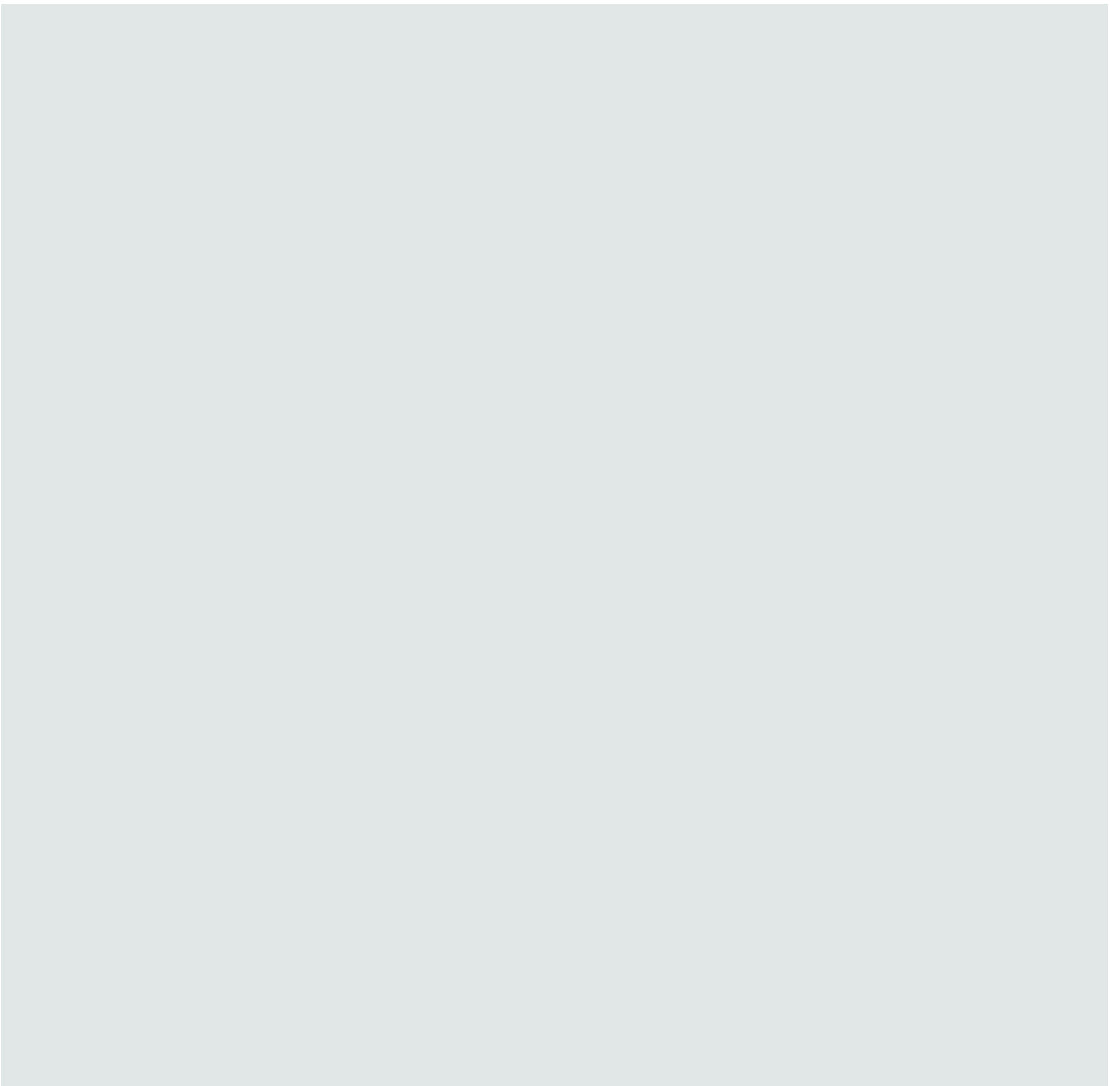


Cargo

Policy document



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How we use your information

Who controls your personal information

This notice tells you how Zurich Insurance plc ('Zurich'), as data controller, will deal with your personal information. Where Zurich introduces you to a company outside the group, that company will tell you how your personal information will be used.

You can ask for further information about our use of your personal information or complain about its use in the first instance, by contacting our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

If you have any concerns regarding our processing of your personal information, or are not satisfied with our handling of any request by you in relation to your rights, you also have the right to make a complaint to the Information Commissioner's Office. Their address is: First Contact Team, Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, SK9 5AF.

What personal information we collect about you

We will collect and process the personal information that you give us by phone, e-mail, filling in forms, including on our website, and when you report a problem with our website. We also collect personal information from your appointed agent such as your trustee, broker, intermediary or financial adviser in order to provide you with the services you have requested and from other sources, such as credit reference agencies and other insurance companies, for verification purposes. We will also collect information you have volunteered to be in the public domain and other industry-wide sources.

We will only collect personal information that we require to fulfil our contractual or legal requirements unless you consent to provide additional information. The type of personal information we will collect includes; basic personal information (i.e. name, address and date of birth), occupation and financial details, health and family information, claims and convictions information and where you have requested other individuals be included in the arrangement, personal information about those individuals.

If you give us personal information on other individuals, this will be used to provide you with a quotation and/or contract of insurance and/or provision of financial services. You agree you have their permission to do so. Except where you are managing the contract on another's behalf, please ensure that the individual knows how their personal information will be used by Zurich. More information about this can be found in the 'How we use your personal information' section.

How we use your personal information

We and our selected third parties will only collect and use your personal information (i) where the processing is necessary in connection with providing you with a quotation and/or contract of insurance and/or provision

of financial services that you have requested; (ii) to meet our legal or regulatory obligations; or (iii) for our "legitimate interests". It is in our legitimate interests to collect your personal information as it provides us with the information that we need to provide our services to you more effectively including providing you with information about our products and services. We will always ensure that we keep the amount of information collected and the extent of any processing to the absolute minimum to meet this legitimate interest. Examples of the purposes for which we will collect and use your personal information are:

1. to provide you with a quotation and/or contract of insurance;
2. to identify you when you contact us;
3. to deal with administration and assess claims;
4. to make and receive payments;
5. to obtain feedback on the service we provide to you;
6. to administer our site and for internal operations including troubleshooting, data analysis, testing, research, statistical and survey purposes;
7. for fraud prevention and detection purposes.

We will contact you to obtain consent prior to processing your personal information for any other purpose, including for the purposes of targeted marketing unless we already have consent to do so.

