



XL Insurance

UK Cargo

Policy

Cargo Insurance

CIPW AXAXL & XLICSE 04/23



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1. Introduction

This Policy provides insurance against Loss or Damage to Goods during the Voyage/Transit and on the Conveyances set out in the Schedule by or for Your account.

This Policy, including this Introduction, Definitions, Exclusions and Conditions, the Schedule, coverage Sections and all endorsements, are to be read as one contract. Any certificate or confirmation of cover issued by You to any assignee or other third party with the express consent of or on a form previously agreed by Us for an amount not exceeding the Limits of Liability as stated in the Schedule shall be incorporated in the contract.

Please read the whole document carefully and make sure that it meets Your needs. Please contact Your insurance broker or agent as soon as practicably possible if You have any questions, or any of the information in the Schedule is incorrect.

1.1 Assignment Rights

The cover this Policy provides with respect to any particular insured property may be assigned, with or without notice to Us. If a claimant is not the Insured named in the Schedule, the onus is on the claimant to demonstrate a legally binding assignment has been made in the claimant's favour. This Policy is not a financial instrument and the mere possession of the original or a copy document constituting this Policy will not be taken as evidence of assignment. No assignment can operate to reduce or avoid the liability of any Insured or previous assignee to perform or to have performed all their obligations under this Policy nor prevent Us from reducing or avoiding Our liability under this Policy to an assignee by reason of any breach of the implied or explicit terms of this Policy by any previous assignee or You. An assignee must fulfil all the terms and conditions of this Policy as though they were You.

No person or party other than You or any valid assignee shall have the right to enforce any of the terms of this Policy.

1.2 Cancellation and Cooling-Off Provisions

(a) Your Right to Cancel during the Cooling-Off Period

You are entitled to cancel this policy by notifying Us in writing, by email or by telephone within fourteen (14) days of either:

- (i) the date You receive this policy; or
- (ii) the start of Your Period of Insurance;

whichever is the later.

A full refund of any premium paid will be made unless You have made a Claim in which case the full annual premium is due.



(b) **Your Right to Cancel after the Cooling-Off Period**

You are entitled to cancel this Policy after the cooling-off period by notifying Us in accordance with Coverage Clause 5.6. Any return of premium due to You will be calculated at a proportional daily rate depending on how long this Policy has been in force unless You have made a claim in which case the full annual premium is due.

(c) **Our Right to Cancel**

We are entitled to cancel this policy, if there is a valid reason to do so, including for example:

- (i) any failure by You to pay the premium; or
- (ii) a change in risk which means We can no longer provide You with insurance cover; or
- (iii) non-cooperation or failure to supply any information or documentation We request, such as details of a Claim;

by notifying You accordance with Coverage Clause 5.7. Any return of premium due to You will be calculated at a proportional daily rate depending on how long this Policy has been in force unless You have made a claim in which case the full annual premium is due.

1.3 Information You Have Given Us

In deciding to accept this policy and in setting the terms including premium We have relied on the information which You have provided to Us. You must take care when answering any questions We ask by ensuring that any information provided is accurate and complete.

If We establish that You deliberately or recklessly provided Us with untrue or misleading information We will have the right to:

- (a) treat this policy as if it never existed;
- (b) decline all Claims; and
- (c) retain the premium.

If We establish that You carelessly provided Us with untrue or misleading information We will have the right to:

- (i) treat this policy as if it never existed, refuse to pay any Claim and return the premium You have paid, if We would not have provided You with cover;
- (ii) treat this policy as if it had been entered into on different terms from those agreed, if We would have provided You with cover on different terms;
- (iii) reduce the amount We pay on any Claim in the proportion that the premium You have paid bears to the premium We would have charged You, if We would have charged You more.

We will notify You in writing if (i), (ii) and/or (iii) apply.



If there is no outstanding Claim and (ii) and/or (iii) apply, We will have the right to:

- (1) give You notice that We are terminating this policy; or
- (2) give You notice that We will treat this policy and any future Claim in accordance with (ii) and/or (iii), in which case You may then give Us notice that You are terminating this policy;

in accordance with the Cancellation and Cooling-Off Period Provisions.

1.4 Changes We Need to Know About

You must tell Us as soon as practicably possible of any change in the information You have provided to Us which happens before or during any Period of Insurance.

When We are notified of a change We will tell You if this affects Your policy. For example We may cancel Your policy in accordance with the Cancellation and Cooling-Off Period Provisions, amend the terms of Your policy or require You to pay more for Your insurance. If You do not inform Us about a change it may affect any Claim You make or could result in Your insurance being invalid.

1.5 Fraud

If You, or anyone acting for You, makes a fraudulent Claim, for example a loss which is fraudulently caused and/or exaggerated and/or supported by a fraudulent statement or other device, We:

- (a) will not be liable to pay the Claim; and
- (b) may recover from You any sums paid by Us to You in respect of the Claim; and
- (c) may by notice to You treat this policy as having been terminated with effect from the time of the fraudulent act.

If We exercise Our right under (c) above:

- (i) We shall not be liable to You in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to Our liability under this policy (such as the occurrence of a loss, the making of a Claim, or the notification of a potential Claim); and
- (ii) We need not return any of the premium paid.

1.6 Sanctions and Export Controls

We shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this contract of insurance to the extent that the provision of such cover, payment of such claim or provision of such benefit;

- (i) would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America; or
- (ii) relates to the movement or supply of controlled goods, military goods or dual use goods to sanctioned and embargoed territories listed by the UK , EU or UN. Such movement or supply



is not covered under this insurance unless there has first been a referral to Us and We have confirmed in writing Our agreement to provide coverage.

Category A goods as defined under the Export Control Order 2008 (as amended from time to time) are not covered in any event.

1.7 Policy Format

Upon request We can provide Braille, audio or large print versions of the policy and the associated documentation. If You require an alternative format You should contact Your broker through whom this policy was arranged.

1.8 Applicable Law and Jurisdiction

The parties are free to choose the law applicable to this policy. Unless specifically agreed to the contrary this policy shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

1.9 Language

The language of this Policy and all communications relating to it shall be in English.

1.10 Complaints Procedure

We are dedicated to providing a high quality service and We want to ensure that We maintain this at all times.

If You have any questions or concerns about the policy or the handling of a claim please contact Your broker through whom this policy was arranged.

If You wish to make a complaint You can do so at any time by referring the matter to:

Complaints Department
XL Catlin Services SE, UK Branch
20 Gracechurch Street
London
EC3V 0BG

United Kingdom

Telephone Number: 020 7743 8487

E-mail: axaxlukcomplaints@axaxl.com

XL Catlin Services SE acts on Our behalf in the administration of complaints.

If You remain dissatisfied after the Complaints Department has considered Your complaint, or You have not received a final decision within eight (8) weeks, You can refer Your complaint to the Financial Ombudsman Service at:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR



United Kingdom

E-mail: complaint.info@financial-ombudsman.org.uk

Telephone Number: **From within the United Kingdom**

0800 0234 567 calls to this number are free on mobiles and landlines

0300 1239 123 calls to this number costs no more than calls to 01 and 02 numbers

From outside the United Kingdom

+44(0)20 7964 0500

Fax Number: +44(0)20 7964 1001

Text Number: 07860 027 586 Call Back Service

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: www.financial-ombudsman.org.uk

1.11 Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if We are unable to meet Our obligations under this contract of insurance. If You were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract of insurance. Further information about the Scheme is available from the Financial Services Compensation Scheme (PO Box 300, Mitcheldean, GL17 1DY) and on their website: www.fscs.org.uk.

1.12 Regulatory Information

(a) AXA XL Insurance Company UK Limited

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308). Our registered office is 20 Gracechurch Street, London, EC3V 0BG. Registered in England No. 5328622.

You can check this out on the FCA's website at www.fca.org.uk which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(b) XL Insurance Company SE

We are a European public limited liability company and regulated by the Central Bank of Ireland.

Registered Office 8 St. Stephen's Green, Dublin 2 D02 VK30, Ireland.

Registered in Ireland Number 641686.

You can check this information on the Central Bank of Ireland's website at www.centralbank.ie, which includes a register of all the firms they regulate

(c) XL Catlin Services SE

XL Catlin Services SE acts as an agent of AXA XL Insurance Company UK Limited and/or XL Insurance Company SE in connection with this policy.



XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered office is XL House, 8 St Stephen's Green, Dublin 2 Ireland.

Registered in Ireland No. 659610

You can check this information on the Central Bank of Ireland's website at www.centralbank.ie which includes a register of all the firms they regulate.

1.13 Fair Processing Notice

This Privacy Notice describes how AXA XL Insurance Company UK Limited and XL Insurance Company SE (for the purpose of this notice "we", "us" or the "Insurer") collect and use the personal information of insureds, claimants and other parties (for the purpose of this notice "you") when we are providing our insurance and reinsurance services.

The information provided to the Insurer, together with medical and any other information obtained from you or from other parties about you in connection with this policy, will be used by the Insurer for the purposes of determining your application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required by law to collect certain personal information about you, or as a consequence of any contractual relationship we have with you. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by the Insurer for these purposes with group companies and third party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of your personal information. Because we operate as part of a global business, we may transfer your personal information outside the United Kingdom and/or the European Economic Area for these purposes.

You have certain rights regarding your personal information, subject to local law. These include the rights to request access, rectification, erasure, restriction, objection and receipt of your personal information in a usable electronic format and to transmit it to a third party (right to portability).

If you have questions or concerns regarding the way in which your personal information has been used, please contact: legalcompliance@axaxl.com.

We are committed to working with you to obtain a fair resolution of any complaint or concern about privacy. If, however, you believe that we have not been able to assist with your complaint or concern, you have the right to make a complaint to the relevant Data Protection Authority.

For more information about how we process your personal information, please see our full privacy notice at: <https://axaxl.com/privacy-and-cookies>.

Brokers, Intermediaries, Partners, Employers and Other Third Parties

If you provide us with information about someone else, we will process their personal information in line with the above. Please ensure you provide them with this notice and encourage them to read it as it describes how we collect, use, share and secure personal information when we provide our services as an insurance and reinsurance business.

