CG | UNITED

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Cargo Pro

Policy Conditions



Thank you for choosing CG United.

The Cargo Pro provides all risks or limited coverage for goods transported by sea, air or land, whether on a single shipment or shipments on an annual basis.

If you need further details or have any questions, your broker or local CG United branch will be delighted to help. Alternatively, help and guidance can be obtained by visiting our website, www.cg.insure.

Important
The insurance cover provided by this Policy may be varied by clauses attached to the Policy Schedule.

Please refer to Our Agreement on page 3 of the Policy Conditions and read all Policy documents to ensure that you have the insurance cover required.

Our Agreement

This **policy**, including information supplied by **you**, the **Policy Schedule**, **Certificates of Insurance** and clauses shall be read together and forms a legally enforceable agreement between **you** and **us**.

In exchange for the total premium being paid, **we** agree to indemnify the **insured** or **loss payee** in accordance with the terms and conditions set forth in this **policy** against loss or damage to the goods, caused by a covered event, whilst in transit and within the territorial limits, up to the sum insured for each shipment made on or after the effective date and prior to the **policy's** expiry date.

This **policy** does not cover any shipments where the transit has commenced before the policy's **effective date**, after the **policy** has expired or before you have acquired an insurable **interest**.

Insuring Terms
This **policy** is based on the internationally recognized **Institute Cargo Clauses** described under Section 1: Standard Cover and **Appendix 1**.

It is important that you acquaint yourself with the coverage, exclusions and conditions within the **Institute Cargo Clauses**.

In case of contradictions or ambiguities in the policy wording, the Special Conditions and General Conditions override the **Institute Cargo Clauses.** Specific terms and conditions stated in the **Policy Schedule** or **Endorsements** override them all.

Please note that cover in respect of War and Strikes is optional and not always automatic. For details, please refer to the list of Restricted Countries shown in the **Policy Schedule**.

Definitions
Any word or expression to which a specific meaning has been attached in the **Definitions**, or elsewhere in the Policy Conditions, shall bear such meaning wherever they appear and are highlighted in **bold**.

Table of Contents

Section	Pages
Policy Conditions	
Definitions	5-6
Section 1: Standard Cover	7
Section 2: Special Conditions	8-11
Section 3: General Conditions	12-13
Section 4: General Exclusions	14-15
Section 5: Claims Procedures	16-17
Data Protection	18
Appendix 1: Institute Clauses	
Institute Cargo Clauses (A) CL 382	19-22
Institute War Clauses (Cargo) CL 385	23-25
Institute Strikes Clauses (Cargo) CL 386	26-28
Institute Classification Clause CL 354	29
Cargo ISM Endorsement JC 98/019	30
Cargo ISM Forwarding Charges Clause JC98/019	30
Institute Cargo Clauses (Air) CL 387	31-33
Institute War Clauses (Air Cargo) CL 388	34-36
Institute Strikes Clauses (Air Cargo) CL 389	37-39
Institute Cargo Clauses (C) CL 384	40-42
Institute Replacement Clause CL 372	43
Institute Replacement Clause Second-Hand Machinery CL 373	43
Institute Cyber Attack Exclusion Clause CL 380	43
Institute Radioactive, Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause CL 370	43-44
Termination of Transit Clause (Terrorism) Clause JC2009/56	44
Sanction Limitation and Exclusion Clause	44