Who we share your personal information with

Where necessary, we will share the personal information you gave us for the purposes of providing you with the goods and services you requested with the types of organisations described below:

- associated companies including reinsurers, suppliers and service providers;
- introducers and professional advisers;
- regulatory and legal bodies;
- survey and research organisations;
- credit reference agencies;
- healthcare professionals, social and welfare organisations; and
- other insurance companies

Or, in order to meet our legal or regulatory requirements, with the types of organisations described below:

- regulatory and legal bodies;
- central government or local councils;
- law enforcement bodies, including investigators;
- credit reference agencies; and
- other insurance companies

How we use your personal information for websites and email communications

When you visit one of our websites we may collect information from you such as your email address or IP address. This helps us to track unique visits and monitor patterns of customer website traffic, such as who visits and why they visit.

We use cookies and/or pixel tags on some pages of our website. A cookie is a small text file sent to your computer. A pixel tag is an invisible tag placed on certain pages of our website but not on your computer. Pixel tags usually work together with cookies to assist us to provide you with a more tailored service. This allows us to monitor and improve our email communications and website. Useful information about cookies, including how to remove them, can be found on our websites.

How we transfer your personal information to other countries

Where we transfer your personal information to countries that are outside of the UK and the European Union (EU) we will ensure that it is protected and that the transfer is lawful. We will do this by ensuring that the personal information is given adequate safeguards by using 'standard contractual clauses' which have been adopted or approved by the UK and the EU, or other solutions that are in line with the requirements of European data protection laws.

A copy of our security measures for personal information transfers can be obtained from our Data Protection Officer at: Zurich Insurance Group, Tri-centre 1, Newbridge Square, Swindon, SN1 1HN, or by emailing the Data Protection Officer at GBZ.General.Data.Protection@uk.zurich.com.

How long we keep your personal information for

We will retain and process your personal information for as long as necessary to meet the purposes for which it was originally collected. These periods of time are subject to legal, tax and regulatory requirements or to enable us to manage our business.

Your data protection rights

You have a number of rights under the data protection laws, namely:

- to access your data (by way of a subject access request);
- to have your data rectified if it is inaccurate or incomplete;
- in certain circumstances, to have your data deleted or removed;
- in certain circumstances, to restrict the processing of your data;
- a right of data portability, namely to obtain and reuse your data for your own purposes across different services;
- to object to direct marketing;
- not to be subject to automated decision making (including profiling), where it produces a legal effect or a similarly significant effect on you;

- to claim compensation for damages caused by a breach of the data protection legislation.
- if we are processing your personal information with your consent, you have the right to withdraw your consent at any time.

We will, for the purposes of providing you with a contract of insurance, processing claims, reinsurance and targeted marketing, process your personal information by means of automated decision making and profiling where we have a legitimate interest or you have consented to this.

What happens if you fail to provide your personal information to us

If you do not provide us with your personal information, we will not be able to provide you with a contract or assess future claims for the service you have requested.

Fraud prevention and detection

In order to prevent and detect fraud we may at any time:

- check your personal data against counter fraud systems
- use your information to search against various publicly available and third party resources
- use industry fraud tools including undertaking credit searches and to review your claims history
- share information about you with other organisations including but not limited to the police, the Insurance Fraud Bureau (IFB), other insurers and other interested parties.

If you provide false or inaccurate information and fraud is identified, the matter will be investigated and appropriate action taken. This may result in your case being referred to the Insurance Fraud Enforcement Department (IFED) or other police forces and fraud prevention agencies. You may face fines or criminal prosecution. In addition, Zurich may register your name on the Insurance Fraud Register, an industry-wide fraud database.

Claims history

We may pass information relating to claims or potential claims to any relevant database.

We and other insurers may search these databases when you apply for insurance, when claims or potential claims are notified to us or at time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

This helps to check information provided and prevent fraudulent claims.

Your Cargo policy

This policy is a contract between **you** and **us**.

This policy and any schedule, endorsement and Institute Clause should be read as if they are one document.

We will insure **you** during any period of insurance for which **we** have accepted **your** premium. **Our** liability will in no case exceed the amount of any sum insured or limit of indemnity stated within this policy, the schedule or any endorsement to this policy.

Any reference to the singular will include the plural and vice versa.

Any reference to any statute or statutory instrument will include any amendments thereto or re-enactment thereof.

Any heading in this policy is for ease of reference only and does not affect its interpretation.

Law applicable to this contract

In the UK the law allows both **you** and **us** to choose the law applicable to this contract. This contract will be subject to the relevant law of England and Wales, Scotland, Northern Ireland, the Isle of Man or the Channel Islands depending upon **your** address stated in the schedule. If there is any dispute as to which law applies it will be English law.

The parties agree to submit to the exclusive jurisdiction of the English courts.

This is a legal document and should be kept in a safe place.

Please read this policy and any schedule, endorsement and Institute Clause carefully and if they do not meet **your** needs contact **us** or **your** broker or insurance intermediary.

Section 1 – Definitions

Certain words in this policy have special meanings. These meanings are given below and apply wherever the words appear:

- a) in bold in Sections 1-6
- b) with the first letter being a capital letter in the Institute Clauses.

C & F or CFR

Cost and freight.

CIF

Cost, insurance and freight.

Data processing system

Any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or firmware.

Excess

The amount stated in this policy, the schedule or any endorsement to this policy for which **you** are responsible and which will be deducted from any payment under this policy as ascertained after the application of all other terms and conditions of this policy.

FOB

Free on board.

Ordinary course of transit

The customary method of carriage relevant to the type of goods and the most direct route to the destination

Including:

- a) delays during which the goods are held up pending inspection by the Customs or similar authorities and awaiting arrival of the onward carrying conveyance or vessel
- b) any customary form of transport incidental to the overseas shipment of the goods, including land, river and canal conveyances (e.g. rail, road transport, barge, lighter)
- c) carriage by air when this is incidental to a shipment by sea

Excluding:

- a) any delay initiated by the cargo owner due to their unwillingness to take immediate delivery
- b) any period of resultant storage.

Subject-matter insured

As stated in the schedule.

Voyages

As stated in the schedule.

We, Us, Our, Ours or Insurers

Zurich Insurance plc.

You, Your, Yours, Yourself, Yourselves or the Assured

The person, people (either acting in partnership or on behalf of an unincorporated organisation) or the company stated in the schedule as the assured.

Section 2 – The cover

We will indemnify the beneficiary of this insurance in respect of loss, damage, liability or expense as set out herein relating to the **subject-matter insured** whilst on a **voyage**.

Provided always that **our** liability under this policy shall not exceed any limit of indemnity stated in the schedule.

2.1 Accumulation

In the event of any accumulation of **subject-matter insured** during the **ordinary course of transit** due to circumstances beyond **your** control **we** shall indemnify **you** for loss or damage to the **subject-matter insured** up to twice the relevant limit of indemnity stated in the schedule or £5,000,000 whichever is the lesser provided always that prompt notice is given by **you** to **us** when **you** become aware that such an accumulation exists.

