosecution or defence of any claim which may be the subject of indemnity under the Policy within 14 days of the request by us or our representative and to sign and return to us within seven days any disclosure statement we or our representatives may require.
3. OUR RIGHTS	We have the right:
Repair:	3.1 to decide where and how damaged Goods will be repaired;
Defence:	3.2 to commence or take over and conduct the defence of any claim against or prosecution of an Insured Person arising out of an occurrence which might give rise to a claim under the Policy;
Insured Person(s) obligations:	3.3 to commence or take over the conduct of any claim brought in the name of the Insured Person to recover sums which are or which might be payable under the Policy;
	3.4 the Insured Person shall give us such assistance as we may reasonably request for the purposes of exercising our right under the Policy.

4. PROCEDURE IN THE EVENT OF LOSS OR DAMAGE FOR WHICH WE MAY BE LIABLE:

It is your duty or the duty of your agents in all cases to take measures as may be reasonable for purposes of averting or minimising a loss and to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised. In particular you or your agent are required:

- 4.1 to claim immediately on the carriers, port authorities or other bailees for any missing packages;
- 4.2 in no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition;
- 4.3 when delivery is made by container, to ensure that the container and seals are examined immediately by a responsible official. If the container is delivered damaged or with seals broken or missing or with seals other than as stated in the shipping documents to clause the delivery document accordingly and to retain defective or irregular seals for subsequent identification;
- 4.4 to apply immediately for survey by carriers or other bailees representatives if any loss or damage be apparent and claim on the carriers or other bailees for any act or loss or damage found in such survey;
- 4.5 to give notice in writing to the carriers or bailees within three days of delivery of any loss which was not apparent at the time of taking delivery.

5. DOCUMENTS TO ACCOMPANY CLAIM

- 5.1 You should provide to us as soon as possible in making your claim copies of the following documents:
  - (a) packing list;
  - (b) invoice;
  - (c) Original Bill of Lading or transit contract, or other transit documentation (i.e. CMR Note, CIM Note, Airway Bill, Consignment Note etc);
  - (d) delivery receipt;
  - (e) claim against the carrier;
  - (f) freight invoice;
  - (g) repair estimate.

# Section 7

## Amount Payable

1. Amount payable in the event of loss of or damage to Goods.
2. The following provisions are subject to amendment by any Special clauses or Endorsements to the Policy.

	We shall pay the Agreed Value of Goods:
Total loss:	3.1 if Goods are totally lost or destroyed;
	3.2 the cost of recovery and/or repairing Goods shall exceed the Agreed Value;
Constructive total loss caused by loss of use:	3.3 You are deprived of the free use and disposal of Goods for a period of twelve consecutive months commencing in the Period of Insurance or such earlier period that we might agree except in the cases of theft when the period shall be a reasonable period depending upon the facts of each individual case.
	In all other cases we shall pay:
Partial loss:	3.4 where part of the Goods are totally lost, such proportion of the Agreed Value fixed by the Policy as the Sound Value of that part lost bears to the Sound Value of the whole; or
	3.5 at our option either:
	3.5.1 if whole or any part of the Goods have been delivered damaged at their destination such proportion of the Agreed Value as the difference between the Gross Sound and damaged value at the place of arrival bears to the Gross Sound Value; or
	3.5.2 the reasonable costs of recovering the Goods and the reasonable costs of effecting repair.
Bulk shipments	4. You agree with us that when property in bulk is stowed so as to be co-mingled with similar property belonging to others, loss or damage arising from an Insured Peril shall be apportioned between the party or parties involved in the shipment in accordance with their respective interest(s) in the same ratio as the property belonging to each party bears to the total quantity of the produce stowed at the time and place of loss.
Damage repairs	5. In respect of damage claims recoverable under the Policy where you are appointed to effect repairs on behalf of us it is agreed that the repair costs shall be based on your normal commercial rate for such repairs including your normal element of profit.
Payment on account	6. Where a claim with accompanying paper is submitted and we agree only the quantum of the claim is in question we will make a payment on account at your request equal to 75% of the amount that we agree is the least amount recoverable under the Policy.
Survey fees	7. In the event that you or a holder in due course of a certificate issued under the Policy and you comply with instructions contained in the Policy or Certificate of Insurance calling for a survey in respect of loss or damage which would result in a claim under the Policy we agree that the reasonable costs incurred and fees charged in respect of the survey will be paid by us even though a claim may not be subsequently result under the Policy.
Waiver of surveys	8. We agree to waive surveys in respect of claims not exceeding £1,000 or equivalent in other currencies, after deduction of the Deductible, if any, such claims to be accepted by us on presentation of your statement and supporting documents only.
Contact details	9. UK Cargo Adjuster, UK Marine Claims, Allianz Global Corporate & Specialty, Crown House, Crown Street, Ipswich, Suffolk IP1 3HS Telephone 01473-299300 Facsimile: 01473-299309