Definitions

Company / Insurer / We / Us / Our	**CG United Insurance Ltd.**
Policyholder / You / Your	The contracting party in whose name the insurance **policy** is written and issued. The **Policyholder** owns the insurance **policy** and has the right to exercise all privileges under the contract of insurance, except where restricted. The **Policyholder** is also responsible for payment of the premium and must have a prior relationship with the insureds separate from the subscription of the **Policy**.
Insured / You / Your	The person or company, named as the insured in the **Policy Schedule** or **Certificate of Insurance** issued by the **Company**.
Accident / Accidental	An unintended, unforeseen incident resulting in damage or loss of the goods which could not reasonably be expected by the **insured** or by any person with actual knowledge of the goods and method of shipment.
Actual Cash Value	The amount needed to obtain items of the same type, quality, conditions and age. The **Actual Cash Value** is determined by subtracting depreciation from the **replacement value** while taking into account the state of repair of the item.
Appendix	An addition to the end of the insurance **policy** that either defines, adds, limits or removes coverage provided under the **policy**.
Basis of Valuation	The agreed formula that will be used to calculate the value of the insured goods. This **Basis of Valuation** is also used as the basis for any premium calculation or claim settlement.
Break Bulk Cargo	Oversized or overweight cargo that are not containerized and are shipped in bags, boxes, crates, drums or barrels.
Bulk Cargo	Unpacked liquid or granular cargo, such as crude oil, grain or gravel, that are not containerized and are shipped in large quantities.
Cargo Consolidator	Company or freight forwarder which assembles and ships goods from different shippers or shipments together.
Certificate of Insurance	Document to assure the **consignee** that insurance is provided to cover loss or damage to the goods during the shipment process. The **Certificate of Insurance** also indicates the type of goods, method of shipment, departure date, shipping route and sum insured.
CFR	Cost and Freight charges are assumed by the shipper of the goods. The receiver assumes insurance costs and all remaining cost responsibilities, including unloading costs, once the cargo has arrived at the destination port.
CIF	Cost, Insurance and Freight charges are assumed by the shipper of the goods. The receiver assumes all remaining cost responsibilities, including unloading costs, once the cargo has arrived at the destination port.
Clean Receipts	A receipt signed by anyone receiving cargo bearing no remarks or notations indicating shortage, loss or damage, thus indicating that the goods were received in apparent good order and condition.
Collision	A violent striking or impact of a vessel or **conveyance** with any other external object, other than the road or water, resulting in a damaging **accident**.
Consignee	The receiver or buyer of the shipped **goods**.
Container	An Intermodal ISO shipping container used to move Insured Goods. In relation to shipments by aircraft, Shipping Container will include any IATA (International Air Transport Association) standard Unit Load Device (ULD).
Conveyance	A road transport vehicle, train, vessel or aircraft used to transport **goods**.
Cover / Coverage	The covered perils, benefits and protection provided by the **policy** for the insured **goods** that are damaged or lost during the insured **voyage**.
Deck Cargo / On Deck Shipment	**Goods** carried on board a ship/vessel which are exposed to weather elements and are not protected within a fully enclosed hold space or shipping container.
Declaration / Declare	Online notification to the **Insurer** of a shipment under the **policy**, describing the type of the goods, method of shipment, departure date, shipping route and sum insured.