2.2 Additional Discharge Expenses

In the event of loss or damage covered under this policy to the **subject-matter insured** **we** will pay reasonable additional costs necessarily incurred by **you** to:

- a) unload, discharge, handle and store damaged and undamaged **subject-matter insured**
- b) re-load, transport and forward the damaged and undamaged **subject-matter insured** to its intended destination by any means.

We shall be entitled to treat any claim as a constructive total loss and will be entitled to any salvage unless **your** rights under provision 3 are affected.

2.3 Airfreight Replacement

In the event of loss or damage to the **subject-matter insured** **we** shall pay the charges incurred for transporting either the damaged **subject-matter insured** by air back to manufacturers for repair and return or the transport by air of replacement goods to destination notwithstanding that the **subject-matter insured** was not originally despatched by air. Subject to a limit of 5 times the original sea freight charges paid.

2.4 Buyer's and Seller's Contingent Interest

This policy includes **your** contingent financial interest in the **subject-matter insured** where **you** have no responsibility to insure under the terms of sale or where the cover provided under it is more restrictive than under this policy.

Where interest in the **subject-matter insured** reverts to **you** for any reason during transit such **subject-matter insured** shall be covered continuously during any reasonable period whilst awaiting resale or return including any additional transit resultant upon such resale or return.

This cover is limited to loss or damage which would otherwise be recoverable under the terms and conditions of this policy but only to the extent that **you** are unable to recover such loss or damage under the insurance effected by the buyer or seller.

Provided always that:

- a) **you** do not knowingly purchase goods where the insurance arranged by the seller is more restrictive than Institute Cargo Clauses (A) CL382 1/1/2009 or local equivalent
- b) the existence of this cover shall not be disclosed to any other party interested in any shipment
- c) immediate notice shall be given to **us** of any known loss or damage to the **subject-matter insured** covered under this clause or any known circumstances which may render this clause operative
- d) **you** shall in the first instance take all reasonable steps to invoke the terms of the contract of sale and obtain reimbursement from the buyers or sellers and any other interested party
- e) in the event of any claim payment under this clause all **your** rights of recovery against buyers or seller's and any other interested party will be subrogated to **us**.

2.5 Cargo International Safety Management (ISM) Forwarding Charges and Premium Waiver Clause

In consideration of an additional premium to be agreed this policy is extended to reimburse **you** up to the limit of indemnity for the **voyage** 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 hereunder following release of cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due to:

- a) such vessel not being certified in accordance with the ISM Code
- b) a current Document of Compliance not being held by the owners or operators as required under the SOLAS Convention 1974 as amended.

We will pay up to 20% of the limit of indemnity for the **voyage** or £100,000 whichever is the lesser.

We agree to waive any additional premium in respect of any forwarding charges.

2.6 Cargo ISPS Forwarding Charges

In consideration of an additional premium to be agreed this policy is extended to reimburse **you** 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 hereunder following release of cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due to such vessel not being certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

This clause does not apply to general average or salvage or salvage charges but is subject to all other terms and conditions of this policy.

2.7 Consequential Loss

This policy includes reasonable costs necessarily incurred by **you** as a result of delay to the **subject-matter insured** whilst in transit caused by the Master of the carrying vessel declaring general average.

We will not pay more than £10,000 in the aggregate in any period of insurance.

You bear the first 10% of the amount otherwise payable in respect of each and every loss subject to a minimum deductible of £250.

2.8 Debris Removal

This policy includes in addition to any other amount recoverable under this policy reasonable costs and expenses necessarily incurred by **you** in:

- a) removing and disposing of debris
- b) dismantling or demolishing
- c) shoring up or propping
- d) dumping or destroying
- e) transshipment and recovery charges consequent upon fire or accident to a conveyance

excluding:

- i) any expenses incurred in consequence of or to avert or mitigate pollution or contamination or any threat thereof or liability therefore
- ii) the cost of removal of cargo from any vessel or craft.

In no case shall **we** be liable under this clause for more than 10% of the relevant limit of indemnity stated in the schedule.

2.9 Deliberate Damage Pollution

This policy is extended to cover loss or damage to the **subject-matter insured** directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard or threat thereof provided always that a recoverable claim would have resulted under this policy had the **subject-matter insured** suffered physical loss or damage as a direct result of the accident or occurrence which gave rise to the threatened pollution hazard.

2.10 Duty

This policy includes duty payable on lost or damaged **subject-matter insured** excluding claims in respect of:

- a) total loss of whole or part of the **subject-matter insured** prior to the duty becoming payable
- b) general average, salvage or salvage charges arising from any casualty occurring prior to the duty becoming payable.

In ascertaining the amount of claim recoverable credit shall be given for any rebate or refund of duty which may become allowable.

2.11 Fumigation

We will pay fumigation expenses incurred by **you** to minimise or avoid a loss covered under this policy.

We will also pay for loss of or damage to the **subject-matter insured** caused by fumigation provided always that such fumigation is not customary and is beyond **your** control.

2.12 General Average

General average and salvage charges shall be payable under this policy in full without reference to insured and contributory values.

2.13 Labels

In the event of loss or damage affecting only the labels, wrappers and capsules of the **subject-matter insured** we will pay the costs of reconditioning or replacement.

2.14 Letter of Credit

Where **you** are obligated to arrange insurance in accordance with any instructions contained in a Letter of Credit cover is granted provided that it does not exceed the existing terms and conditions of this policy unless with **our** prior consent and at an additional premium if required.

2.15 Own Vehicles

Applicable only if a limit is noted on **your** schedule in respect to vehicles owned or operated by **you**.

We shall indemnify **you** for loss or damage to the **subject-matter insured** whilst on or contained in any vehicle owned by **you** or under **your** control in accordance with the terms and conditions of this policy, including:

- a) whilst the vehicle is left unattended during the transit; or
- b) whilst the principal person in charge of the vehicle at the time of loss is asleep within the vehicle but excluding where such person is under the influence of drink or drugs to the extent that they would be legally unfit to drive immediately prior to the time of the loss.

Provided always that **you** shall ensure all doors are locked and windows and other means of access are securely closed and fastened and all security devices are set to operate.

This clause also extends to include **subject-matter insured** which have been loaded in or onto a vehicle up to 24 hours prior to the commencement of the onward transit.

2.16 Professional Packers'

We shall indemnify **you** for loss or damage to the **subject-matter insured** whilst in transit to, from and whilst at the premises of professional packing contractors for a period not exceeding 30 days prior to final despatch. During the transit to the premises of the packing contractor cover is restricted to Institute Cargo Clauses (B) CL 383 1/1/2009 including non-delivery or theft of a complete shipping package, malicious damage and any war and strikes risks clauses applicable to this policy, unless sufficiently and suitably packed or prepared to withstand the ordinary incidents of the intended transit prior to despatch from your premises.