# Section 8

## Standard Institute Clauses

### Institute Cargo Clauses (A)

#### RISKS COVERED

- 1 This insurance covers all risks of loss of or damage to the subject-matter insured except as provided in Clauses 4, 5, 6 and 7 below.
- 2 This insurance covers 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 in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.
- 3 This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters, 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 (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 4.5 loss damage or expense proximately 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 arising from insolvency or financial default of the owners managers charterers or operators of the vessel
  - 4.7 loss damage or expense arising from the use of any weapon of war 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  
unseaworthiness of vessel or craft,  
unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
  - 5.2 The Underwriters 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, unless the Assured or their servants are privy to such unseaworthiness or unfitness.
- 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 terrorist or any person acting from a political motive.

Risks Clause

General Average Clause

"Both to Blame Collision" Clause

General Exclusions Clause

Unseaworthiness and Unfitness Exclusion Clause

War Exclusion Clause

Strikes Exclusion Clause

## DURATION

- 8
- 8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
- 8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,
- 8.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
- 8.1.2.1 for storage other than in the ordinary course of transit or
- 8.1.2.2 for allocation or distribution,
- or
- 8.1.3 on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the oversea vessel at the final port of discharge,
- whichever shall first occur.
- 8.2 If, after discharge overseas from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for 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 shipowners or charterers under the contract of affreightment.
- 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 delivery of the goods, as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters*, either
- 9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or
- 9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.
- 10 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters*.

Transit Clause

Termination of Contract of Carriage Clause

Change of Voyage Clause

## CLAIMS

- 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 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 Underwriters were not.
- 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 is covered under this insurance, the Underwriters will reimburse the Assured 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.
- 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 servants.
- 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 to the destination to which it is insured would exceed its value on arrival.
- 14
- 14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured.
- In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

Insurable Interest Clause

Forwarding Charges Clause

Constructive Total Loss Clause

Increased Value Clause

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

The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

#### **BENEFIT OF INSURANCE**

15 This insurance shall not inure to the benefit of the carrier or other bailee.

Not to Inure  
Clause

#### **MINIMISING LOSSES**

16 It is the duty of the Assured and their servants 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 Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Duty of Assured  
Clause

17 Measures taken by the Assured or the Underwriters 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 Clause

#### **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.

Reasonable  
Despatch Clause

#### **LAW AND PRACTICE**

19 This insurance is subject to English law and practice.

English Law and  
Practice Clause

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*



## DURATION

8

8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either

8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,

8.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either

8.1.2.1 for storage other than in the ordinary course of transit or

8.1.2.2 for allocation or distribution,

or

8.1.3 on the expiry of 60 days after completion of discharge oversea of the goods hereby insured from the oversea vessel at the final port of discharge,

whichever shall first occur.

Transit Clause

8.2 If, after discharge oversea from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.

8.3 This insurance shall remain in force (subject to termination as provided for 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 shipowners or charterers under the contract of affreightment.

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 delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either*

Termination of Contract of Carriage Clause

9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or

9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

10 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.*

Change of Voyage Clause

## CLAIMS

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.

Insurable Interest Clause

11.2 Subject to 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 Underwriters were not.

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 is covered under this insurance, the Underwriters will reimburse the Assured 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. 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 servants.

Forwarding Charges Clause

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 to the destination to which it is insured would exceed its value on arrival.

Constructive Total Loss Clause

14

14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured.

Increased Value Clause

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

The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

#### **BENEFIT OF INSURANCE**

15 This insurance shall not inure to the benefit of the carrier or other bailee.

Not to Inure  
Clause

#### **MINIMISING LOSSES**

16 It is the duty of the Assured and their servants 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 Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Duty of Assured  
Clause

17 Measures taken by the Assured or the Underwriters 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 Clause

#### **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.

Reasonable  
Despatch Clause

#### **LAW AND PRACTICE**

19 This insurance is subject to English law and practice.

English Law and  
Practice Clause

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

CL253 © Copyright The Institute of London Underwriters

# Institute Cargo Clauses (C)

## RISKS COVERED

- 1 This insurance covers, except as provided in 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
  - 1.3 total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.
- 2 This insurance covers 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 in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.
- 3 This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.