Deductible / Excess	The amount the **insured** must pay towards a claim as specified in the **policy** documents. The deductible can be expressed as a specified amount or a percentage of the insured value.
Effective Date	The inception date specified in the **Policy Schedule**.
Endorsement	Document issued as evidence of an alteration to the **Policy Schedule** and/or **Certificate of Insurance**.
FOB	Free On Board shipment conditions transfer the shipper's liability and ownership of the goods to the receiver. The shipper is responsible for shipment of the goods to the destination port and cost of loading only. The receiver assumes all remaining cost responsibilities, including insurance costs, freight charges and unloading costs.
General Average	Any extraordinary sacrifice or expenditure voluntarily and reasonably made or incurred for the purpose of preserving all property at risk at a time of peril. All parties with property that has been preserved by such sacrifice or expenditure can be called upon to contribute a proportion of the loss incurred.
Goods / Interests / Commodities	The items that **you** ship or that **you** are contractually responsible for.
Insurance Proposal / Application	The particulars of insurance completed by the **policyholder**, including any broker submission, and submitted to the **Company** either in writing or electronically on which the **Company** relies to determine whether to provide insurance coverage, and if so, upon what terms and conditions.
Institute Cargo Clauses	The customary market standard wordings prepared by the Institute of London Underwriters, excluding any provision which identifies English law, practice or jurisdiction as being applicable.
Loss Payee	In the event of a covered loss or damage, the claim payment will be made to the **Loss Payee** shown in the **Certificate of Insurance**.
Market Value	The value the insured item has in its current state in a competitive market setting. The **market value** is determined by what buyers are willing to pay for an item of the same type, quality, condition and age.
Policy	The contract between the **Company** and the **Policyholder**, which consists of the **Policy Schedule**, **Certificates of Insurance,** Clauses and Policy Conditions.
Policy Schedule	Document showing the terms and conditions of the insurance **policy**, insurer, broker, **policyholder**, policy number, address and period of insurance. The **Policy Schedule** must always be read in conjunction with all other **policy** documents.
Professionally Packed	Goods in original manufacturer packaging or packed by a professional packer in accordance with the interest-matter as customary by trade.
Replacement Value	The amount needed to obtain new items of the same type and quality.
Restricted Items	Excluded items or items not eligible for coverage under the Institute Clauses (A). Restricted items include, but are not limited to, jewellery and other objects of great value, items susceptible to loss or damage arising from denting, pilferage, leakage, shortage, loss in weight and other perishable items.
Salvage	What is left of the goods after it has suffered a loss or damage or the physical act of recovering the goods or which have been lost or damaged, but which have residual commercial value.
Salvage Value	The value of what is left of the insured **goods** after it has suffered a loss or damage.
Shipment	Transportation of the **goods** destined for or delivered to a **consignee**.
Sum Insured / Insured Value	The amount(s) specified in the **Policy Schedule** or **Certificate of Insurance** which will be the maximum limit paid by the **Company** for any one loss arising from one event, subject to the application of any **deductible** or **excess**.
Voyage	The insured transit of one or more **shipments** by air, land or sea.

Section 1

Standard Cover

Subject to the terms specified in the **Policy Schedule** and **Certificates of Insurance**, the Standard Cover provided under this **policy** is in accordance with the **Institute Cargo Clauses** specified and defined under **Appendix 1**.

1.1 For shipments by sea and/or land conveyances:

- Institute Cargo Clauses (A) CL 382
  01/01/2009
- Institute War Clauses (Cargo) CL 385
  01/01/2009
- Institute Strikes Clauses (Cargo) CL 386
  01/01/2009
- Institute Classification Clause CL 354
  01/01/2001
- Cargo ISM Endorsement JC98/019
- Cargo ISM Forwarding Charges Clause

1.2 For shipments by aircraft:

- Institute Cargo Clauses (Air) (excluding sendings by Post) CL 387
  01/01/2009
- Institute War Clauses (Air Cargo) (excluding sendings by Post) CL 388
  01/01/2009
- Institute Strikes Clauses (Air Cargo) CL 389
  01/01/2009

1.3 For shipments of restricted items or on deck shipments that are not fully enclosed in containers:

- Institute Cargo Clauses (C) CL384

1.4 For all shipments:

- Institute Cyber Attack Exclusion Clause CL 380
  10/11/2003
- Institute Radioactive, Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause CL 370
  10/11/2003
- Institute Replacement Clause CL 372 and CL 373
  01/12/2008
- Institute Classification Clause CL 354
  01/01/2001
- Termination of Transit Clause (Terrorism) JC2009/56
  01/01/2009
- Sanctions Limitation and Exclusion Clause
- Institute Labels Clause

For ease of reference these **Institute Clauses** are contained in **Appendix 1** at the back of this **policy**.

Section 2

Special Conditions

The cover provided under the **policy's** Standard Cover is subject to the following additional conditions:

2.1 Restricted Countries

The cover provided under this **policy** is subject to the Restricted Countries specified in the **Policy Schedule**.

2.2 Basis of Valuation

The basis of valuation and/or loss settlement shall be as follows:

- **Imports and Exports:**
  Cost, Insurance and Freight plus 10% **markup** (or as otherwise agreed)
- **Inland Transits and/or FOB and/or similar terms:**
  Invoice value to the buyer
- **Used Items, Refurbished Items or Items with no invoice:**
  Actual cash value in the country of destination
- **Motor Vehicles:**
  As described under section 2.6
- **Household Goods and Personal Effects:**
  As described under section 2.7

2.3 Increased Value

The insured value may be extended to include other incurred charges and an amount for any import duty and/or taxes or excise payable by **you** in respect of goods shipped by **you**.