You shall not be prejudiced by a packing contractor's inability to perform unless **you** are aware of the non performance prior to commencement of transit and fail to prevent the transit.

2.17 Purchases on Terms other than Delivered to Final Destination (Warehouse to Warehouse)

Our liability to **you** commences from the time of leaving any supplier's factory, warehouse, store, mill or other premises notwithstanding the goods or interest may have been purchased on terms which provide that the responsibility of the seller or their insurer ceases at any point prior to delivery.

Provided always that **you** shall:

- a) not make any third party aware of the existence of the cover provided under this clause
- b) take reasonable steps to pursue suppliers and other parties where evidence exists to show that loss occurred prior to the attachment of **your** risk.

Your right of recourse against any supplier or other party in the event of payment under this clause will be subrogated to **us**.

2.18 Return Shipments

This policy includes goods refused or returned by any consignee or by **you** provided always that:

- a) the goods are insured under this policy for the outward journey
- b) cover has been continuous
- c) the goods have not been unpacked and are returned in their original packing.

In all other cases the goods are held covered subject to the Institute Cargo Clauses (B) CL383 1/1/09 including non-delivery or theft of a complete shipping package, malicious damage and any war and strikes risks clauses applicable to this policy. If an independent survey is held prior to attachment of cover hereunder and this shows that the goods have been examined, found to be in good order and re-packed in adequate export packing cover will attach in accordance with the terms and conditions of this policy.

2.19 Segregation

This policy includes reasonable costs necessarily incurred if it is necessary for **you** in order to avert or minimise further loss or damage to sort or segregate damaged from undamaged **subject matter insured** following a loss covered under this policy. Cover is extended for a period not exceeding 60 days in excess of those provided for in any Institute Clause applicable to allow for such segregation or sorting prior to delivery to final destination.

2.20 Sheets, Ropes and the Like

This policy includes cover for loss or damage to sheets, ropes, dunnage, securing chains, toggles and the like owned by **you** whilst in transit.

The amount payable under this clause shall be in addition to indemnity provided elsewhere under this policy but **we** will not pay more than £5,000 in respect of any claim.

2.21 Trademarked Cartons

This policy includes cover for trademarked cartons provided always that they are suitably protected for transit. Any claim payable will be limited to an amount sufficient to pay the cost of new cartons including forwarding charges of the new cartons and the cost of repacking.

2.22 Voyage/Transit Extension

Provided always that **you** give **us** prompt notice **we** will hold **you** covered at a premium to be agreed if the **ordinary course of transit** of the **subject-matter insured**:

- a) takes more than 60 days from the time it is discharged from the overseas vessel at the final port of discharge
- b) takes more than 30 days from the time it is unloaded from the aircraft at the final place of discharge.

If **you** are unable to give prompt advice to **us** due to circumstances beyond **your** control or due to **your** negligence or that of a third party this policy shall remain in force for an additional 30 days.

Section 3 – Optional extensions

Applicable only if stated in the schedule.

1. Exhibitions and Exhibition Fees

- a) This policy is extended to include the **subject-matter insured** whilst in transit to and from and whilst at any exhibition, trade fair or demonstration site stated in the schedule.

In the event of the **subject-matter insured** remaining at any exhibition, trade fair or demonstration site for more than 30 days **you** agree to pay an additional premium to be agreed.

We will not pay for:

- i) loss or damage caused by theft or attempted theft from any inadequately secured site
 - ii) loss or damage caused by vermin, weevil, mildew, mould, heating or frost
 - iii) loss or damage arising from latent defect or arising from faulty assembly or construction
 - iv) loss or damage resulting directly from mechanical, electrical or manual operation of the **subject-matter insured** for demonstration or other purposes
 - v) loss or damage during transit following any exhibition, trade fair or demonstration unless the **subject-matter insured** is packed or prepared to withstand the ordinary incidents of the insured transit.
- b) **We** will indemnify **you** for fees that you are contractually obliged to pay the organiser of any exhibition, trade fair or demonstration and for any penalty fare or charge made by an air, rail or road transport operator should **you** reasonably cancel **your** booking due to your inability to attend following an insured loss or due to the death or incapacitation of **you** or **your** employees. **We** will not pay more than £5,000 in respect of any claim and not more than £25,000 in the aggregate in any period of insurance.

2. Storage

This policy is extended to include the **subject-matter insured** whilst in any storage location stated in the schedule. The term storage location excludes any retail premises unless agreed by **us**.

Cover in respect of **subject-matter insured** in store shall attach on the inception date of this policy for their full value in accordance with provision 2 or as stated on the schedule irrespective of the date the **subject-matter insured** commenced transit to any storage location and shall terminate in accordance with the policy expiry date in respect of all **subject-matter insured** in store at that time.

We will not pay for:

- a) theft unless following forcible and violent entry or exit from the storage site
- b) disappearance or stocktaking losses
- c) any act of fraud or dishonesty by **you** or any business partner or director employed by **you** whether acting alone or in collusion with others.
- d) loss or damage to **subject-matter insured** contained in the ground floor or any basement of the building unless placed on racks or stillages at least 15 centimetres above the floor.

It is a condition precedent to **our** liability in respect of loss or damage caused by theft or attempted theft from any building under **your** direct control when unattended that:

- a) i) all external doors including those to common parts or other areas to be secured by locks which conform to BS 3621; Thief Resistant Locks or the equivalent
- ii) all accessible opening windows including fanlights to be secured with key operated locking devices.

Any door or window designated a fire exit by a competent person is excluded from these requirements.

- b) Any intruder alarm installed:
 - i) be maintained in an efficient working order
 - ii) has a maintenance contract and the maintenance contract company is immediately advised of any defect
 - iii) is in full operation at all times when the building is unattended.

3. Consequential Loss

This policy is extended to include reasonable costs necessarily incurred by **you** as a result of:

- a) loss or damage to the **subject matter insured** recoverable under this policy
- b) as a result of delay to the **subject matter insured** whilst in transit caused by the carrying vessel or conveyance suffering loss or damage from:
 - i) fire or explosion
 - ii) stranding, grounding, capsizing or sinking
 - iii) overturning or derailment of land conveyance
 - iv) collision or contact of vessel, craft or conveyance with any external object other than water
 - v) general average sacrifice
- c) delay in delivery due to closure of any transport route following accident, fire, flood or act of God.

We will not pay for:

- 1) any pecuniary penalties imposed under contract
- 2) any claim for loss of future orders unless such are the subject of a confirmed written contract which pre-dates the incident giving rise to the claim.