Risks Clause

General Average Clause

"Both to Blame Collision" Clause

## 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 (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 4.5 loss damage or expense proximately 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 arising from insolvency or financial default of the owners managers charterers or operators of the vessel
  - 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 arising from the use of any weapon of war 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  
unseaworthiness of vessel or craft,  
unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
  - 5.2 The Underwriters 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, unless the Assured or their servants are privy to such unseaworthiness or unfitness.
- 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.

General Exclusions Clause

Unseaworthiness and Unfitness Exclusion Clause

War Exclusion Clause

<p>7 In no case shall this insurance cover loss damage or expense</p> <p>7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions</p> <p>7.3 caused by any terrorist or any person acting from a political motive.</p>	<p>Strikes Exclusion Clause</p>
<p><b>DURATION</b></p> <p>8</p>	<p>Transit Clause</p>
<p>8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either</p> <p>8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,</p> <p>8.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either</p> <p>8.1.2.1 for storage other than in the ordinary course of transit or</p> <p>8.1.2.2 for allocation or distribution,</p> <p>or</p> <p>8.1.3 on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge, whichever shall first occur.</p> <p>8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.</p> <p>8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 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 shipowners or charterers under the contract of affreightment.</p>	
<p>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 delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate <i>unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either</i></p> <p>9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or</p> <p>9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.</p>	<p>Termination of Contract of Carriage Clause</p>
<p>10 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.</i></p>	<p>Change of Voyage Clause</p>
<p><b>CLAIMS</b></p> <p>11</p>	
<p>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.</p> <p>11.2 Subject to 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 Underwriters were not.</p>	<p>Insurable Interest Clause</p>
<p>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 is covered under this insurance, the Underwriters will reimburse the Assured 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. 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 servants.</p>	<p>Forwarding Charges Clause</p>
<p>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 to the destination to which it is insured would exceed its value on arrival.</p>	<p>Constructive Total Loss Clause</p>

14

14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured.

Increased Value Clause

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

The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

#### **BENEFIT OF INSURANCE**

15 This insurance shall not inure to the benefit of the carrier or other bailee.

Not to Inure Clause

#### **MINIMISING LOSSES**

16 It is the duty of the Assured and their servants 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 Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Duty of Assured Clause

17 Measures taken by the Assured or the Underwriters 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 Clause

#### **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.

Reasonable Despatch Clause

#### **LAW AND PRACTICE**

19 This insurance is subject to English law and practice.

English Law and Practice Clause

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

# Institute Strikes Clauses (Cargo)

## RISKS COVERED

- 1 This insurance covers, except as provided in 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
  - 1.2 any terrorist or any person acting from a political motive.
- 2 This insurance covers 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 a risk covered under these clauses.

Risks Clause

General Average Clause

## 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 (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 3.5 loss damage or expense proximately 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 arising from insolvency or financial default of the owners managers charterers or operators of the vessel
  - 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 and civil commotion
  - 3.8 any claim based upon loss of or frustration of the voyage or adventure
  - 3.9 loss damage or expense arising from the use of any weapon of war 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.

General Exclusions Clause

- 4
  - 4.1 In no case shall this insurance cover loss damage or expense arising from  
unseaworthiness of vessel or craft,  
unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
  - 4.2 The Underwriters 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, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

Unseaworthiness and Unfitness Exclusion Clause

## DURATION

- 5
  - 5.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
    - 5.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,
    - 5.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
      - 5.1.2.1 for storage other than in the ordinary course of transit or
      - 5.1.2.2 for allocation or distribution,or
    - 5.1.3 on the expiry of 60 days after completion of discharge oversee of the goods hereby insured from the oversea vessel at the final port of discharge,whichever shall first occur.
  - 5.2 If, after discharge oversee from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.

Transit Clause

<p>5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 6 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 shipowners or charterers under the contract of affreightment.</p>	
<p>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 delivery of the goods as provided for in Clause 5 above, then this insurance shall also terminate <i>unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters</i>, either</p>	<p>Termination of Contract of Carriage Clause</p>
<p>6.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or</p>	
<p>6.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.</p>	
<p>7 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters</i>.</p>	<p>Change of Voyage Clause</p>
<b>CLAIMS</b>	
<p>8</p>	
<p>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.</p>	<p>Insurable Interest Clause</p>
<p>8.2 Subject to 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 Underwriters were not.</p>	
<p>9</p>	
<p>9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p>	<p>Increased Value Clause</p>
<p>9.2 <b>Where this insurance is on Increased Value the following clause shall apply:</b> The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p>	
<b>BENEFIT OF INSURANCE</b>	
<p>10 This insurance shall not inure to the benefit of the carrier or other bailee.</p>	<p>Not to Inure Clause</p>
<b>MINIMISING LOSSES</b>	
<p>11 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p>	<p>Duty of Assured Clause</p>
<p>11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p>	
<p>11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p>	
<p>12 Measures taken by the Assured or the Underwriters 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.</p>	<p>Waiver Clause</p>
<b>AVOIDANCE OF DELAY</b>	
<p>13 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p>	<p>Reasonable Despatch Clause</p>
<b>LAW AND PRACTICE</b>	
<p>14 This insurance is subject to English law and practice.</p>	<p>English Law and Practice Clause</p>