No claim for import duty is recoverable arising from:

1. Total loss of the goods or part thereof prior to their arrival;
2. General Average;
3. in respect of duty waived by Customs Authorities at destination on **shipments** arriving damaged by an insured event;
4. in cases where no duty or landing charges are paid.

Following a claim under this **policy**, **you** must use all reasonable efforts to obtain refunds of import duty and/or taxes pad and/or excise in respect of the claim. Any refund achieved must reimbursed to **us**, provided the amount does not exceed the amount **we** paid in duty and/or taxes.

Nothing in this clause shall increase the sum insured specified in the declaration.

2.4 Debris Removal Extension

We will pay in addition to any other amount recoverable under this policy, costs and expenses reasonably and necessarily incurred by **you** in connection with the removal, disposal and/or destruction of debris of the interest insured but excluding absolutely:

1. any expenses incurred in consequence of or to avert or mitigate pollution or contamination or threat or liability thereof;
2. the costs of removal of cargo from any aircraft or vessel.

In no case will **we** be liable for more than 10% of the insured value of the interest insured or USD 50,000 whichever is the lesser.

2.5 Refurbished and Used Goods Clause

Refurbished and used goods, other than Motor Vehicles, Household Goods and Personal Effects, are subject to the Institute Cargo Clauses (A), provided the goods are in good condition, professionally packed and containerized.

Goods with pre-existing damage and/or not professionally packed and/or not stored inside a fully enclosed **container**, are subject to the Institute Cargo Clauses (C).

The basis of valuation and/or loss settlement for refurbished and used goods shall be as follows:

1. **Actual cash value** in the country of destination.

The following provisions and restrictions apply:

1. Refurbished commodities must have a certificate of refurbishment.
2. Computer components such as memory chips, motherboards, and processors, digital cameras, tablets, mobile- and smart phones are excluded unless specifically covered by another clause.
3. Parts damaged during **voyage** will be replaced with appropriate second hand or refurbished parts.

2.6 Motor Vehicles Clause

Motor vehicles, including motor cycles, not exceeding 5 years old and shipped in fully enclosed **containers** are subject to the Institute Cargo Clauses (A) terms and conditions.

Vehicles older than 5 years and shipped in fully enclosed containers are subject to the Institute Cargo Clauses (C) terms and conditions.

The basis of valuation and/or loss settlement for Motor Vehicles under this **policy** will be as follows:

1. New motor vehicles: **replacement value** in the country of destination.
2. Second-hand or used motor vehicles: **market value** in the country of destination.
3. Vintage and/or classic motor vehicles: **market value** as supported by a recent and recognized valuation certificate in the country of destination.

The following provisions and restrictions apply:

1. In the event of loss of or damage to any part or parts of an insured vehicle 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. In no case shall repair costs exceed the sum insured.
2. **Shipments** with no Certificate of Conditions or no document signed by both the owner of the vehicle and freight forwarder, stating the defects, damages and condition of the vehicle at the time the vehicle enters the custody of the freight forwarder, are insured under the Institute Cargo Clauses (C) terms and conditions.
3. Photos should be taken of damages prior to shipment and shared with **us** if requested.
4. Excluding loss or damage while the vehicle is moved under its own power other than when a vehicle is being driven onto or off the vessel.
5. If the sum insured at the time of the loss is less than the full value of the insured property. The assured shall only be entitled to recover such proportion of the loss as the sum insured bears to the total value.
6. Excluding any claim recoverable under a Motor Insurance policy.
7. Excluding damages, injury or liability to any third party.
8. Excluding loss or damage arising from climatic or atmospheric conditions or extremes of temperature or freezing of coolant.
9. Excluding loss or damage to accessories and or portable items, unless **declared** and approved prior to shipment.
10. Excluding damages caused by goods loaded on or inside the vehicle.
11. Excluding theft or pilferage of audio equipment, including but not limited to radios, CD players, speakers and similar items unless stolen with the vehicle.
12. Excluding damage to tires and/or brakes and/or suspension.
13. Excluding damage to personal effects shipped inside the vehicle and or its trunk area.
14. Excluding vehicles shipped on deck other than in fully enclosed **containers**.