We will not pay in respect of any one loss more than the limit any one conveyance stated in the schedule and not more than £50,000 in the aggregate in any period of insurance.

You bear the first 10% of the amount otherwise payable in respect of each and every loss subject to a minimum deductible of £250.

The benefit of this insurance shall not enure to a third party.

4. Installation

This policy is extended to include the **subject-matter insured** during installation, dismantling, siting and positioning operations provided **you** are contractually obliged to arrange such. Cover is extended for the period between delivery at the intended destination or collection and the commencement of installation or dismantling operations.

We will not pay for:

- a) loss or damage caused by theft or attempted theft from an inadequately secured site
- b) loss or damage caused by rusting, oxidisation, discolouration, chipping, denting, scratching on unpacked or unprotected items
- c) loss or damage arising from inherent vice, wear, tear, gradual depreciation, latent defect or arising from faulty assembly or construction
- d) loss or damage caused by vermin, weevil, mildew, mould, heating or frost
- e) loss or damage arising from any craneage operation unless such operation has been agreed by **us** prior to commencement of risk
- f) loss or damage arising from mechanical, electrical or manual operation of the **subject-matter insured** for demonstration or other purposes
- g) loss arising from the use or application of heat or flame
- h) loss occasioned during any process other than siting, securing or connection
- i) losses occurring after completion of your contractual obligation to site, position, install or dismantle the **subject-matter insured**
- j) loss arising from wrongful siting, positioning or installation
- k) loss or damage arising after 30 days following delivery of the **subject-matter insured**.

An **excess** of 5% of the amount otherwise payable or £500 whichever is the greater will apply to each loss unless otherwise stated in the schedule.

It is a condition precedent to **our** liability for loss or damage to the **subject-matter insured** during siting, positioning, installation or dismantling that operations are supervised at all times by a professionally qualified chartered engineer or Lloyds surveyor or equivalent.

Section 4 – Exclusions

This policy does not cover:

1. Cargo International Safety Management (ISM) Endorsement

Only applicable to the **subject-matter insured** carried onboard:

- a) Ro-Ro passenger ferries
- b) passenger carrying vessels transporting more than 12 passengers
- c) oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gross tonnes or more
- d) all other cargo ships and mobile offshore drilling units of 500 gross tonnes or more.

loss, damage or expense where the **subject-matter insured** is carried by a vessel:

- i) that is not ISM Code certified
- ii) whose owners or operators do not hold an ISM Code Document of Compliance when at the time of loading of the **subject-matter insured** on board the vessel

if **you** were aware or in the ordinary course of business should have been aware that:

- 1) such vessel was not certified in accordance with the ISM Code
- 2) a current Document of Compliance was not held by the owners or operators as required under the SOLAS Convention 1974 as amended.

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

2. Cargo ISPS

loss, damage or expense where the **subject-matter insured** is carried by a vessel that does not hold a valid International Ship Security Certificate as required under the International Ship and Port Facility Security (ISPS) Code when at the time of loading of the **subject-matter insured** on board the vessel **you** were aware or in the ordinary course of business should have been aware that such vessel was not certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

This exclusion shall not apply where this policy 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. Date Recognition

liability in respect of any loss or damage of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any **data processing system** responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any **data processing system** responding to or dealing in any way with:
 - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
 - ii) any data not denoting a calendar date or dates as if such data did not denote a calendar date or dates

whether such **data processing system** is **your** property or not

4. Process

damage to the **subject-matter insured** or any consequential loss resulting therefrom arising out of its undergoing any process or test or being worked upon

5. Second-hand or Used Machinery

in respect of second-hand or used machinery loss or damage caused by or consisting of rust, oxidation, scratching, denting, chipping or marring unless the machinery has been fully reconditioned.

Section 5 – Provisions

1. Attachment/Termination/Loading/Unloading

Transit Clause 8 of the Institute Cargo Clauses (A) 1/1/09 is deleted in its entirety and replaced by the following:

8. 8.1 This insurance attaches from the time the Subject-Matter Insured is first moved in the warehouse or at the place of storage named herein for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance or container for the commencement of transit, continues during the **ordinary course of transit** and terminates either:

- 8.1.1 on the completion of unloading from the carrying vehicle or other conveyance or container in or at the final warehouse or place of storage at the destination named in the contract of insurance; or
- 8.1.2 on the completion of unloading from the carrying vehicle or other conveyance or container in or at any other warehouse or place of storage 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.

For the purposes of this clause,

- 1) immediate loading means a continuous and uninterrupted movement of the Subject-Matter Insured until set down onto or into the carrying vehicle or other conveyance or container for the commencement of transit.
- 2) completion of unloading occurs when the Subject-Matter Insured is first set down after a continuous and uninterrupted movement from the carrying vehicle or conveyance or container.

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 (Termination of Contract of Carriage) 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.

2. Basis of Valuation

Unless otherwise stated on **your** schedule the following applicable bases of valuation shall apply:

Cover Type	Basis of Valuation
Inland transits (purchases and sales) including the subject-matter insured sold FOB, C&F or on similar terms	Invoice cost to the buyer
Imports or Exports	invoice cost or CIF plus 10% plus duty if incurred
Storage – unsold goods	CIF plus 10% plus duty if incurred
Storage – Sold goods	Invoice cost to buyer
Returned Goods	Market value at the time of loss or invoice cost whichever is the lesser
All other subject-matter insured which is not the subject of a purchase or sale invoice	Market value at the time of loss

3. Brands

You shall have full rights of possession of all goods bearing embossed or indented brands or labels or other permanent markings identifying the manufacturer thereof or exclusive or any secret formula that may be involved in any loss hereunder and shall retain control of all such goods. On shipments covered under this policy **we** will pay a total loss on any goods or containers damaged by perils insured against which **you** elect to either destroy or return or recondition **we** being entitled to any salvage.

You exercising reasonable care and discretion shall be the sole judge as to whether the goods involved in any loss hereunder are suitable for use in any manufacturing process and no goods deemed by **you** to be unfit for manufacturing or marketing shall be sold or otherwise disposed of except by **you** or with **your** consent but **you** shall allow any salvage obtained on any sale or other disposal of such goods as a credit against any claim.

4. Certificates

Permission is granted to **you** or **your** agent to issue claims payable abroad certificates as and when required.

5. Claused Bills of Lading

This insurance shall not be prejudiced by reason of the inclusion of any clause in Bills of Lading to the following effect: 'Insufficiently packed, vessel not responsible'.

6. Concealed Damage

You shall not be prejudiced by delay in opening up packages or examination of goods. It is agreed that any loss or damage discovered on opening any container, case or package within 90 days of arrival shall be deemed to have occurred during the transit insured hereunder (and irrespective of attachment of your interest) and shall be paid for accordingly unless proof conclusive to the contrary be established you agree that any containers, case or package showing external signs of damage are to be opened as soon as reasonably possible.