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation*

# Institute War Clauses (Cargo)

## RISKS COVERED

- 1 This insurance covers, except as provided in 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.
- 2 This insurance covers 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 a risk covered under these clauses.

Risks Clause

General Average Clause

## 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 (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 3.5 loss damage or expense proximately 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 arising from insolvency or financial default of the owners managers charterers or operators of the vessel
  - 3.7 any claim based upon loss of or frustration of the voyage or adventure
  - 3.8 loss damage or expense arising from any hostile use of any weapon of war 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 unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
  - 4.2 The Underwriters 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, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

General Exclusions Clause

Unseaworthiness and Unfitness Exclusion Clause

## DURATION

- 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 Underwriters 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

Transit Clause

- 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 oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the goods are 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 oversea vessel or aircraft. 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 port or place. If the goods are 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 oversea 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 this 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 to be the final port of discharge and such insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently re-shipped to the original or any other destination, then *provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium*, such 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 insured not having been discharged, when the vessel sails from such deemed final port of discharge;  
thereafter such 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 oversea vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Underwriters.
- 5.5 *Subject to prompt notice to Underwriters, 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 shipowners or charterers under the contract of affreightment.  
(For the purpose of Clause 5  
"arrival" shall be deemed to mean 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  
"oversea 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)
- 6 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.*
- 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

- 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 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 Underwriters were not.
- 9
- 9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

Change of Voyage  
Clause

Insurable Interest  
Clause

Increased Value  
Clause

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

The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

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

**BENEFIT OF INSURANCE**

10 This insurance shall not inure to the benefit of the carrier or other bailee.

Not to Inure Clause

**MINIMISING LOSSES**

11 It is the duty of the Assured and their servants 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

Duty of Assured Clause

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

12 Measures taken by the Assured or the Underwriters 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 Clause

**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.

Reasonable Despatch Clause

**LAW AND PRACTICE**

14 This insurance is subject to English law and practice.

English Law and Practice Clause

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

# Institute Classification Clause

## 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](http://www.iacs.org.uk)

# Institute Cargo Clauses (Air) (excluding sendings by Post)

## RISKS COVERED

- 1 This insurance covers all risks of loss of or damage to the subject-matter insured except as provided in Clauses 2, 3 and 4 below.

Risks Clause

## EXCLUSIONS

- 2 In no case shall this insurance cover
- 2.1 loss damage or expense attributable to wilful misconduct of the Assured
  - 2.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
  - 2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 2.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 2.5 loss damage or expense arising from unfitness of aircraft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unfitness at the time the subject-matter insured is loaded therein
  - 2.6 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against
  - 2.7 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the aircraft
  - 2.8 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- 3 In no case shall this insurance cover loss damage or expense caused by
- 3.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
  - 3.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
  - 3.3 derelict mines torpedoes bombs or other derelict weapons of war.
- 4 In no case shall this insurance cover loss damage or expense
- 4.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
  - 4.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
  - 4.3 caused by any terrorist or any person acting from a political motive.

General Exclusions Clause

War Exclusion Clause

Strikes Exclusion Clause

## DURATION

- 5
- 5.1 This insurance attaches from the time the subject-matter insured leaves the warehouse, premises or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
- 5.1.1 on delivery to the Consignees' or other final warehouse, premises or place of storage at the destination named herein
  - 5.1.2 on delivery to any other warehouse, premises or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
    - 5.1.2.1 for storage other than in the ordinary course of transit
    - or
    - 5.1.2.2 for allocation or distribution or
  - 5.1.3 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.
- 5.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is forwarded to a destination other than that to which it is insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.
- 6 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 delivery of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate *unless prompt*

Transit Clause

Termination of Contract of Carriage Clause

notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either

- 6.1 until the subject-matter is sold and delivered at such place or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter hereby insured at such place, whichever shall first occur, or
  - 6.2 if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.
- 7 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.*

## CLAIMS

- 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 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 Underwriters were not.
- 9 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 is covered under this insurance, the Underwriters will reimburse the Assured 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. This Clause 9, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 2, 3 and 4 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.
- 10 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 to the destination to which it is insured would exceed its value on arrival.
- 11
- 11.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.
- 11.2 Where this insurance is on Increased Value the following clause shall apply. The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

## BENEFIT OF INSURANCE

- 12 This insurance shall not inure to the benefit of the carrier or other bailee.