2. Policy Definitions

Whenever the following words appear in this Policy or Schedule, they shall have the meaning defined below.

2.1 Conveyance

The method used to transport the insured Goods whether by road, rail, sea, air or post.

2.2 Deductible

The applicable amount stated in the conditions or the Schedule, which this Policy does not cover and will be deducted from each claim.

2.3 Earthquake

Is defined as a shaking or trembling of the earth that is tectonic in origin, whether observable or not observable, and whether man-made or caused by natural phenomena, including Tsunami, Seismic Sea Waves and Volcanic Eruption.

As respects the peril of Earthquake, one occurrence shall mean all loss arising during a continuous period of seventy-two (72) hours during the term of this Policy. The Assured may elect the moment when the seventy-two (72) hour period begins, but no two such periods shall overlap. Such Earthquake shall be deemed to be a single occurrence within the meaning of this Policy. The expiration of this contract of (re)insurance will not reduce any seventy-two (72) hour period.

2.4 Employee

Any:

- (a) person under a contract of employment or apprenticeship with You; or
- (b) self-employed individual providing You with labour only; or
- (c) individual hired to or borrowed by You working for You and under Your control in connection with the business.

2.5 Flood

Is defined as a general and temporary condition during which the surface of normally dry land is partially or completely inundated, which arises from:

- (a) Rain and resultant runoff; or
- (b) The rising, overflow or breach of any boundary of a natural or man-made body of water, where not driven by wind; or
- (c) Non-tectonic or non-seismic sea waves, tide or tidal waters or spray from any of these, where not driven by wind; or
- (d) Unexpected accumulation of water caused by subsurface seepage or subsurface leakage, where not driven by wind.



Flood does not include the accumulation of water from any source on a roof or other surface of a building, dwelling or structure. Such Flood shall be deemed to be a single occurrence within the meaning of this Policy.

2.6 Geographical Areas

Areas are defined as follows:

(Please note these should be read in conjunction with General Exclusions 7.6 – Geographical Areas).

Australasia	Australia, Fiji, New Zealand, Papua New Guinea, Solomon Islands, Tasmania, Tonga and Western Samoa
Central Africa	Burundi, Cameroon, Central Africa Republic, Chad, Democratic Republic of Congo, 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 (Commonwealth of Independent States)	Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan
East Africa	Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Tanzania, South Sudan, Sudan and Uganda
Europe	Andorra, Albania, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Channel Islands, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Faroe Islands, Finland, France, Georgia, Germany, Gibraltar, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Republic of Ireland, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland and Turkey
Far East	Cambodia, China, Hong Kong, Indonesia, Japan, Laos, Malaysia, Mongolia, North Korea, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam
Indian Sub –Continent	Bangladesh, Bhutan, India, Madagascar, Maldives, Mauritius, Myanmar, Nepal, Pakistan, Seychelles and Sri Lanka
Middle East	Afghanistan, Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen
North Africa	Algeria, Canary Islands, Egypt, Libya, Morocco and Tunisia
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, Northern Ireland and the Isle of Man
West Africa	Benin, Burkina Faso, Cape Verde, Ivory Coast, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, The Gambia, Togo and Western Sahara

2.7 Goods

The subject matter insured, being those types of goods described in the Schedule.

2.8 Insured / You / Your / Assured

The entity(ies) and/or person(s) stated in the Schedule.

2.9 Insured Peril

Those risks which are a direct cause of Loss or Damage to the Goods and which are included under the applicable conditions of this Policy.

2.10 Insurer / We / Our / Us / Underwriters

AXA XL Insurance Company UK Limited & XL Insurance Company SE.

2.11 ISM Code

The International Management Code for the safe operation of ships and for pollution prevention.

2.12 ISPS Code

The International Ship and Port Facility Security Code, an amendment to the SOLAS Convention.

2.13 Location

Any building, compound, location or premises used by You in the ordinary course of business.

2.14 Loss or Damage

Physical damage to tangible property or irremediable loss or irremediable deprivation of the use of tangible property. Loss or Damage does not include loss, impairment or deprivation of the use of intellectual property, book debts, land values, legal, contractual or financial rights and options or any other form of non-tangible property. Loss or Damage does not include loss of use of property which has not been physically damaged and which is physically accessible to You or Your Employee and shall be understood independently of the property's ability to function as intended. The terms 'loss', 'damage', and 'damaged' shall have the same meaning.

2.15 Own Vehicle

Any Vehicle owned by or operated by You or Your Employee.



2.16 Postal Sendings

A consignment of Goods handled by the national postal service in the territory that dispatch is made.

2.17 Schedule

The document accompanying this Policy which provides details of the Insured, limits and any additional endorsements or conditions applicable to this Policy.

2.18 SOLAS Convention

The Safety of Life at Sea Convention 1974 and as amended on minimum security arrangements for ships, ports and government agencies.

2.19 Unattended

Where neither You nor Your Employee are in a position to keep the Vehicle and/or Goods under constant surveillance and at the same time have a reasonable prospect of preventing any unauthorised interference or access to the Vehicle and/or the Goods.

2.20 Vehicle

The method used to transport the insured Goods by road including trailers and/or transportation equipment which can be towed by a Vehicle.

2.21 Voyage/Transit

The geographical movements of the Goods, beginning and ending in accordance with the appropriate Institute Clause applicable to the voyage/transit and for the Conveyance.

2.22 Windstorm

Is defined as a storm or weather disturbance, limited to hurricane, typhoon, tropical storm, tornado, cyclone, straight line wind, derecho or any other storm or weather disturbance which is named and/or numbered by any recognised National Weather Service or the Recognised National Hurricane Centre or other similar governmental agencies in the country of the loss. For the purposes of this definition, Windstorm shall include physical loss, damage or destruction caused by:

- (a) Storm surge that is the result of actions or effects of such windstorm;
- (b) Any material, object or debris that is carried, propelled or in any manner moved by such windstorm;
- (c) Hail that is the result of actions or effects of such windstorm;
- (d) Thunderstorm that is the result of actions or effects of such windstorm;
- (e) Rain or water (not constituting a Flood), where driven by such windstorm, that enters a building or structure insured under this policy.



As respects the peril of Windstorm, one occurrence shall mean all loss arising during a continuous period of seventy-two (72) hours during the term of this Policy. The Assured may elect the moment when the seventy-two (72) hour period begins, but no two periods shall overlap. Such Windstorm shall be deemed to be a single occurrence within the meaning of this Policy. The expiration of this contract of (re)insurance will not reduce any seventy-two (72) hour period.

3. Insuring Agreement

In consideration of payment of the premium when due, this Policy provides insurance against Loss or Damage to Goods by an Insured Peril during the Voyage/Transit and on the Conveyances set out in the Schedule by or for Your account in accordance with the applicable terms and conditions of this Policy.

The amount We will pay is the actual worth of the property damaged as determined by the relevant Basis of Valuation. However, We will not pay more than the Limit of Liability stated in the Schedule. The value of Goods declared by You to Us is agreed to be the value determined in accordance with the relevant Basis of Valuation. The amount of the Deductible specified in the Schedule will be deducted from the amount of each claim.

Shared Limits

The total amount payable under the applicable limits of contract of insurance (REFER TO POLICY SCHEDULE) combined with the corresponding limits of contract of insurance (REFER TO POLICY SCHEDULE) in respect of each and every loss shall not exceed the applicable limits of this contract of insurance.

4. Coverage Conditions

The following conditions will apply unless specifically otherwise shown in the Schedule.

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

- (a) Institute Cargo Clauses (A) 1.1.2009 (CL 382); and
- (b) Institute War Clauses (Cargo) 1.1.2009 (CL 385); and
- (c) Institute Strikes Clauses (Cargo) 1.1.2009 (CL 386); and
- (d) Institute Classification Clause 1.1.2001 (CL 354).

4.2 In respect of Goods moving by air:

- (a) Institute Cargo Clauses (Air) 1.1.2009 (CL 387); and
- (b) Institute War Clauses (Air) (excluding sendings by post) 1.1.2009 (CL 388); and
- (c) Institute War Clauses (sendings by post) 1.3.2009 (CL 390); and
- (d) Institute Strikes Clauses (Air) 1.1.2009 (CL 389).

4.3 For all Goods:

- (a) Marine Cyber Endorsement 11.11.2019 (LMA5403); and
- (b) Institute Radioactive Contamination, Chemical, Biological, Biochemical and Electromagnetic Weapons Clause 10.11.2003 (CL 370); and
- (c) Institute Replacement Clause 1.12.2008 (CL 372); and
- (d) Termination of Transit Clause (Terrorism) 2009 1.1.2009 (JC2009/056); and
- (e) Joint Cargo Committee Sanction Limitation and Exclusion Clause 11.8.2010 (JC2010/014); and
- (f) Joint Cargo Committee Communicable Disease Exclusion (JC2020-011).

4.4 If We have agreed to insure Goods which are frozen or otherwise temperature controlled the following conditions apply:

- (a) Institute Frozen/Chilled Food Clauses (A) – 24 Hours Breakdown 1.3.2017 (CL 423); and
- (b) Institute Strikes Clauses (Frozen/Chilled Food) 1.3.2017 (CL 424).

In respect of Goods which are frozen or otherwise temperature controlled within the United Kingdom Clause 1.2.1 of the Institute Frozen/Chilled Food Clauses (A) – 24 Hours Breakdown 1.3.2017 (CL 423) is deleted and replaced by the following:

- 1.2.1 breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 8 hours

5. Coverage Clauses

5.1 **Contracts (Rights of Third Parties) Act 1999 Exclusion (Cargo)**

- (a) The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this 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 valid assignee in the ordinary course of business of a certificate of insurance issued hereunder.
- (b) No third party may enforce any term of this Policy or any certificate issued under it except a valid assignee in the ordinary course of business of a certificate of insurance issued hereunder.