7. Contracts (Rights of Third Parties) Act 1999

For the purposes of the Contracts (Rights of Third Parties) Act 1999 this policy is not enforceable by any third party.

8. Cutting Clause

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

9. Dock Strikes or Labour Disturbances

In the event of shipments being delayed or diverted due to dock strikes or other labour disturbances we agree to hold covered at an additional premium to be agreed pending the receipt of the relevant details.

10. Errors and Omissions

This insurance shall not be prejudiced by any unintentional or inadvertent error, omission, incorrect valuation or incorrect description of the interest, risk, vessel or voyage provided always that notice is given to us as soon as reasonably possible on discovery of any such error or omission. This insurance shall not be affected by your failure to comply with any of the terms or conditions of this policy over which you have no control.

11. Fitness of Container

Your right to indemnity hereunder shall not be prejudiced by any inadvertent omission to establish the fitness of a container or similar carrying unit for the safe transit of the subject-matter insured hereby where such container or similar carrying unit is supplied by a third party.

12. Insolvency

Where loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the vessel or aircraft is excluded under any Institute Clauses applicable to this policy such exclusion shall not apply where:

- a) you or your agent have taken all reasonable, practicable and prudent measures prior to the loading of the subject-matter insured on board the vessel or aircraft to establish the financial reliability of the party in default
- b) this insurance has been assigned to the party claiming hereunder who has bought the subject-matter insured in good faith without notice of such insolvency or financial default
- c) any loss, damage or reforwarding costs would have been recoverable under this insurance but for the said exclusion.

13. Institute Clauses

The Institute Clauses referred to herein are those current at the inception of this policy but should such clauses be revised during the period of insurance and provided always that we shall have given at least 30 days notice thereof the revised Institute Clauses shall apply to risks attaching subsequent to the expiry of the said notice.

14. Non Delivery Losses

In the event of a claim for non-delivery of the subject-matter insured and after you have taken all reasonable steps to locate it we shall make settlement to you if it has not been located after the expiration of 90 days commencing from the date the subject-matter insured should have been delivered.

In the event that the subject-matter insured is subsequently located you shall reimburse us for any payment made.

15. Packing

In the event of a claim being made for loss or damage which is alleged to be caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured we will not use such alleged insufficiency or unsuitability as a defence against the claim in any case where the packing or preparation was carried out by a party other than you or the claimant and the insufficiency or unsuitability arose entirely without the privity or knowledge of you or the claimant. For the purposes of this clause 'packing' shall include stowage in a container or other inter-modal method of unit load.

You agree to assist us in all respects to pursue rights of recovery against sellers or other responsible third parties.

This agreement shall not interfere with rights of subrogation against any packer or their insurers.

16. Pairs and Sets

If the **subject-matter insured** consists of articles which form a pair or set **we** will only pay for the proportionate sum insured of the article lost or damaged without reference to any special value the damaged article may have as part of a pair or set.

17. Repacking

The cost of repacking, rebaling, rebagging, recartoning or repalletising shall be for **our** account whether the **subject-matter insured** has sustained damage or not provided always that the said repacking, rebaling, rebagging, recartoning or repalletising is occasioned by a peril insured against even if such cost is incurred at final destination.

18. Sanction Limitation and Exclusion

We shall not be deemed to provide cover and **we** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **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.

19. Second-hand Machinery

In the event of loss of or damage to any part of any second-hand machinery in consequence of a risk covered under this policy the amount recoverable shall not exceed such proportion of the cost of replacement of the part lost or damaged as the insured value bears to the value of new machinery and additional charges for forwarding and refitting the new part if incurred.

20. Shortages from Containers

In respect of any **subject-matter insured** shipped in full container loads the fact that the container's seal is intact at the unloading point shall not invalidate a claim for theft, pilferage, conversion, shortage or non-delivery of a whole package. **You** agree to co-operate with **us** to bring commercial pressure on suppliers in pursuing claims for shipments. **We** are subrogated to **your** rights against any carrier or bailee. Disclosure of the existence of this provision to any third party or their insurers shall render it null and void.

21. Subrogation Waiver &/or Recourse Rights

We agree to waive all rights of subrogation or recourse against **you** or any of **your** associated or subsidiary companies.

22. Termination of Transit Clause (Terrorism)

This provision shall be paramount and shall override anything in this policy inconsistent therewith.

1. In so far as this 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 motive such cover is conditional upon the **subject-matter insured** being in the **ordinary course of transit** and in any event shall terminate:

- a) in accordance with the transit clauses contained within this policy
- b) 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 this policy
- c) 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 this policy which **you** elect to use either for storage other than in the **ordinary course of transit** or for allocation or distribution
- d) when **you** elect to use any carrying vehicle or other conveyance or any container for storage other than in the **ordinary course of transit**
- e) in respect of marine transits on the expiry of 60 days after completion of discharge over-side of the **subject-matter insured** hereby insured from the overseas vessel at the final port of discharge
- f) 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 this policy or the clauses referred to therein specifically provide cover for inland or other further transits following on from storage or termination as provided for above cover will re-attach and continues during the **ordinary course of transit** terminating again in accordance with paragraph 1. above.

23. Underinsurance

If the value of any **subject-matter insured** calculated in accordance with the applicable basis of valuation is at the time of the loss or damage greater than the relevant limit of indemnity we will only pay the proportion of the loss or damage which such limit of indemnity bears to the value of the **subject-matter insured**.

For the avoidance of doubt solely in respect of any item under this policy that is declared to be subject to underinsurance clause c) iii) of condition 7 will not apply.

24. Unseaworthiness and Unfitness Exclusion Waiver

We waive any breach of warranties or conditions in respect of seaworthiness of ship and fitness of ship or fitness of aircraft to carry the **subject-matter insured** to destination unless the party claiming under this insurance is privy to such unseaworthiness or unfitness.

Section 6 – Conditions

1. Arbitration

If **we** admit liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by **you** and **us** in accordance with the law at the time. **You** may not take any legal action against **us** over the dispute before the arbitrator has reached a decision.

2. Cancellation

You may cancel the policy at any time by telling **us**, either in writing or over the phone. **We** may cancel this policy or any part or portion thereof by giving 30 days notice in writing by special delivery mail to **you** at **your** last known address. **We** will give **you** a refund in proportion to the time left until **your** current period of insurance is due to run out.

3. Change in Circumstances

You must notify **us** as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by **you** to **us** or stated as material facts by **us** to **you** which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change **we** will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to **us** then **we** are under no obligation to agree to make them and may no longer be able to provide **you** with cover.

If **you** do not notify **us** of any such change **we** may exercise one or more of the options described in clauses c) i), ii) and iii) of condition 7 but only with effect from the date of the change in circumstances or material facts.