## MINIMISING LOSSES

- 13 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder
- 13.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
  - 13.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
- 14 Measures taken by the Assured or the Underwriters 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

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

## LAW AND PRACTICE

- 16 This insurance is subject to English law and practice.

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

# Institute Strikes Clauses (Air Cargo)

## RISKS COVERED

- 1 This insurance covers, except as provided in Clause 2 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
  - 1.2 any terrorist or any person acting from a political motive.

Risks Clause

## EXCLUSIONS

- 2 In no case shall this insurance cover
  - 2.1 loss damage or expense attributable to wilful misconduct of the Assured
  - 2.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
  - 2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 2.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 2.5 loss damage or expense arising from unfitness of aircraft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unfitness at the time the subject-matter insured is loaded therein
  - 2.6 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against
  - 2.7 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the aircraft
  - 2.8 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
  - 2.9 any claim based upon loss of or frustration of the voyage or adventure
  - 2.10 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 2.11 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.

General Exclusions Clause

## DURATION

- 3
  - 3.1 This insurance attaches from the time the subject-matter insured leaves the warehouse, premises or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
    - 3.1.1 on delivery to the Consignees' or other final warehouse, premises or place of storage at the destination named herein
    - 3.1.2 on delivery to any other warehouse, premises or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
      - 3.1.2.1 for storage other than in the ordinary course of transit, or
      - 3.1.2.2 for allocation or distributionor
    - 3.1.3 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.
  - 3.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is forwarded to a destination other than that to which it is insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
  - 3.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 4 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.
- 4 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 delivery of the subject-matter insured as provided for in Clause 3 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters*, either

Transit Clause

Termination of Contract of Carriage Clause

<p>4.1 until the subject-matter is sold and delivered at such place or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter hereby insured at such place, whichever shall first occur, or</p> <p>4.2 if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 3 above.</p> <p>5 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.</i></p>	<p>Change of Transit Clause</p>
<p><b>CLAIMS</b></p>	
<p>6</p> <p>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.</p> <p>6.2 Subject to 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 Underwriters were not.</p>	<p>Insurable Interest Clause</p>
<p><b>7</b></p>	
<p>7.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p> <p>7.2 <b>Where this insurance is on Increased Value the following clause shall apply:</b> The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p>	<p>Increased Value Clause</p>
<p><b>BENEFIT OF INSURANCE</b></p>	
<p>8 This insurance shall not inure to the benefit of the carrier or other bailee.</p>	<p>Not to Inure Clause</p>
<p><b>MINIMISING LOSSES</b></p>	
<p>9 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>9.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p> <p>9.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p> <p>10 Measures taken by the Assured or the Underwriters 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.</p>	<p>Duty of Assured Clause</p> <p>Waiver Clause</p>
<p><b>AVOIDANCE OF DELAY</b></p>	
<p>11 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p>	<p>Reasonable Despatch Clause</p>
<p><b>LAW AND PRACTICE</b></p>	
<p>12 This insurance is subject to English law and practice.</p>	<p>English Law and Practice Clause</p>

NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.

# Institute War Clauses (Air Cargo) (excluding sendings By Post)

## RISKS COVERED

- 1 This insurance covers, except as provided in Clause 2 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.

Risks Clause

## EXCLUSIONS

- 2 In no case shall this insurance cover
- 2.1 loss damage or expense attributable to wilful misconduct of the Assured
  - 2.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
  - 2.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 2.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 2.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 2.5 loss damage or expense arising from unfitness of aircraft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unfitness at the time the subject-matter insured is loaded therein
  - 2.6 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against
  - 2.7 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the aircraft
  - 2.8 any claim based upon loss of or frustration of the voyage or adventure
  - 2.9 loss damage or expense arising from any hostile use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

General  
Exclusions Clause

## DURATION

- 3
- 3.1 This insurance
- 3.1.1 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
  - 3.1.2 terminates, subject to 3.2 and 3.3 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 Underwriters and to an additional premium*, such insurance
  - 3.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom, and
  - 3.1.4 terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at a substituted place of discharge, whichever shall first occur.
- 3.2 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 3.3 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 goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 3.2
- 3.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these clauses, or
  - 3.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of this insurance and shall apply to the on-carriage by sea.