5.2 **Period of Cover**

This Policy, subject to all its terms and conditions, covers Loss or Damage occurring during the Period of Insurance stated in the Schedule. If this Policy is cancelled before its natural expiry date or is not renewed, cover will continue in respect of all Voyages/Transits which had commenced during the Period of Insurance until completion of each Voyage/Transit but only provided that no other insurance is in force in respect of such Voyages/Transits.

5.3 **Accumulation**

In the event of any accumulation of Goods during the ordinary course of Transit which has arisen from circumstances beyond Your control We shall pay, in accordance with the Basis of Valuation, up to twice the Limit of Liability stated in the Schedule, provided You give Us notice of any accumulation in excess of the Limit of Liability stated in the Schedule as soon as You become aware of it.

5.4 **Basis of Valuation**

- (a) The Basis of Valuation of lost or damaged Goods is the CIF (Incoterms) value of such Goods, being cost, insurance and freight. 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.
- (b) In the case of any Goods sold in bond, the Basis of Valuation is the gross value, being the wholesale price or, if there is no such price, the estimated value, with, in either case, freight, landing charges and duty paid beforehand.
- (c) This Policy provides coverage for Goods owned by the Insured or for which they are responsible which are not the subject of a Bona Fide contract of Purchase or Sale provided that the Insured has arranged and is responsible for any transit being undertaken. The Basis of Valuation for such Goods is Current Market Value for used goods and Cost Price to the Insured for new unused Goods.
- (d) For the purposes of claims for General Average Contributions and Salvage Charges recoverable under this Policy, Goods shall be treated as being insured for their full contributory value.



- (e) 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 or Damage to Goods before payment of duty and other charges so that You and/or the consignee is relieved from payment of that duty or other charges in part or in whole, such amount of duty and charges relieved will be deducted in arriving at Our liability for the Goods lost or damaged.
- (f) In the event of a rebate being granted by the appropriate authorities then:
 - (i) 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
 - (ii) if a rebate is granted by the appropriate authorities prior to any payment by Us the claim shall be reduced by the amount of such rebate.

5.5 Payment

(a) Total and Partial Losses

We will pay as per the Basis of Valuation:

- (i) if Goods are totally lost or destroyed or
- (ii) the cost of recovery and/or repairing Goods shall exceed the Basis of Valuation or
- (iii) if You are deprived of the free use and disposal of Goods for a period of twelve (12) 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 period of time decided by Us depending upon the facts of each individual case.

In all other cases We shall pay:

- (1) where part of the Goods are totally lost, such proportion of the Basis of Valuation as that part lost bears to the whole; or
- (2) if the whole or any part of the Goods have been delivered damaged at their destination such proportion of the Basis of Valuation as the difference between the undamaged and damaged value at the place of arrival bears to the undamaged value; or
- (3) the costs of recovering the Goods and the costs of effecting repair.

(b) Bulk Shipments

When Goods in bulk are 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 or Damage.



(c) **Container Demurrage Charges**

This Policy is extended to cover demurrage and/or late penalties assessed against, and paid by the Assured for late return of containers when said containers are retained by the Assured upon instruction from Insurers or their appointed surveyors for investigation of loss or damage which may be recoverable hereunder. However, Insurers shall not be liable for any demurrage charges which may be assessed against the Assured for delay caused by strike, lockout, stoppage or restraint of labour. The time period for which Insurers shall be liable for said charges shall begin at the time that Insurers or their appointed surveyors instruct the Assured in writing to retain the containers for inspection and end at the time the appointed surveyor instructs the Assured to return the containers.

Cover under this clause is for the sole benefit of the Assured named in this Policy and is not assignable.

Our maximum liability under this clause shall not exceed the lesser of 10% of the Agreed Value of Goods or GBP 25,000 and/or in the aggregate.

(d) **Damage Repairs**

In respect of damage claims recoverable under this Policy where You are appointed to effect repairs on behalf of Us it is agreed that the repair costs shall be based on the normal commercial rate for such repairs including the normal element of profit.

(e) **Payment on Account**

Where a claim with accompanying paper is submitted and We agree only the amount of the claim is in question We will make a payment on account if requested equal to 75% of the amount that We agree is the least amount recoverable under this Policy.

(f) **Surveys**

(i) In the event that You or a holder in due course of an assignment of a certificate issued under this Policy and You comply with instructions contained in this Policy calling for a survey in respect of Loss or Damage which would result in a claim under this Policy We agree that the 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 this Policy.

(ii) We agree to waive surveys in respect of claims not exceeding GBP 1,000 or equivalent in other currencies, after deduction of the Deductible, if any, such claims to be accepted by Us on presentation of a statement and supporting documents only.

(g) **Underinsurance**

If, at the time of Loss or Damage, the value of the Goods is greater than the Limit of Liability stated in the Schedule, We will pay only such proportion of the Loss or Damage as the Limit of Liability bears to the total value of the Goods.



5.6 **Cancellation**

This contract may be cancelled by either You or Us at any time by thirty (30) days notice in writing by registered mail but risks covered by Institute War Clauses may be cancelled at seven (7) days notice and risks covered by the Institute Strikes Clauses may be cancelled at seven (7) days notice, or at forty-eight (48) hours notice in respect of shipments to or from the United States of America. Notice shall commence from midnight of the day when it is issued but cancellation shall not apply to any risks which have attached in accordance with the terms of this Policy before the cancellation becomes effective.

5.7 **Other Insurance**

- (a) If at the time of Loss or Damage to Goods, such Goods are covered by any other insurance or would be so covered but for this Policy, then this Policy shall only apply in excess of such other insurance.
- (b) 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 Policy, We will insure Goods on the terms and conditions of this Policy for the difference between the insurance cover arranged by the seller and the terms of this Policy.
- (c) The insurance provided under this clause is on the terms and conditions of this Policy.
- (d) We shall be subrogated to all rights and recourse including against sellers and carriers.
- (e) The clause 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.
- (f) You will not disclose the existence of this Policy to a seller or any other third party except as may be required by any rule or regulation.

5.8 **Institute Clause Revision**

The Institute Clauses referred to are those current at the inception of this Policy and should the clauses be revised during the Period of Insurance, and provided that We give You thirty (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.

5.9 **Air Freight Charges**

- (a) In the event of Loss or Damage to Goods We shall either pay the costs of:
 - (i) returning by air freight damaged Goods to manufacturers and/or suppliers for repair; or
 - (ii) 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.
- (b) Our maximum liability under this extension shall be the lesser of either:
 - (i) GBP 25,000; or



- (ii) 25% of the insured value, in respect of any one occurrence or series of occurrences arising out of any one event.

5.10 Attachment of Transit

- (a) It is agreed that this Policy attaches at the later of the time when either:
 - (i) You acquire interest in the Goods; or
 - (ii) 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.
- (b) We cover Goods during loading and whilst being packed by professional packers and whilst at professional packers premises for up to forty five (45) days (including whilst in Transit to and from professional packers premises) and storage in the ordinary course of Transit, containerisation and transshipping all in accordance with the Institute Cargo Clauses applying to this Policy.
- (c) Cover terminates in accordance with the termination provisions contained in the Duration Clause of the Institute Clauses as applicable to the relevant Voyage/Transit.
- (d) We will cover periods in excess of forty five (45) days at professional packers premises providing that You give Us notice prior to expiry of the first period of forty five (45) 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 forty five (45) days or such further period as may be agreed by Us.

5.11 Cargo ISM Code Forwarding Charges

- (a) We will reimburse to You up to 15% of the value as per the Basis of Valuation subject to a Limit of Liability of GBP 75,000 for any additional charges 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:
 - (i) such vessel not being certified in accordance with ISM Code; or
 - (ii) to a current Document of Compliance not being held by the owners or operators as required under the SOLAS Convention 1974 as amended.
- (b) This clause does not apply where You were:
 - (i) either aware; or
 - (ii) in the ordinary course of business would have been aware,that the vessel was not certified in accordance with the ISM code.
- (c) This clause does not apply to General Average or Salvage Charges and is otherwise subject to all other terms and conditions of this Policy.



5.12 Cargo ISPS Code Forwarding Charges

- (a) We will reimburse You up to 15% of the value as per the Basis of Valuation subject to a Limit of Liability of GBP 75,000 for any additional charges 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.
- (b) This clause does not apply where You were:
 - (i) either aware; or
 - (ii) in the ordinary course of business would have been aware,that the vessel was not certified in accordance with the ISPS Code.
- (c) This clause does not apply to General Average or Salvage Charges and is otherwise subject to all other terms and conditions of this Policy.

5.13 Concealed Damage

- (a) Any Loss or Damage discovered on opening containers, cases and/or packages shall be treating as having occurred during the Voyage/Transit irrespective of the time of attachment of Your interest in Goods unless We provide evidence to the contrary.
- (b) You must ensure that:
 - (i) 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 immediately unpacked and We are notified as soon as practicably possible of such signs of damage; and
 - (ii) the time between delivery of Goods to destination and notification of any Loss or Damage to Us does not exceed sixty (60) days.
- (c) This clause will not apply where there is evidence of Loss or Damage occurring after either:
 - (i) the date of arrival at final destination; or
 - (ii) termination of cover.

5.14 Frozen and/or Chilled Product carried by Own Vehicle

Notwithstanding any exclusions contained within the Policy this extension provides cover against deterioration in consequence of temperature variations but always subject to the applicable Institute Frozen Food Clauses herein, and additionally subject to the following:



- (a) every driver involved in the transportation of goods in a refrigerated or chilled condition shall have had tuition in the handling of such traffic from the manufacturers of such equipment or the duly authorised agent of the manufacturers or a similarly qualified party; and
- (b) the temperature within the unit shall be recorded in writing by the Assured at the time of loading and unloading and, in the case of any journey exceeding twelve hours duration, the temperature within the unit shall be recorded in writing at intervals of not more than twelve hours.

It is a condition precedent to liability that the Assured shall retain such records to serve as evidence in connection with any claim which may arise; and

- (c) temperature controlled vehicle(s) and/or trailer(s) shall be maintained and used in accordance with manufacturers instructions.