4. Claim Survey

No survey is necessary for any claim of less than £2,500 or equivalent in other currencies.

When a survey is called for following a report of loss or damage to **subject-matter insured** which is likely to result in a claim hereunder fees are recoverable even when no claim eventually results.

5. Claims Settlement on Increased Value Basis

Where this policy is on an increased value basis in the event of loss the agreed value of the **subject-matter insured** shall be deemed to be the sum of the amount insured under the primary policy and all increased value policies arranged on the same cargo by **you** and liability under this policy shall be calculated as the proportion which the sum insured under this policy bears to the total amount insured.

Where this policy acts as a primary policy the agreed value shall be deemed to be the sum of the amount insured under this policy and all increased value policies (as above) and liability under this policy shall be calculated as the proportion which the sum insured under this policy bears to the total amount insured.

In the event of any claim **you** shall provide **us** with evidence of the amounts insured under all other policies covering the same cargo.

6. Contractual Right of Renewal (Tacit)

If **you** pay the premium using **our** direct debit instalment scheme **we** will have the right which **we** may choose not to exercise to renew this policy each year and continue to collect premiums using this method. **We** may vary the terms and conditions of this policy including the premium at renewal. If **you** do not wish to renew this policy **you** or **your** insurance intermediary must notify **us** prior to the next renewal date.

7. Fair Presentation of the Risk

- a) At inception and renewal of this policy and also whenever changes are made to it at **your** request **you** must:
 - i) disclose to **us** all material facts in a clear and accessible manner; and
 - ii) not misrepresent any material facts.
- b) If **you** do not comply with clause a) of this condition **we** may:
 - i) avoid this policy which means that **we** will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by **you** is proven by **us** to be deliberate or reckless in which case **we** will not return the premium paid by **you**; and
 - ii) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred.
- c) If **you** do not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this policy may be affected in one or more of the following ways depending on what **we** would have done if **we** had known about the facts which **you** failed to disclose or misrepresented:
 - i) if **we** would not have provided **you** with any cover **we** will have the option to:
 - 1) avoid the policy which means that **we** will treat it as if it had never existed and repay the premium paid; and
 - 2) recover from **you** any amount **we** have already paid for any claims including costs or expenses **we** have incurred
 - ii) if **we** would have applied different terms to the cover **we** will have the option to treat this policy as if those different terms apply. **We** may recover any payments made by **us** on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied
 - iii) if **we** would have charged **you** a higher premium for providing the cover **we** will charge **you** the additional premium which **you** must pay in full.

8. Fraudulent Claims

If **you** or anyone acting on **your** behalf:

- a) makes a fraudulent or exaggerated claim under this policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
- c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
- d) submits a claim under this policy for loss or damage which **you** or anyone acting on **your** behalf or in connivance with **you** deliberately caused; or
- e) realises after submitting what **you** reasonably believed was a genuine claim under this policy and then fails to tell **us** that **you** have not suffered any loss or damage; or
- f) suppresses information which **you** know would otherwise enable **us** to refuse to pay a claim under this policy

we will be entitled to refuse to pay the whole of the claim and recover any sums that **we** have already paid in respect of the claim.

We may also notify **you** that **we** will be treating this policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If **we** terminate this policy under this condition **you** will have no cover under this policy from the date of termination and not be entitled to any refund of premium.

9. In Full Premium

Where the premium is stated in the schedule as 'in full' this is a fixed amount based on the original declared estimated sendings or turnover.

If **your** turnover or the value of **subject-matter insured** insured under this policy should increase by more than 15% of the original estimate **you** must tell **us** in writing in which case **we** may charge **you** an additional premium assessed on the increased turnover or value of **subject-matter insured** shipped.

10. Institute Clauses

The Institute Clauses referred to in this policy are those current at the date of attachment of risk as defined in the appropriate Transit Clause of the Institute Clauses.

Where permission is given by **us** to **you** to issue cargo certificates the Institute Clauses stated in this policy must be incorporated by reference.

11. Insurance Premium Tax

The Insurance Premium Tax (Taxable Insurance Contracts) Order 1994 (SI 1994/1698) – Schedule 7A Finance Act 1994 makes **us** responsible for Insurance Premium Tax which will be collected at the applicable rate on taxable gross premium paid by **you**.

We will calculate the tax liability and **you** agree to pay all amounts due to **us**. Late notification by **us** of tax due as a result of de-minimis rules being exceeded or any other reason will not reduce or negate **your** liability to pay the tax.

12. Marine Insurance Act 1906

You expressly agree that Marine Insurance Act 1906 shall apply to all transits and **voyages** covered under this policy except where it conflicts with the terms and conditions of this policy.

13. Observance

Failure to fulfil the terms and conditions of this policy by **you** in so far as they relate to anything to be done or complied with by **you** may affect **our** liability to make any payment under this policy. If in doubt **you** should seek advice from **your** insurance adviser or legal practitioner.

14. Other Insurances

If at the time of any occurrence giving rise to a claim there is any other insurance **our** liability under this policy will be limited to any excess beyond the amount which would be payable under such other insurance had this policy not been effected.

15. Payment by Instalments

Reference to the payment of premium includes payment by monthly instalments. If **you** pay by this method this policy remains an annual contract and the date of the payment and the amount of instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 if applicable the credit agreement and this policy will be cancelled immediately.

16. Reasonable Care

You will comply with all regulations imposed by any competent authority and take all reasonable precautions to prevent or minimise loss, damage, liability or expense.

17. Record Keeping

a) If any part of the premium is calculated on estimates supplied by you an accurate record will be kept by you containing all information relative thereto and you will allow us to inspect such record.

b) Applicable to adjustment policies only.

You will within one month from the expiry of each period of insurance supply to us such particulars and information as we may require. The premium for such period will thereupon be adjusted and the difference paid by or allowed to you as the case may be subject always to the minimum premium stipulated.

INSTITUTE CARGO CLAUSES (A)

Risks Covered

1. Risks

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.

2. General Average

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.

3. "Both to Blame Collision Clause"

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

8. Transit Clause

- 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, or
 - 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.

9. Termination of Contract of Carriage

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.

10. Change of Voyage

- 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

11. Insurable Interest

- 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.

12. Forwarding Charges

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.

13. Constructive Total Loss

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.

14. Increased Value

- 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

16. Duty of Assured

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.

17. Waiver

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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INSTITUTE CARGO CLAUSES (B)

Risks covered

1. Risks

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.

2. General Average

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.

3. "Both to Blame Collision Clause"

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

8. Transit Clause

- 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 overside 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 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, reshaping or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

9. Termination of Contract of Carriage

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.

10. Change of Voyage

- 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

11. Insurable Interest

- 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.