Transit Clause

<p>3.3 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 such insurance terminates in accordance with 3.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, <i>provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium</i>, such insurance reattaches</p> <p>3.3.1 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;</p> <p>3.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge;</p> <p>thereafter such insurance terminates in accordance with 3.1.4.</p> <p>3.4 <i>Subject to prompt notice to Underwriters, and to an additional premium if required</i>, 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 carrier under the contract of carriage. (For the purpose of Clause 3 "oversea 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)</p> <p>4 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters</i>.</p> <p>5 <b>Anything contained in this contract which is inconsistent with Clauses 2.8, 2.9 or 3 shall, to the extent of such inconsistency, be null and void.</b></p> <p><b>CLAIMS</b></p> <p>6</p> <p>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.</p> <p>6.2 Subject to 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 Underwriters were not.</p> <p>7</p> <p>7.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p> <p>7.2 <b>Where this insurance is on Increased Value the following clause shall apply:</b> The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p> <p><b>BENEFIT OF INSURANCE</b></p> <p>8 This insurance shall not inure to the benefit of the carrier or other bailee.</p> <p><b>MINIMISING LOSSES</b></p> <p>9 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>9.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p> <p>9.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p> <p>10 Measures taken by the Assured or the Underwriters 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.</p> <p><b>AVOIDANCE OF DELAY</b></p> <p>11 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p> <p><b>LAW AND PRACTICE</b></p> <p>12 This insurance is subject to English law and practice.</p>	<p>Change of Transit Clause</p> <p>Insurable Interest Clause</p> <p>Increased Value Clause</p> <p>Not to Inure Clause</p> <p>Duty of Assured Clause</p> <p>Waiver Clause</p> <p>Reasonable Despatch Clause</p> <p>English Law and Practice Clause</p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

NOTE:- *It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation*

# Institute War Clauses (Sendings By Post)

## RISKS COVERED

- |     |                                                                                                                                                                                                                                                                            |                        |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1   | This insurance covers, except as provided in Clause 3 below, loss of or damage to the subject-matter insured caused by                                                                                                                                                     | Risks Clause           |
| 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.                                                                                                                                                                                                           |                        |
| 2   | This insurance covers 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 a risk covered under these clauses. | General Average Clause |

## EXCLUSIONS

- |     |                                                                                                                                                                                                                                                                                                                                                         |                           |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 3   | In no case shall this insurance cover                                                                                                                                                                                                                                                                                                                   | General Exclusions Clause |
| 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 (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants) |                           |
| 3.4 | loss damage or expense caused by inherent vice or nature of the subject-matter insured                                                                                                                                                                                                                                                                  |                           |
| 3.5 | loss damage or expense proximately 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 arising from any hostile use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.                                                                                                                                                                       |                           |

## DURATION

- |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 4 | This insurance attaches only as the subject-matter insured and as to any part as that part leaves the premises of the senders at the place named in the insurance for the commencement of the transit and continues, but with the exclusion of any period during which the subject-matter 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. | Transit Clause |
| 5 | <b>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.</b>                                                                                                                                                                                                                                                                                                                     |                |

## CLAIMS

- |     |                                                                                                                                                                                                                                                                                                        |                           |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| 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.                                                                                                                                                            | Insurable Interest Clause |
| 6.2 | Subject to 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 Underwriters were not. |                           |

## MINIMISING LOSSES

- |     |                                                                                                                                                                                                                                                                                                |                        |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 7   | It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder                                                                                                                                                                                           | Duty of Assured Clause |
| 7.1 | to take such measures as may be reasonable for the purpose of averting or minimising such loss, and                                                                                                                                                                                            |                        |
| 7.2 | to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties. |                        |
| 8   | Measures taken by the Assured or the Underwriters 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 Clause          |

## AVOIDANCE OF DELAY

- |   |                                                                                                                                    |                            |
|---|------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| 9 | It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control. | Reasonable Despatch Clause |
|---|------------------------------------------------------------------------------------------------------------------------------------|----------------------------|

## LAW AND PRACTICE

- |    |                                                        |                                 |
|----|--------------------------------------------------------|---------------------------------|
| 10 | This insurance is subject to English law and practice. | English Law and Practice Clause |
|----|--------------------------------------------------------|---------------------------------|

NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.