5.15 **Presentation Packing**

Insurers agree to pay the reasonable costs of repair or replacing of any presentation packing of goods lost or damaged provided that the presentation packing has been protected to withstand the normal rigours of the transit.

Our maximum liability under this clause shall not exceed the lesser of 10% of the Sum Insured of Goods or GBP 25,000.

5.16 **Returned Goods**

- (a) In the event that Goods insured under this Policy are rejected or returned for any reason, We will cover the Goods subject to the terms and conditions of this Policy continuously until terminated either:
 - (i) on the expiry of sixty (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
 - (ii) 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.

- (b) You will report to Us all returned and/or rejected shipments as soon as practicably possible after You have knowledge of such return and/or rejection and in no event later than thirty (30) days after the arrival of Goods at the final port of discharge.
- (c) All such Goods rejected and/or returned and declared under this Policy for this clause will be subject to a premium to be agreed for each Declaration.
- (d) 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 this clause are held covered subject to the terms and conditions of the Institute Cargo Clauses (B) 1.1.2009 (CL383) including jettison and washing overboard and the Institute War and Institute Strikes Clauses at rates to be agreed.



5.17 Extension of Voyage

- (a) 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 this Policy.
- (b) Such extensions are held covered at rates to be agreed subject to notice by You to Us as soon as practicably possible.

5.18 Fumigation

- (a) We will pay to You the cost of fumigating cargo, but excluding damage or depreciation caused by such fumigation except as provided in this clause.
- (b) At the time of the commencement of the Voyage/Transit there must be no compulsory order in being or published requiring fumigation.
- (c) 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 cover 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.
- (d) Our maximum liability under this clause shall not exceed the lesser of 10% of the Agreed Value of Goods or GBP 25,000.

5.19 Removal of Debris

- (a) If Goods are lost or damaged because of the operation of an Insured Peril We will pay the costs and expenses incurred by You in connection with:
 - (i) removing and disposing of the debris of any Goods;
 - (ii) the transfer of Goods from one Conveyance to another in the event of an accident to the original Conveyance;
 - (iii) Loss or Damage to Goods whilst being transferred.
- (b) We shall not be liable for:
 - (i) any expense incurred in consequence of or to avert or mitigate pollution or contamination or any threat or liability as a result; and
 - (ii) the cost or removal of any cargo from any vessel or craft.
- (c) Our Limit of Liability under this clause is limited to the lesser of either 10% of the Agreed Value of Goods or GBP 25,000.
- (d) This amount is in addition to the Limit of Liability shown in the Schedule.



5.20 Destruction by Governmental Authorities

We will pay You for Loss or Damage to Goods caused by Governmental Authorities (acting for the public welfare) to prevent or mitigate a pollution, hazard or threat of pollution, provided a recoverable claim would have resulted under this Policy (subject to all the terms and conditions of this Policy) had Goods been damaged as a result of the accident or occurrence which gave rise to the threat of pollution.

5.21 Additional Discharge Expenses

- (a) In the event of Loss or Damage to Goods giving rise to a claim under this 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.
- (b) We shall be credited with the recovery where such charges are recovered, either in General Average or from carriers.
- (c) Our Limit of Liability under this clause is limited to the lesser of either 10% of the Agreed Value of Goods or GBP 25,000.

5.22 Basis of Premium

- (a) Declaration Premium
- (b) Where the Schedule states that the premium is payable on a declaration basis, You must provide to Us declarations covering the specified period within forty five (45) days of the expiry of such period. The premium shall then be adjusted and any difference paid or allowed to You as the case may be, calculated at the rates stated in the Schedule. Should You not provide such declarations then We may at Our option:
 - (i) cancel this Policy by giving fifteen (15) days of notice to You or
 - (ii) make an estimate of the declarations which You should have declared and assess premium on such estimate, and there shall be due and owing to Us premium based on that assessment, such premium being due to Us within fourteen (14) days of notice.
- (c) Deposit Premium
 - (i) The Deposit Premium is the sum fixed at inception for the purpose of commencing cover.
 - (ii) If the Schedule states that the premium is subject to an adjustment, You shall provide Us with a declaration of all actual sendings made by You within thirty (30) days of expiry of the Period of Insurance. The premium shall then be adjusted and any difference paid or allowed to You as the case may be, calculated at the rates shown in the Schedule.
 - (iii) Should You not provide Us with such declaration then We may make Our own assessment and You will be obliged to pay Us the premium due within fourteen (14) days of notice being given.



- (d) Flat Premium
 - (i) Where the premium is stated in the Schedule as Flat this is a non-adjustable fixed amount based on the original declared estimated sendings or turnover and no return of premium will be made for any reason.
 - (ii) You must tell Us as soon as practicably possible if Your turnover or the value of Goods insured under this Policy should increase by more than 15% of the original estimate in which case We may charge You an additional premium assessed on the increased turnover or value of Goods shipped.

5.23 **Vessels**

All vessels used for sea transit must comply with the Institute Classification Clause 01/01/2001 CL.354. 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.

5.24 **Goods insured other than Moving by Sea Conveyance**

The provisions of the Marine Insurance Act 1906, in so far as they can apply, are noted as applying to every Voyage/Transit irrespective of the method of Conveyance.

5.25 **Brands and Labels**

- (a) In the event of Goods becoming damaged by an Insured Peril and should some Goods:
 - (i) bear embossed or indented brands or labels or any other permanent marking identifying You as manufacturer of the Goods; or
 - (ii) contain exclusive and/or secret formulae

You shall have full liberty to retain control of all such Goods.
- (b) In such event You will have an option to either:
 - (i) destroy the Goods providing such destruction averts or minimises any loss recoverable under this Policy; or
 - (ii) return the Goods to the manufacturing factory; or
 - (iii) recondition the Goods

and We shall pay to You a total loss. We shall, however, be entitled to any salvage You might obtain where Goods are returned or reconditioned.



5.26 Segregation

- (a) In the event of external signs of damage to Goods resulting from an Insured Peril necessitating segregation and/or sorting then We shall pay for the costs incurred by You on both undamaged and damaged packages, subject to Policy conditions.
- (b) We will extend this Policy to cover periods in excess of those provided under the Institute Clauses, to allow for segregation and/or sorting prior to delivery at the final destination but not beyond the expiry date of this Policy as stated in the Schedule.

Our Limit of Liability under this clause is limited to the lesser of either 10% of the Agreed Value of Goods or GBP 25,000.

5.27 Packing

- (a) Packing is to be sufficient to protect the Goods against hazards that may be encountered during Voyage/Transit taking into account:
 - (i) the susceptibility of the Goods to damage;
 - (ii) the route employed;
 - (iii) the time of year the Goods are despatched.
- (b) 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 as a defence for any claim in any case whether packing or preparation was carried out by a party other than You and the insufficiency or unsuitability arose entirely without Your knowledge.
- (c) For the purpose of this waiver, “packing” shall be treated as including stowage in a container or other similar intermodal method of unit load.
- (d) You must assist Us in all respects to pursue rights of recovery against sellers or any other responsible third party.
- (e) This clause does not interfere with any rights of subrogation against packers and/or their insurers.

5.28 Packaging/Labels

In the event of Loss or Damage affecting labels, capsules, wrappers or packaging of Goods 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.

5.29 Pairs and Sets

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 shall not pay and shall not be liable for any diminution in value of the whole set or part by virtue of Loss or Damage to part of the Goods or set or pair.



5.30 Cutting

If Goods are damaged by an Insured Peril but are 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.

5.31 Foreign Currency

Certificates issued in accordance with the terms of this Policy may be issued in foreign currencies, provided always that:

- (a) losses are payable in the currency stated in the Certificate;
- (b) for the purposes of adjustment of claims, any rate of exchange shall be taken at the date of despatch of Goods; and
- (c) the premium shall nonetheless be payable in GBP at the rate of exchange applicable on the last date of the declaration period or the date the premium is adjusted.

5.32 Buyers Contingent Interest

- (a) We will insure Goods and the interest You may acquire 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.
- (b) We will be subrogated to all Your rights against Your supplier or supplier's insurers or third parties.
- (c) It is noted and agreed that:
 - (i) there is Loss or Damage to Goods; or
 - (ii) You have suffered a pecuniary loss; and
 - (iii) You have taken all practical steps to invoke the contract of sale and the responsibilities under it and have attempted to recover from seller and/or seller's insurers any pecuniary loss that You have suffered by reason of Loss or Damage to Goods from an Insured Peril arising during the currency of this Policy; and
 - (iv) You have not divulged the existence of this Policy to the seller or the seller's insurers.

We shall be entitled to refuse to pay any claim in its entirety if the above provisions are not complied with.

- (d) If We pay to You any claim, You subrogate to Us all Your rights and recourse 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.

5.33 Sellers Contingent Interest

- (a) This Policy will cover Your contingent interest 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.



- (b) We agree to insure You under the terms and conditions of this Policy for Loss or Damage to Goods, Salvage and General Average Charges from the commencement of the Voyage/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 extension on the happening of the following events:
 - (i) the buyer failing, refusing to accept or being prevented from accepting the Goods or the documents; or
 - (ii) 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 practicable for You to do so to safeguard Your interest.
- (c) 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.
- (d) You must notify Us as soon as practicably possible when You become aware of any event that might give rise to a claim under this clause.
- (e) 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. You must not do anything to affect any subrogation right.
- (f) You must:
 - (i) take all practicable steps to protect Goods; or
 - (ii) 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,
 - (iii) not disclose this cover to any other interested party;
 - (iv) not assign the benefit of this cover.

5.34 Used and/or Pre-used and/or Second-hand Goods

- (a) This Policy will cover used and/or pre-used and/or second-hand Goods whilst in transit but excluding Loss or Damage caused by:
 - (i) rust, oxidation, discolouration and corrosion;
 - (ii) scratching, chipping, denting, bruising and cost of repainting;
 - (iii) twisting, bending and distortion;unless attributable to the carrying Conveyance being involved in an accident or casualty.
- (b) The sum recoverable under this Policy shall be limited to such proportion of the costs of replacement of the part or parts lost or damaged as the insured value bears to the value of new Goods, plus the additional charges for forwarding and refitting the replacement part or parts if incurred, but in no case shall Our liability exceed the insured value of the Goods.