12. Forwarding Charges

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.

13. Constructive Total Loss

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.

14. Increased Value

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

16. Duty of Assured

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.

17. Waiver

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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INSTITUTE CARGO CLAUSES (C)

Risks covered

1. Risks

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.

2. General Average

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.

3. "Both to Blame Collision Clause"

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

8. Transit Clause

- 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.

9. Termination of Contract of Carriage

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.

10. Change of Voyage

- 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

11. Insurable Interest

- 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.

12. Forwarding Charges

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.

13. Constructive Total Loss

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.

14. Increased Value

- 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

16. Duty of Assured

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.

17. Waiver

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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INSTITUTE CLASSIFICATION CLAUSE

Qualifying vessels

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

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

Age limitation

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

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

 - 2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
 - 2.2 were constructed as containerships, vehicle carriers or double-skin openhatch 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*

INSTITUTE REPLACEMENT CLAUSE

In the event of loss of or damage to any part or parts of an insured machine caused by a peril covered by the Policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting, if incurred, but excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable. Provided always that in no case shall the liability of Underwriters exceed the insured value of the complete machine.

10/11/03

CL370

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.

10/11/03

CL380

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

INSTITUTE CARGO CLAUSES (AIR)

(excluding sendings by Post)

Risks covered

1. Risks

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.

2. Salvage Charges

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

In no case shall this insurance cover

3. 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

6. Transit Clause

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

7. Termination of Contract of Carriage

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.

8. Change of Transit

- 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

9. Insurable Interest

- 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.

10. Forwarding Charges

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.

11. Constructive Total Loss

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.

12. Increased Value

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

14. Duty of Assured

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.

15. Waiver

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

Avoidance of delay

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

Law and Practice

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

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

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INSTITUTE WAR CLAUSES (CARGO)

Risks covered

1. Risks

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 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.

2. General Average

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

5. Transit Clause

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 overseas 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 overseas vessel at the final port or place of discharge,

or

on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge,

whichever shall first occur;

nevertheless,

subject to prompt notice to the Insurers and to an additional premium, such insurance

5.1.3 reattaches when, without having discharged the Subject-Matter Insured at the final port or place of discharge, the vessel sails therefrom,

and

5.1.4 terminates, subject to 5.2 and 5.3 below, either as the Subject-Matter Insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,

or

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

whichever shall first occur.

5.2 If during the insured voyage the overseas vessel arrives at an intermediate port or place to discharge the Subject-Matter Insured for on-carriage by overseas vessel or by aircraft, or the Subject-Matter Insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the Subject-Matter Insured and as to any part as that part is loaded on an on-carrying overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the Subject-Matter Insured 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 overseas vessel this insurance continues subject to the terms of these Clauses,

or

5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by air.

5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the Subject-Matter Insured is subsequently reshipped to the original or any other destination, *then provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium*, this insurance reattaches

5.3.1 in the case of the Subject-Matter Insured having been discharged, as the Subject-Matter Insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;

5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;

thereafter this insurance terminates in accordance with 5.1.4.

- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the Subject-Matter Insured or any part thereof is on craft whilst in transit to or from the 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).

6. Change of Voyage

- 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

8. Insurable Interest

- 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.

9. Increased Value

- 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

11. 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

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

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

Law and Practice

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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INSTITUTE STRIKE CLAUSES (CARGO)

Risks covered

1. Risks

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.

2. General Average

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

5. Transit Clause

- 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.

6. Termination of Contract of Carriage

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.

7. Change of Voyage

- 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

8. Insurable Interest

- 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.

9. Increased Value

- 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

11. Duty of Assured

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.

12. Waiver

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

Avoidance of delay

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

Law and Practice

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

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

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INSTITUTE WAR CLAUSES

(Sendings by Post)

Risks covered

1. Risks

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.

2. General Average

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

4. Transit Clause

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

6. Insurable Interest

- 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

8. Duty of Assured

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.

9. Waiver

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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INSTITUTE WAR CLAUSES (AIR CARGO)

(excluding sendings by Post)

Risks covered

1. Risks

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.

2. Salvage Charges

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

4. Transit Clause

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).

5. Change of Transit

- 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

7. Insurable Interest

- 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.

8. Increased Value

- 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

10. Duty of Assured

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.

11. Waiver

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

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

Law and Practice

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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INSTITUTE STRIKES CLAUSES (AIR CARGO)

Risks covered

1. Risks

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.

2. Salvage Charges

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

4. Transit Clause

- 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.

5. Termination of Contract of Carriage

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.

6. Change of Transit

- 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

7. Insurable Interest

- 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.

8. Increased Value

- 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

10. Duty of Assured

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.

11. Waiver

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

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

Law and Practice

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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Our complaints procedure

Our commitment to customer service

We are committed to providing a high level of customer service. If you feel we have not delivered this, we would welcome the opportunity to put things right for you.

Who to contact in the first instance

Many concerns can be resolved straight away. Therefore in the first instance, please get in touch with your usual contact at Zurich or your broker or insurance intermediary, as they will generally be able to provide you with a prompt response to your satisfaction.

Contact details will be provided on correspondence that we or our representatives have sent you.

Many complaints can be resolved within a few days of receipt

If we can resolve your complaint to your satisfaction within the first few days of receipt, we will do so. Otherwise, we will keep you updated with progress and will provide you with our decision as quickly as possible.

Next steps if you are still unhappy

If you are not happy with the outcome of your complaint, you may be able to ask the Financial Ombudsman Service to review your case.

We will let you know if we believe the ombudsman service can consider your complaint when we provide you with our decision. The service they provide is free and impartial, but you would need to contact them within 6 months of the date of our decision.

More information about the ombudsman and the type of complaints they can review is available via their website www.financial-ombudsman.org.uk.

You can also contact them as follows:

Post: Financial Ombudsman Service,
Exchange Tower, London, E14 9SR

Telephone: 08000 234567
(free on mobile phones and landlines)

Email: complaint.info@financial-ombudsman.org.uk

If the Financial Ombudsman Service is unable to consider your complaint, you may wish to obtain advice from the Citizens Advice Bureau or seek legal advice.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) which means that you may be entitled to compensation if we are unable to meet our obligations to you. Further information is available on www.fscs.org.uk or by contacting the FSCS directly on 0800 678 1100.

Zurich Insurance plc

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UK Branch registered in England and Wales Registration No. BR7985.

UK Branch Head Office: The Zurich Centre, 3000 Parkway, Whiteley, Fareham, Hampshire PO15 7JZ.

Zurich Insurance plc is authorised by the Central Bank of Ireland and authorised and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our authorisation by the Financial Conduct Authority are available from us on request. Our FCA Firm Reference Number is 203093.

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