# Institute Cyber Attack Exclusion Clause

- 1.1 Subject only to clause 1.2 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 or process or any other electronic system.
- 1.2 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, Clause 1.1 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.

# 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.

## Institute Replacement Clause

In the event of loss of or damage to any part or parts of an insured machine 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.

Provided always that in no case shall the liability of Underwriters exceed the insured value of the complete machine.

# Institute Frozen Food Clauses (A) (Excluding Frozen Meat)

## RISKS COVERED

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| <p>1 This insurance covers, except as provided in Clauses 4, 5, 6 and 7 below.</p> <ul style="list-style-type: none"><li>1.1 all risks of loss of or damage to the subject-matter insured, other than loss or damage resulting from any variation in temperature howsoever caused,</li><li>1.2 loss of or damage to the subject-matter insured resulting from any variation in temperature attributable to<ul style="list-style-type: none"><li>1.2.1 breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 24 consecutive hours</li><li>1.2.2 fire or explosion</li><li>1.2.3 vessel or craft being stranded grounded sunk or capsized</li><li>1.2.4 overturning or derailment of land conveyance</li><li>1.2.5 collision or contact of vessel craft or conveyance with any external object other than water</li><li>1.2.6 discharge of cargo at a port of distress.</li></ul></li></ul> | Risks Clause                     |
| <p>2 This insurance covers 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 in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | General Average Clause           |
| <p>3 This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | "Both to Blame Collision" Clause |

## EXCLUSIONS

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <p>4 In no case shall this insurance cover</p> <ul style="list-style-type: none"><li>4.1 loss damage or expense attributable to willful misconduct of the Assured</li><li>4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</li><li>4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 "Packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</li><li>4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured (except loss damage or expense resulting from variation in temperature specifically covered under Clause 1.2 above)</li><li>4.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)</li><li>4.6 loss damage or expense arising from insolvency or financial default of the owners managers charters or operators of the vessel</li><li>4.7 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter</li><li>4.8 loss damage or expense arising from any failure of the Assured or their servants to take all reasonable precautions to ensure that the subject-matter insured is kept in refrigerated or, where appropriate, properly insulated and cooled space</li><li>4.9 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the Underwriters and, in any event, not later than 30 days after the termination of this insurance.</li></ul> | General Exclusions Clause                      |
| <p>5 5.1 In no case shall this insurance cover loss of or damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.</p> <p>5.2 The Underwriters 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, unless the Assured or their servants are privy to such unseaworthiness or unfitness.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Unseaworthiness and Unfitness Exclusion Clause |
| <p>6 In no case shall this insurance cover loss of or damage or expense caused by</p> <ul style="list-style-type: none"><li>6.1 war, civil war, revolution rebellion insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power</li><li>6.2 capture seizure arrest restraint or detainment (piracy excepted) and the consequences thereof or any attempt thereat</li><li>6.3 derelict mines torpedoes bombs or other derelict weapons of war.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | War Exclusion Clause                           |

<p>7 In no case shall this insurance cover loss damage or expense</p> <p>7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions</p> <p>7.3 any terrorist or any person acting from a political motive.</p>	<p>Strikes Exclusion Clause</p>
<p><b>DURATION</b></p> <p>8</p> <p>8.1 This insurance attached from the time the goods are loaded into the conveyance at freezing works or cold store at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either</p> <p>8.1.1 on delivery to the cold store or place of storage at the destination named herein,</p> <p>8.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either</p> <p>8.1.2.1 for storage other than in the ordinary course of transit or</p> <p>8.1.2.2 for allocation or distribution,</p> <p>or</p> <p>8.1.3 on the expiry of 5 days after discharge overside of the goods hereby insured from the oversea vessel at the final port of discharge, whichever shall first occur.</p> <p>8.2 If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.</p> <p>8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 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 shipowners or charterers under the contract of affreightment.</p>	<p>Transit Clause</p>
<p>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 delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either</p> <p>9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or</p> <p>9.2 if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.</p>	<p>Termination Of Contract of Carriage Clause</p>
<p>10 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.</i></p>	<p>Change of Voyage Clause</p>
<p><b>CLAIMS</b></p> <p>11</p>	<p>Insurable Interest Clause</p>
<p>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.</p> <p>11.2 Subject to 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 Underwriters were not.</p>	
<p>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 is covered under this insurance, the Underwriters will reimburse the Assured 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.</p> <p>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 servants.</p>	<p>Forwarding Charges Clause</p>
<p>13 No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of it actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival.</p>	<p>Constructive Total Loss Clause</p>