- (c) It is noted and agreed that new spare parts are readily available. We shall be entitled to refuse to pay any claim in its entirety if such Goods are not readily available.

5.35 **Non-Contribution**

This Policy does not cover any Loss or Damage which at the time of happening of such Loss or Damage is insured by, or would, but for the existence of this Policy, be insured by any other policy or policies except in respect of any excess beyond the amount which would have been payable under such other policy or policies has this Policy not been effected.

6. **Optional Coverage Extensions**

The following Coverage Extensions will only apply to this Policy if We have noted and agreed them in writing on the Schedule or by Endorsement and apply subject to the applicable terms and conditions of this Policy.

6.1 **Tools and Samples**

This Policy is extended to cover tools, salespersons samples and similar equipment used by You or Your Employee in the course of business whilst contained in or on any Vehicle owned or operated by You or Your Employee whilst in use for the purpose of business, but excluding any Loss or Damage:

- (a) arising out of use or wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, damage by exposure to the light, lack of maintenance or damage which happens gradually over a period of time; or
- (b) to Goods which are contained in any Vehicle which is being used for social, domestic, or pleasure purposes; or
- (c) to personal clothing and/or effects; or
- (d) caused by rust and/or oxidation and/or discolouration.

It is noted and agreed that Extension 6.6 – Unattended Own Vehicles applies to this extension irrespective of whether it is stated that Own Vehicle is operative in the Schedule.

6.2 **Exhibitions, Demonstrations and Trade Fairs**

This Policy is extended to cover Goods including stands, fixtures, fittings and exhibition equipment, if required, whilst in transit to and from and whilst at any exhibition and/or demonstration and/or trade fair site including unpacking, assembly, whilst at the exhibition and/or demonstration and/or trade fair site, dismantling and repacking all for a period not exceeding thirty (30) days.

This extension does not cover:

- (a) Loss or Damage to LCD or plasma screens, computers, audio/visual transmission or distribution equipment and mobile telephones unless We have agreed to insure such items in the Schedule.
- (b) Loss or Damage caused by:



- (i) wear and tear being a reduction in value through age, natural deterioration, ordinary use, depreciation due to use, damage by exposure to the light, lack of maintenance or damage which happens gradually over a period of time, mildew, moss, vermin, or inherent defect;
- (ii) faulty assembly or construction;
- (c) Loss or Damage to Goods in or on:
 - (i) any Vehicle which is being used for social, domestic, or pleasure purposes;
 - (ii) open Vehicles owned or operated by You or Your Employee caused by atmospheric, climatic or weather conditions which are not protected by Vehicle sheets;
- (d) Loss or Damage caused by or arising from atmospheric, climatic or weather conditions in respect of exhibitions and/or demonstrations and/or trade fairs held in the open or in marquees or in tents;
- (e) theft of Goods or malicious acts:
 - (i) as a result of the confiscation requisition seizure or destruction by government or public authority;
 - (ii) during the opening hours of the exhibition and/or demonstration and/or trade fair unless the stand is attended by You or Your representative at all times;
 - (iii) outside exhibition or trade fair hours unless the event premises or site is controlled by security personnel.

It is noted and agreed 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 You or Your Employee.

This extension also provides coverage to cover You for the following exhibition and/or demonstration and/or trade fair expenses, up to a maximum of GBP 5,000 in respect of any one exhibition and/or demonstration and/or trade fair and GBP 10,000 in the aggregate in any Period of Cover and subject to a Deductible of GBP 500 each and every claim:-

Loss of expenses due to abandonment of the exhibition or trade fair, covering You for the loss of net ascertained expenses, costs and/or commitments sustained or incurred in the event of the exhibition or trade fair being cancelled, postponed, curtailed or abandoned due to any cause beyond the control of the organisers but excluding political and financial causes or lack of support or adverse weather conditions.

We will additionally provide cover for loss of expenses due to:

- (i) non-arrival of Goods insured;
- (ii) late arrival of Goods insured; or
- (iii) arrival of the Goods insured in a state unfit for exhibition.



arising from a peril recoverable under the Institute Cargo Clauses A 1.1.2009 (CL382)/ (CL387) or following a casualty to the ocean vessel (including breakdown of machinery) which would be recoverable under the Institute Voyage Clauses Hulls 1.11.95 (CL0285). Cover to attach and cease in accordance with the Institute Cargo Clauses A, that is, cover to cease on arrival at the exhibition or trade fair premises.

Exhibition or trade fair expenses means expenditure incurred in connection with the exhibition or trade fair including advertising, printing, stationery, insurance premiums, charges for space and services, hire of stands, transport charges, cost of installing stands, fittings, exhibits and accommodation deposits.

It is noted and agreed that Extension 6.6 – Unattended Own Vehicles applies to this extension, irrespective of whether it is stated that Own Vehicle is operative in the Schedule.

6.3 **Storage Locations (outside the ordinary course of Transit) – Owned by You or under Your Control**

This Policy is extended to cover Goods in store outside the ordinary course of Transit whilst at Location(s) owned by You or under Your control, detailed in the Schedule.

Where the Location is protected by an intruder alarm subject to automatic detection and signalling protection or such other protection as may be agreed by Us in writing, we shall have no liability under this policy if You do not comply with the following provisions unless You show that non-compliance with these provisions could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred:

- (a) the intruder alarm together with all connections to the keyholder and/or central monitoring station or such other protection as may be agreed by Us in writing are kept in full working order;
- (b) You shall appoint at least two (2) keyholders and lodge their written details (such details must be kept up to date) with the alarm company and the Police
- (c) whenever the Location is closed for business or left Unattended the intruder alarm will be fully operational, properly maintained and fully set to protect the Location;
- (d) You will keep in force for the Period of Insurance stated in the Schedule a maintenance contract for the intruder alarm with a maintenance company registered with the National Security Inspectorate;
- (e) You will not remove the intruder alarm without first obtaining Our permission;
- (f) if any defect in the intruder alarm is discovered or the police withdraw their services You will:
 - (i) notify Us as soon as practicably possible when We will have the option of cancelling cover for the Goods stored at the Location; and
 - (ii) not leave the Location Unattended without Our prior consent; and
 - (iii) put into effect the additional temporary safeguards as required by Us; and
 - (iv) give instructions as soon as practicably possible to the maintenance company to carry out necessary repairs,
- (g) You will notify Us as soon as practicably possible if:



- (i) You have received notification from the police that they have withdrawn, will withdraw, or are considering withdrawal of response to alarm calls; or
 - (ii) failure of the telecommunication lines used to transmit alarm signals from the Location occurs,
- (h) all locks, padlocks and all other protections provided for the security of the Location shall be put into full and effective operation at all times when the Location is closed for business and all other appropriate times,
- (i) all Goods must be kept on wooden pallets or metal racking at least 10 centimetres above floor level

This extension does not cover:

- (i) Loss or Damage due to theft, malicious act or attempt thereof unless there is evidence of forcible and violent entry to or exit from the Location;
- (ii) mysterious disappearance, unexplained or inventory shortage;
- (iii) Goods stored in the open unless agreed by Us in writing;
- (iv) retail premises unless agreed by Us in writing.

Our liability under this extension in respect of all losses arising from any one occurrence shall not exceed the limits as specified in the Schedule.

Where the Location is not protected by an intruder alarm subject to automatic detection and signalling protection a 20% Co-Insurance shall apply, subject to a minimum deductible of GBP 500, to all losses arising from theft and/or attempted theft whilst such Location is Unoccupied

6.4 **Storage Locations (outside the ordinary course of Transit) – Third Party Specified and/or Unspecified Locations**

This Policy is extended to cover Goods in store outside the ordinary course of Transit whilst at third party specified and/or unspecified Locations, detailed in the Schedule.

This extension does not cover:

- (a) Loss or Damage due to theft or attempted theft, unless there is evidence of forcible and violent entry to or exit from the Locations;
- (b) mysterious disappearance, unexplained or inventory shortage;
- (c) Goods stored in the open unless agreed by Us;
- (d) retail premises unless agreed by Us.

Our liability under this extension in respect of all losses arising from any one occurrence shall not exceed the limits as specified in the Schedule.

6.5 Storage – Terrorism and/or Sabotage

- (a) This Policy is extended to cover Loss or Damage to Goods insured whilst at the Location detailed in the Schedule caused by an act of Terrorism and/or Sabotage (as defined herein).
- (b) This extension does not provide cover in respect of any claim of whatsoever nature directly or indirectly caused by or occasioned by or happening through or as a result of:
 - (i) nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
 - (ii) war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power or martial law or confiscation by order of any Government or public authority.
 - (iii) confiscation, requisition, detention, seizure, legal or illegal occupation, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of the property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
 - (iv) the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant of toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
 - (v) chemical or biological release or exposure of any kind.
 - (vi) attacks by electronic means including Denial of Service Attack, Hacking or Virus or Similar Mechanism.
 - (vii) threat or hoax, in the absence of physical damage due to an act or series of acts of Terrorism and/or Sabotage.
- (c) Our liability under this extension in respect of all losses arising from any one Occurrence and, where applicable under this Policy, in the aggregate in any one Period of Insurance shall not exceed the limits as otherwise specified in this Policy.
- (d) The cover provided under this extension may be cancelled by either Us or You except in respect of any insurance which shall have attached in accordance with the conditions of this Policy to which this extension is attached, before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days from midnight of the day on which notice of the cancellation is issued by or to Us.



Extension Definitions

- (i) Denial of Service Attack shall mean any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems. Denial of Service Attacks include but are not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.
- (ii) Hacking shall mean unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data, whether Your property or not.
- (iii) Occurrence shall mean any one loss and/or series of losses arising out of and directly occasioned by one act or series of acts of Terrorism and/or Sabotage for the same purpose or cause. The duration and extent of any one "Occurrence" shall be limited to all losses sustained by You to the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this Policy unless You shall first sustain direct physical damage by an act or series of acts of Terrorism and/or Sabotage prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.
- (iv) Sabotage shall mean a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.
- (v) Terrorism shall mean an act, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.
- (vi) Virus or Similar Mechanism shall mean program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations, whether involving self-replication or not. The definition of Virus or Similar Mechanism including for example Trojan horses worms and logic bombs.