<p>14</p> <p>14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurance covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.</p> <p>In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p> <p>14.2 Where this insurance is on Increased Value the following clause shall apply:</p> <p>The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.</p> <p>In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p>	<p>Increased Value Clause</p>
<p><b>BENEFIT OF INSURANCE</b></p> <p>15 This insurance shall not inure to the benefit of the carrier or other bailee.</p>	<p>Not to Inure Clause</p>
<p><b>MINIMISING LOSSES</b></p> <p>16 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder</p> <p>16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and</p> <p>16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.</p> <p>17 Measures taken by the Assured or the Underwriters 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.</p>	<p>Duty of Assured Clause</p> <p>Waiver Clause</p>
<p><b>AVOIDANCE OF DELAY</b></p> <p>18 It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control.</p>	<p>Reasonable Despatch Clause</p>
<p><b>LAW AND PRACTICE</b></p> <p>19 This insurance is subject to English law and practice.</p>	<p>English Law &amp; Practice Clause</p>

*NOTE: It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

*SPECIAL NOTE: This insurance does not cover loss damage or expense caused by embargo, or by rejection prohibition or detention by the government of the country of import or their agencies or departments, but does not exclude loss of or damage to the subject matter insured caused by risks insured hereunder and sustained prior to any such embargo rejection prohibition or detention.*

# Institute Strikes Clauses (Frozen Food) (Excluding Frozen Meat)

## RISKS COVERED

- 1 This insurance covers, except as provided in 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
  - 1.2 any terrorist or any person acting from a political motive.
- 2 This insurance covers 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 a risk covered under these clauses.

Risks Clause

General Average Clause

## 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 (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
  - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
  - 3.5 loss damage or expense proximately 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 arising from insolvency or financial default of the owners managers charterers or operators of the vessel
  - 3.7 loss damage or expense arising from the absence shortage or withholding of equipment, power, fuel, coolant, refrigerant or 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 arising from the use of any weapon of war 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.

General Exclusions Clause

- 4
  - 4.1 In no case shall this insurance cover loss damage or expense arising from  
unseaworthiness of vessel or craft,  
unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.
  - 4.2 The Underwriters 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, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

Unseaworthiness and Unfitness Exclusion Clause

## DURATION

- 5
  - 5.1 This insurance attaches from the time the goods are loaded into the conveyance at freezing works or cold store at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
    - 5.1.1 on delivery to the cold store or place of storage at the destination named herein,
    - 5.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
      - 5.1.2.1 for storage other than in the ordinary course of transit or
      - 5.1.2.2 for allocation or distribution,

Transit Clause

<p>5.1.3 on the expiry of 5 days after discharge oversee of the goods hereby insured from the oversea vessel at the final port of discharge, whichever shall first occur.</p>	
<p>5.2 If, after discharge oversee from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.</p>	
<p>5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 6 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 shipowners or charterers under the contract of affreightment.</p>	
<p>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 delivery of the goods as provided for in Clause 5 above, then this insurance shall also terminate unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either</p> <p>6.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or</p> <p>6.2 if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.</p>	<p>Termination Of Contract of Carriage Clause</p>
<p>7 Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.</p>	<p>Change of Voyage Clause</p>
<p><b>CLAIMS</b></p>	
<p>8</p> <p>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.</p> <p>8.2 Subject to 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 Underwriters were not.</p>	<p>Insurable Interest Clause</p>
<p>9</p> <p>9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo 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 herein bears to such total amount insured.</p> <p>In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p> <p>9.2 <b>Where this insurance is on Increased Value the following clause shall apply:</b></p> <p>The agreed value of the cargo 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 cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.</p> <p>In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.</p>	<p>Increased Value Clause</p>
<p><b>BENEFIT OF INSURANCE</b></p>	
<p>10 This insurance shall not inure to the benefit of the carrier or other bailee.</p>	<p>Not to Inure Clause</p>

## MINIMISING LOSSES

- 11 It is the duty of the Assured and their servants 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 Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
- 12 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as 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.

Duty of Assured Clause

Waiver Clause

Reasonable Despatch Clause

English Law & Practice Clause

*NOTE:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

*SPECIAL NOTE:- This insurance does not cover loss damage or expense caused by embargo, or by rejection prohibition or detention by the government of the country of import or their agencies or departments, but does not exclude loss of or damage to the subject-matter insured caused by risks insured hereunder and sustained prior to any such embargo rejection prohibition or detention.*

CL. 265 © INSTITUTE STRIKES CLAUSES (Frozen Food) (excluding Frozen Meat)