6.6 Unattended Own Vehicles

For any unattended Own Vehicle You must ensure that:

- (a) all doors, windows and other openings must be left closed, securely locked and properly fastened when any Own Vehicle is left Unattended;
- (b) upon completion of the working day any Own Vehicle left Unattended must be either garaged in a building which is securely closed and locked or parked in a compound secured by locked gates;
- (c) steering column lock, immobiliser and alarm, where fitted, must be in efficient working order and duly operated;
- (d) Goods contained in any Own Vehicle must be removed from view whenever possible.



If any of the security requirements (a), (c) or (d) are not complied with, We shall have no liability for Loss or Damage to Goods caused by theft or malicious act or from any attempted theft or attempted malicious act whilst Goods are on, or contained in, any unattended Own Vehicle owned or operated by You or Your Employee, unless You show that non-compliance could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

In the event that the requirement (b) above is not complied with then any claim otherwise due shall be subject to a Deductible of 10% or GBP 500 whichever is the greater.

7. General Exclusions

No cover is provided under this Policy for Loss or Damage to Goods:

7.1 Arms and/or Military Goods

that comprise of arms and/or ammunition and/or any form of military goods whatsoever unless specifically agreed by Us in writing.

7.2 Open on Deck

shipped on or above deck unless Goods are in fully enclosed metal containers;

7.3 Unsecured

whilst personally carried or which are shipped unpacked, unless this is advised to and specifically agreed by Us prior to the commencement of Transit.

7.4 Electrical and/or Electronic and/or Mechanical Breakdown

due to or caused by electrical and/or electronic and/or mechanical breakdown and/or derangement unless caused by an Insured Peril;

7.5 Rust and/or Oxidisation and/or Discolouration

caused by rust and/or, oxidisation and/or discolouration in respect of unpacked or unprotected Goods;

7.6 Geographical Areas

(a) on Voyages/Transits to or from or via any territory or area not listed in the Schedule as covered under Territorial Limits, or

(b) to or from or via any of the following countries or Geographical Areas:

Afghanistan, Cambodia, Central Africa, CIS, Cuba, East Africa, Iran, Iraq, Lebanon, Laos, Myanmar, North Korea, Southern Africa (excluding South Africa), Syria, Venezuela, West Africa, Yemen and/or 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.

7.7 ISM Code Compliance

carried by any of the following vessels:

(a) Ro-Ro passenger ferries;

(b) passenger carrying vessels transporting more than twelve (12) passengers;

(c) oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gross registered tonnes or more; and

(d) all other cargo ships and mobile offshore drilling units of 500 gross registered tonnes or more

which is either:



- (i) not ISM Code certified; or
- (ii) its owners or operators do not hold an ISM Code document of compliance; or
- (iii) if, at the time of the loading of the Goods onboard the vessel You were aware; or in the ordinary course of business ought to have been aware that either;
 - (1) such vessel was not certified in accordance with the ISM Code; or
 - (2) a current document of compliance was not held by the owner or operators, as required under the SOLAS Convention 1974 as amended.

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

7.8 ISPS Code

- (a) carried by a vessel that does not hold a valid ISPS Code if at the time of loading of Goods on board the vessel You were aware; or 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.
- (b) This exclusion will not apply where this Policy has been assigned to a party claiming under this Policy who has bought or agreed to buy the Goods in good faith under a binding contract.

7.9 Process Exclusion Clause

whilst the Goods are being processed manufactured tested or otherwise worked upon.

Notwithstanding the above, whilst the Goods are being processed manufactured tested or otherwise worked upon, this insurance covers physical loss or damage to the Goods proximately caused by the peril(s) of fire, lightning, explosion, aircraft, Flood, Windstorm, Earthquake or theft, subject always to the limits and retentions elsewhere in the Policy.

JC2019-005 – 29/07/2019 (amended)

7.10 Five Powers War Clause

arising from the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China, where any war risks coverage is provided under this Policy.

JC2023-024 6th Jan 2023 (amended).

8. Claims Conditions

8.1 Claims Notification

All claims should be notified to the claims department using the following contact details:

AXAXL Cargo
PO Box 76
Cardiff
CF11 1JX
United Kingdom

Tel: 0345 604 9726

Email: UKCargoclaims@axaxl.com

8.2 Your Duties

You must:

- (a) notify the claims department or the insurance broker or agent of any occurrence which might give rise to a claim under this Policy as soon as practicable;
- (b) as soon as practicably possible hold liable any responsible carrier, bailee or other third party and in no circumstances, except under written protest, to give clean receipts where Goods are in doubtful condition; give notice in writing to the carriers or bailees within three (3) days of delivery of any loss which was not apparent at the time of taking delivery.
- (c) apply as soon as practicably possible for survey by carriers' or other bailees' representatives if any Loss or Damage is apparent and claim on the carriers or other bailees for any act or Loss or Damage found in such survey;
- (d) notify the police as soon as practicable of any theft, malicious damage or other crime involving the Goods;
- (e) notify the claims department within seven (7) days of any event or riot which might give rise to a claim under this Policy;
- (f) as soon as possible pass onto the claims department unanswered all communications from third parties relating to a matter which might give rise to a claim under this Policy;
- (g) not admit liability, offer to settle, compromise or make a payment in respect of any event which might give rise to a claim under this Policy without the claims department's prior written consent;
- (h) when delivery is made by container, ensure that the container and seals are examined as soon as practicably possible by a duly authorised 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 identifications;
- (i) avoid, minimise or mitigate any Loss or Damage;



- (j) within fourteen (14) days, sign and return to the claims department 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 cover under this Policy;
- (k) search for and provide to the claims department any documents that may be required by the claims department for the purpose of prosecution or defence of any claim which may be the subject of cover under this Policy within fourteen (14) days of the request by the claims department and to sign and return within seven (7) days any disclosure statement the claims department may require.

8.3 **Our Rights**

We have the right:

- (a) to decide where and how damaged Goods will be repaired;
- (b) commence or take over the conduct of any claim brought in Your name to recover sums which are or which might be payable under this Policy.

8.4 **Documents to accompany Your Claim**

You should provide to the claims department copy documents, which may include:

- (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);
- (d) Delivery receipt;
- (e) Claim against the carrier;
- (f) Freight invoice;
- (g) Repair/replacement estimate where applicable;
- (h) Photographs of the damages as received.

You should also try to provide as much detail about the incident as possible in order to assist with the assessment of your claim. This includes your understanding of the series of events along with the date and location of the loss.



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Institute Cargo Clauses (A)

RISKS COVERED

Risks

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

General Average

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

"Both to Blame Collision Clause"

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

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out

prior to attachment of this insurance or

by the Assured or their employees and they are privy to such unfitness at the time of loading.



- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
- 6.** In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.
- 7.** In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

- 8.** 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,
 - continues during the ordinary course of transit
 - and terminates either
 - 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
 - 8.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,
 - whichever shall first occur.



- 8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

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

Change of Voyage

10. 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

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

Forwarding Charges

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

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



Constructive Total Loss

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

Increased Value

- 14.** 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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



LAW AND PRACTICE

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

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

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CL382 01/01/2009



Institute Cargo Clauses (B)

RISKS COVERED

Risks

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

General Average

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

"Both to Blame Collision Clause"

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

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage



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

- 4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons
- 4.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- 5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out
 - prior to attachment of this insurance or
 - by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
- 6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.
- 7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4 caused by any person acting from a political, ideological or religious motive.



DURATION

Transit Clause

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

Termination of Contract of Carriage

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



Change of Voyage

- 10.** 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

- 14.** 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

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



BENEFIT OF INSURANCE

15. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL383 01/01/2009

Institute Cargo Clauses (C)

RISKS COVERED

Risks

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

General Average

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

"Both to Blame Collision Clause"

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

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

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



- 4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons
- 4.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- 5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
- 6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war.
- 7. In no case shall this insurance cover loss damage or expense
 - 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 7.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

- 8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,

continues during the ordinary course of transit

and terminates either
 - 8.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
 - 8.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of



insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or

8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or

8.1.4 on the expiry of 60 days after completion of discharge overseas of the subject-matter insured from the overseas vessel at the final port of discharge,

whichever shall first occur.

8.2 If, after discharge overseas from the overseas vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

8.3 This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either

9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,

or

9.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage

10. 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

11. 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

11.2 Subject to Clause 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.



Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

14. 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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



Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL384 01/01/2009



Institute Strikes Clauses (Cargo)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure
 - 3.9 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.



4. 4.1 In no case shall this insurance cover loss damage or expense arising from
- 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
- 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

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



Termination of Contract of Carriage

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

Change of Voyage

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

CLAIMS

Insurable Interest

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

Increased Value

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

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

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

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

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



BENEFIT OF INSURANCE

10. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL386 01/01/2009



Institute War Clauses (Cargo)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7 any claim based upon loss of or frustration of the voyage or adventure
 - 3.8 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out



prior to attachment of this insurance or

by the Assured or their employees and they are privy to such unfitness at the time of loading.

- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

5. 5.1 This insurance
- 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel; and
- 5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge, or on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge, whichever shall first occur;
- nevertheless,
- subject to prompt notice to the Insurers and to an additional premium, such insurance*
- 5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom, and
- 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge, whichever shall first occur.
- 5.2 If during the insured voyage the 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 subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying 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 subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2
- 5.2.1 where the on-carriage is by 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 the contract of insurance and shall apply to the on-carriage by air.



- 5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then *provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium*, this insurance reattaches
- 5.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;
- 5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;
- thereafter this insurance terminates in accordance with 5.1.4.
- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the oversea vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Insurers.
- 5.5 *Subject to prompt notice to Insurers, and to an additional premium if required*, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

For the purpose of Clause 5

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

"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)

Change of Voyage

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

CLAIMS

Insurable Interest

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



Increased Value

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

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

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

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

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

BENEFIT OF INSURANCE

10. This Insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL385 01/01/2009



Institute Classification Clause 01/01/2001

QUALIFYING VESSELS

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

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

AGE LIMITATION

2. Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the policy or open cover conditions **subject to an additional premium to be agreed.**
 - bulk or combination carriers over 10 years of age or
 - other vessels over 15 years of age unless they:
 - 2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
 - 2.2 were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

CRAFT CLAUSE

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

NATIONAL FLAG SOCIETY

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

PROMPT NOTICE

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

LAW AND PRACTICE

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

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

CL354 1 January 2001



Institute Cargo Clauses (Air)

(excluding sendings by Post)

RISKS COVERED

Risks

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

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. In no case shall this insurance cover loss damage or expense caused by
 - 4.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 4.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 4.3 derelict mines torpedoes bombs or other derelict weapons of war.



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

DURATION

Transit Clause

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

Termination of Contract of Carriage

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



- 7.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 6 above.

Change of Transit

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

CLAIMS

Insurable Interest

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

12. 12.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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



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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL387 01/01/2009



Institute Strikes Clauses (Air Cargo)

RISKS COVERED

Risks

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

Salvage Charges

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

EXCLUSIONS

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

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

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.9 any claim based upon loss of or frustration of the transit or adventure
 - 3.10 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter



- 3.11 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

DURATION

Transit Clause

4. 4.1 Subject to Clause 7 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit,
- continues during the ordinary course of transit
- and terminates either
- 4.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
- 4.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- 4.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or
- 4.1.4 on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge,
- whichever shall first occur.
- 4.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 4.1.1 to 4.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.
- 4.3 This insurance shall remain in force (subject to termination as provided for in Clauses 4.1.1 to 4.1.4 above and to the provisions of Clause 5 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

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



Change of Transit

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

CLAIMS

Insurable Interest

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

Increased Value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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



Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL389 01/01/2009



Institute War Clauses (Air Cargo)

(excluding sendings by Post)

RISKS COVERED

Risks

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

Salvage Charges

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

EXCLUSIONS

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

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

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



DURATION

Transit Clause

4. 4.1 This insurance
- 4.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured
- and
- 4.1.2 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge,
- or
- on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge,
- whichever shall first occur;
- nevertheless,
- subject to prompt notice to the Insurers and to an additional premium, such insurance*
- 4.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom,
- and
- 4.1.4 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,
- or
- on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge,
- whichever shall first occur.
- 4.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2
- 4.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these Clauses,
- or
- 4.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.
- 4.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then *provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches*
- 4.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;



4.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge;

thereafter this insurance terminates in accordance with 4.1.4.

4.4 *Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.*

(For the purpose of Clause 4

"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)

Change of Transit

5. 5.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

5.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

6. **Anything contained in this contract which is inconsistent with Clauses 3.8, 3.9 or 4 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

Insurable Interest

7. 7.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

7.2 Subject to Clause 7.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

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



BENEFIT OF INSURANCE

9. This Insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL388 01/01/2009



Institute War Clauses (Sendings By Post)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

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

DURATION

Transit Clause

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



CLAIMS

Insurable Interest

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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CL390 01/03/2009



Marine Cyber Endorsement

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

LMA5403 11 November 2019



Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause

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

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

CL370 10/11/2003



Institute Replacement Clause

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

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

CL372 01/12/2008

Institute Frozen/Chilled Food Clauses (A)

- 24 HOURS BREAKDOWN

(suitable for food in a mechanically temperature-controlled environment)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,
 - 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,
 - 1.2 loss of or damage to the subject-matter insured resulting from any variation in temperature attributable to
 - 1.2.1 breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 24 consecutive hours
 - 1.2.2 fire or explosion
 - 1.2.3 vessel or craft being stranded grounded sunk or capsized
 - 1.2.4 overturning or derailment of land conveyance
 - 1.2.5 collision or contact of vessel craft or conveyance with any external object other than water
 - 1.2.6 discharge of cargo at a place of distress.

General Average

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

"Both to Blame Collision Clause"

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

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)



- 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured (except loss damage or expense resulting from variation in temperature specifically covered under Clause 1.2 above)
- 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
- 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel/aircraft where, at the time of loading of the subject-matter insured on board the vessel/aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
- 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 4.8 loss damage or expense arising from any failure of the Assured or their employees to take all reasonable precautions to ensure that the subject-matter insured is kept in refrigerated or, where appropriate, properly insulated and cooled space
- 4.9 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the Insurers and, in any event, not later than 30 days after the termination of this insurance.
- 5. 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out

prior to attachment of this insurance or

by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
- 6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 6.3 derelict mines torpedoes bombs or other derelict weapons of war
 - 6.4 embargo, or by rejection prohibition or detention by any government or their agencies or departments.

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

DURATION

Transit Clause

8. 8.1 Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is loaded into the conveyance at the freezing/cooling works or at the cold store (at the place named in the contract of insurance) for the commencement of transit, continues during the ordinary course of transit and terminates either;
- 8.1.1 on delivery to the cold store or place of storage at the destination named in the contract of insurance, or
 - 8.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 8.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
 - 8.1.4 on the expiry of 5 days after completion of discharge overseas of the subject-matter insured from the overseas vessel or after completion of unloading of the subject-matter insured from the aircraft, at the final place of discharge
- whichever shall first occur.
- 8.2 If, after discharge overseas from the overseas vessel, or after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided for in Clauses 8.1.1 to 8.1.4 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 in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

9. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 8 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either



- 9.1 until the subject-matter insured is sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such port or place, whichever shall first occur,
- or
- 9.2 if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 8 above.

Change of Voyage/Transit

- 10.** 10.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to the Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 10.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 8.1 above), but, without the knowledge of the Assured or their employees the vessel sails/aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

CLAIMS

Insurable Interest

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

- 14.** 14.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.



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

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

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

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

BENEFIT OF INSURANCE

15. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

and

16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

CL.423

01/03/2017



Institute Strikes Clauses (Frozen/Chilled Food)

(suitable for food in a mechanically temperature-controlled environment)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel/aircraft where, at the time of loading of the subject-matter insured on board the vessel/aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.

This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7 loss damage or expense arising from the absence shortage or withholding of 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 directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 3.11 any loss damage or expense otherwise recoverable hereunder unless prompt notice thereof is given to the Insurers and, in any event, not later than 30 days after the termination of this insurance
 - 3.12 embargo, or by rejection prohibition or detention by any government or their agencies or departments.
- 4.** 4.1 In no case shall this insurance cover loss damage or expense arising from
- 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out

prior to attachment of this insurance or

by the Assured or their employees and they are privy to such unfitness at the time of loading.
- 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit

- 5.** 5.1 Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is loaded into the conveyance at the freezing/cooling works or at the cold store (at the place named in the contract of insurance) for the commencement of 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 in the contract of insurance,
 - 5.1.2 on delivery to any other cold store or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
 - 5.1.3 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit, or
 - 5.1.4 on the expiry of 5 days after completion of discharge overside of the subject-matter insured from the oversea vessel or, after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge



whichever shall first occur.

- 5.2 If, after completion of discharge overseas from the overseas vessel, or after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 5.1.1 to 5.1.4 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 in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

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

Change of Voyage/Transit

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

CLAIMS

Insurable Interest

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



Increased Value

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

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

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

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

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

BENEFIT OF INSURANCE

10. This insurance

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

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

MINIMISING LOSSES

Duty of Assured

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

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

and

11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

and the Insurers will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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



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

CL.424

01/03/2017



(FOR USE ONLY WITH THE CURRENT MAR POLICY FORM)

Institute Voyage Clauses

HULLS

This Insurance is subject to English law and practice

1. NAVIGATION

- 1.1 The vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1.1 shall not exclude customary towage in connection with loading and discharging.
- 1.2 This insurance shall not be prejudiced by reason of the Assured entering into any contract with pilots or for customary towage which limits or exempts the liability of the pilots and/or tugs and/or towboats and/or their owners when the Assured or their agents accept or are compelled to accept such contracts in accordance with established local law or practice.
- 1.3 The practice of engaging helicopters for the transportation of personnel, supplies and equipment to and/or from the vessel shall not prejudice this insurance.
- 1.4 In the event of the vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.

2. CHANGE OF VOYAGE

Held covered in case of deviation or change of voyage or any breach of warranty as to towage or salvage services, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

3. CLASSIFICATION

- 3.1 It is the duty of the Assured, Owners and Managers at the inception of and throughout the period of this insurance to ensure that
 - 3.1.1 the vessel is classed with a Classification Society agreed by the Underwriters and that her class within that Society is maintained,
 - 3.1.2 any recommendations requirements or restrictions imposed by the vessel's Classification Society which relate to the vessel's seaworthiness or to her maintenance in a seaworthy condition are complied with by the dates required by that Society.
- 3.2 In the event of any breach of the duties set out in Clause 3.1 above, unless the Underwriters agree to the contrary in writing, they will be discharged from liability under this insurance as from the date of the breach provided that if the vessel is at sea at such date the Underwriters' discharge from liability is deferred until arrival at her next port.
- 3.3 Any incident condition or damage in respect of which the vessel's Classification Society might make recommendations as to repairs or other action to be taken by the Assured, Owners and Managers must be promptly reported to the Classification Society.
- 3.4 Should the Underwriters wish to approach the Classification Society directly for information and/or documents, the Assured will provide the necessary authorization.



4. PERILS

- 4.1 This insurance covers loss of or damage to the subject-matter insured caused by
 - 4.1.1 perils of the seas rivers lakes or other navigable waters
 - 4.1.2 fire, explosion
 - 4.1.3 violent theft by persons from outside the vessel
 - 4.1.4 jettison
 - 4.1.5 piracy
 - 4.1.6 contact with land conveyance, dock or harbour equipment or installation
 - 4.1.7 Earthquake volcanic eruption or lightning
 - 4.1.8 accidents in loading discharging or shifting cargo or fuel
- 4.2 This insurance covers loss of or damage to the subject-matter insured caused by
 - 4.2.1 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
 - 4.2.2 negligence of Master Officers Crew or Pilots
 - 4.2.3 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
 - 4.2.4 barratry of Master Officers or Crew
 - 4.2.5 contact with aircraft, helicopters or similar objects, or objects falling therefrom,
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners, Managers or Superintendents or any of their onshore management.
- 4.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 4 should they hold shares in the vessel.

5. POLLUTION HAZARD

This insurance covers loss of or damage to the vessel caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard or damage to the environment or threat thereof, resulting directly from damage to the vessel for which the Underwriters are liable under this insurance, provided that such act of governmental authority has not resulted from want of due diligence by the Assured, Owners or Managers to prevent or mitigate such hazard or damage, or threat thereof. Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 5 should they hold shares in the vessel.

6. 3/4THS COLLISION LIABILITY

- 6.1 The Underwriters agree to indemnify the Assured for three-fourths of any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
 - 6.1.1 loss of or damage to any other vessel or property on any other vessel
 - 6.1.2 delay to or loss of use of any such other vessel or property thereon
 - 6.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,
where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.
- 6.2 The indemnity provided by this Clause 6 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
 - 6.2.1 where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause



6 shall be calculated on the principle of cross-liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision,

6.2.2 in no case shall the Underwriters' total liability under Clauses 6.1 and 6.2 exceed their proportionate part of three-fourths of the insured value of the vessel hereby insured in respect of any one collision.

6.3 The Underwriters will also pay three-fourths of the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

EXCLUSIONS

6.4 Provided always that this Clause 6 shall in no case extend to any sum which the Assured shall pay for or in respect of

6.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

6.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

6.4.3 the cargo or other property on, or the engagements of, the insured vessel

6.4.4 loss of life, personal injury or illness

6.4.5 pollution or contamination, or threats thereof, of any real or personal property or thing whatsoever (except other vessels with which the insured vessel is in collision or property on such other vessels) or damage to the environment, or threat thereof, save that this exclusion shall not extend to any sum which the Assured shall pay for or in respect of salvage, remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account.

7. SISTERSHIP

Should the vessel hereby insured come into collision with or receive salvage services from another vessel belonging wholly or in part to the same Owners or under the same management, the Assured shall have the same rights under this insurance as they would have were the other vessel entirely the property of Owners not interested in the vessel hereby insured; but in such cases the liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Underwriters and the Assured.

8. GENERAL AVERAGE AND SALVAGE

8.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.

8.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.

8.3 When the vessel sails in ballast, not under charter, the provisions of the York-Antwerp Rules, 1994 (excluding Rules XI(d), XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until the arrival of the vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.

8.4 No claim under this Clause 8 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

8.5 No claim under this Clause 8 shall in any case be allowed for or in respect of



- 8.5.1 special compensation payable to a salvor under Article 14 of the International Convention on Salvage, 1989 or under any other provision in any statute, rule, law or contract which is similar in substance
- 8.5.2 expenses or liabilities incurred in respect of damage to the environment, or the threat of such damage, or as a consequence of the escape or release of pollutant substances from the vessel, or the threat of such escape or release.
- 8.6 Clause 8.5 shall not however exclude any sum which the Assured shall pay to salvors for or in respect of salvage remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account.

9. DUTY OF ASSURED (SUE AND LABOUR)

- 9.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 9.2 Subject to the provisions below and to Clause 10 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 9.5), special compensation and expenses as referred to in Clause 8.5, and collision defence or attack costs are not recoverable under this Clause 9.
- 9.3 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.
- 9.4 When expenses are incurred pursuant to this Clause 9 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.
- 9.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel, excluding all special compensation and expenses referred to in Clause 8.5; but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.
- 9.6 The sum recoverable under this Clause 9 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.



10. DEDUCTIBLE

- 10.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 6, 8 and 9) exceeds the deductible amount agreed in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose shall be paid even if no damage be found. This Clause 10.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 9 arising from the same accident or occurrence.
- 10.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage. The expression "heavy weather" in this Clause 10.2 shall be deemed to include contact with floating ice.
- 10.3 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 10.4 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

11. NOTICE OF CLAIM AND TENDERS

- 11.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice must be given to the Underwriters promptly after the date on which the Assured, Owners or Managers become or should have become aware of the loss or damage and prior to survey so that a surveyor may be appointed if the Underwriters so desire.

If notice is not given to the Underwriters within twelve months of that date, unless the Underwriters agree to the contrary in writing, the Underwriters will be automatically discharged from liability for any claim under this insurance in respect of or arising out of such accident or the loss or damage.

- 11.2 The Underwriters shall be entitled to decide the port to which the vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.

- 11.3 The Underwriters may also take tenders or may require further tenders to be taken for the repair of the vessel. Where such a tender has been taken and a tender is accepted with the approval of the Underwriters, an allowance shall be made at the rate of 30% per annum on the insured value for time lost between the despatch of the invitations to tender required by the Underwriters and the acceptance of a tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.

Due credit shall be given against the allowance as above for any amounts recovered in respect of fuel and stores and wages and maintenance of the Master Officers and Crew or any member thereof, including amounts allowed in general average, and for any amounts recovered from third parties in respect of damages for detention and/or loss of profit and/or running expenses, for the period covered by the tender allowance or any part thereof.

Where a part of the cost of the repair of damage other than a fixed deductible is not recoverable from the Underwriters the allowance shall be reduced by a similar proportion.

- 11.4 In the event of failure by the Assured to comply with the conditions of Clauses 11.2 and/or 11.3 a deduction of 15% shall be made from the amount of the ascertained claim.



12. NEW FOR OLD

Claims payable without deduction for new for old.

13. BOTTOM TREATMENT

In no case shall a claim be allowed in respect of scraping gritblasting and/or other surface preparation or painting of the vessel's bottom except that

13.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,

13.2 gritblasting and/or other surface preparation of:

the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,

areas of plating damaged during the course of fairing, either in place or ashore,

13.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 13.1 and 13.2 above,

shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

14. WAGES AND MAINTENANCE

No claim shall be allowed, other than in general average, for wages and maintenance of the Master Officers and Crew or any member thereof, except when incurred solely for the necessary removal of the vessel from one port to another for the repair of damage covered by the Underwriters, or for trial trips for such repairs, and then only for such wages and maintenance as are incurred whilst the vessel is under way.

15. AGENCY COMMISSION

In no case shall any sum be allowed under this insurance either by way of remuneration of the Assured for time and trouble taken to obtain and supply information or documents or in respect of the commission or charges of any manager, agent, managing or agency company or the like, appointed by or on behalf of the Assured to perform such services.

16. UNREPAIRED DAMAGE

16.1 The measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the vessel at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.

16.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.

16.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

17. CONSTRUCTIVE TOTAL LOSS

17.1 In ascertaining whether the vessel is a constructive total loss, the insured value shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the vessel or wreck shall be taken into account.

17.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.



18. FREIGHT WAIVER

In the event of total or constructive total loss no claim to be made by the Underwriters for freight whether notice of abandonment has been given or not.

19. ASSIGNMENT

No assignment of or interest in this insurance or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Underwriters unless a dated notice of such assignment or interest signed by the Assured, and by the assignor in the case of subsequent assignment, is endorsed on the Policy and the Policy with such endorsement is produced before payment of any claim or return of premium thereunder.

20. DISBURSEMENTS WARRANTY

20.1 Additional insurances as follows are permitted:

20.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.

20.1.2 *Freight, Chartered Freight or Anticipated Freight, insured for time.* A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 20.1.1

20.1.3 *Freight or Hire, under contracts for voyage.* A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 20.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.

20.1.4 *Anticipated Freight if the vessel sails in ballast and not under Charter.* A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 20.1.2 to be taken into account and only the excess thereof may be insured.

20.1.5 *Time Charter Hire or Charter Hire for Series of Voyages.* A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 20.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not to be reduced while the total of the sums insured under 20.1.2 and 20.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

20.1.6 *Premiums.* A sum not exceeding the actual premiums of all interests insured for a period not exceeding 12 months (excluding premiums insured under the foregoing sections but including, if required, the premium or estimated calls on any Club or War etc. Risk insurance) reducing pro rata monthly.

20.1.7 *Returns of Premium.* A sum not exceeding the actual returns which are allowable under any insurance but which would not be recoverable thereunder in the event of a total loss of the vessel whether by insured perils or otherwise.

20.1.8 Insurance irrespective of amount against:

Any risks excluded by Clauses 21, 22, 23 and 24 below.



20.2 Warranted that no insurance on any interests enumerated in the foregoing 20.1.1 to 20.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.

21. WAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by

- 21.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 21.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
- 21.3 derelict mines torpedoes bombs or other derelict weapons of war.

22. STRIKES EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by

- 22.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 22.2 any terrorist or any person acting from a political motive.

23. MALICIOUS ACTS EXCLUSION

In no case shall this insurance cover loss damage liability or expense arising from

- 23.1 the detonation of an explosive
- 23.2 any weapon of war

and caused by any person acting maliciously or from a political motive.

24. RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- 24.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 24.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 24.3 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

CL285 01/11/1995



Termination of Transit (Terrorism) 2009 JC2009/056

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

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

any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or

any person acting from a political, ideological or religious motive'

such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any event, **SHALL TERMINATE:**

either

1.1 as per the transit clauses contained within the contract of insurance,

or

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

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

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

or

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

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

whichever shall first occur.

2. If the contract of insurance or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 1.

JC2009/056 1.1.2009



Communicable Disease Exclusion (Cargo)

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

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XL Catlin Services SE | Regulated by the Central Bank of Ireland
Registered office: XL House, 8 St Stephen's Green, Dublin 2 Ireland | Registered number 659610

Telephone: +353 1 607 5300 Fax: +353 1 4005566 axaxl.com

XL Catlin Services SE, UK Branch | 20 Gracechurch Street, London, EC3V 0BG, United Kingdom

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