2.7 Household Goods and Personal Effects Clause

Professionally packed Household Goods and Personal Effects are subject to the Institute Cargo Clauses (A) terms and conditions, provided a valued inventory list has been signed by the owners of the goods prior to shipment.

Owner packed Household Goods and Personal Effects are subject to the Institute Cargo Clauses (C) terms and conditions.

The basis of valuation and/or loss settlement for Household Goods and Personal Effects under this **policy** shall be as follows:

1. Household Goods and Personal Effects with no pre-existing damage and less than 2 years old: **Replacement Value** in the country of destination.
2. Items older than 2 years old, items with pre-existing damage, used clothing and household linen: **Actual Cash Value** in the country of destination.

The following provisions and restrictions apply:

1. A record should be kept of any damage ascertained at the time of packing and copy of this record must be sent with the goods.
2. Photos should be taken of damages prior to shipment and shared with **us** if requested.
3. Any insured item or set having a value in excess of USD 500, or equivalent in any other currency, must be individually identified and valued on the valued inventory list prior to shipment. Failure to specifically report an insured item with a value in excess of USD 500 will limit the **insurer's** liability for loss or damage to the actual value of the item or to USD 500, whichever is less.
4. 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.
5. Excluding accompanied baggage or any article used or worn during the course of transit.
6. If the sum insured at the time of the loss being less than the full value of the insured property, the assured shall only be entitled to recover such proportion of the loss as the sum insured bears to the total value.
7. Excluding jewellery, furs, watches, precious stones, precious metals, personal ornaments, perishable foods, pets, alcoholic- and non-alcoholic beverages, mobile phones and tablets, computer software, video games, photographs, letters, plant pots, plants, flowers, stamps, checks, money, securities and postal orders.
8. Excluding tools and equipment used for professional purposes or business purposes.
9. Excluding artwork, antiques and collectibles greater than USD 5,000, or equivalent in any other currency, per item.
10. Excluding loss of or damage caused by perishable goods, acids, paints, aerosols, medicines and all liquids.
11. In respect of a claim for repairable damage **we** will indemnify the Insured for the cost of repairs but not for any depreciation arising out of such damage or repairs.

2.8 Pairs and Sets

If the interest insured consists of articles, which form a pair or set, the **Company** will only pay the proportionate sum insured of the article(s) lost or damaged, without reference to any special value the damaged article may have as part of a pair or set.

2.9 Goods Carried under Temperature Controlled Conditions

Subject to pre-approval, where goods of any type are carried under temperature controlled conditions, cover is provided for loss or damage subject to the following: Loss or damage to the interest insured resulting from any variation in temperature is excluded unless attributable to:

1. Breakdown of refrigerating machinery resulting in its stoppage for a period of not less than twenty-four consecutive hours; or
2. Fire or explosion, vessel or craft being stranded, grounded, sunk or capsized, overturning or derailment of land conveyances, collision or contact of conveyance with any external object other than water, discharge of cargo at a port of distress.

Excluding loss or damage arising from any failure of **you** to take all responsible precautions to ensure that the interest insured is kept in an appropriate temperature controlled environment.

2.10 Letter of Credit Clause

Certificates of Insurance may be issued hereunder to comply with the insurance requirements of any Letter of Credit and/or sales contract concerned, provided the cover required is not wider than that provided by the current **policy** wording. In the event that wider coverage is required, prior agreement of the insurer must be obtained at an additional premium to be agreed. No insurance cover is in place unless a certificate is issued correctly and in accordance with the **policy** wording, **Policy Schedule** and any special projects agreed by the **insurer**.

2.11 Process Clause

Excluding loss and/or damage to the insured commodity caused by processing, errors in processing and/or direct result of being worked upon, unless due to an external cause otherwise covered by this policy.

2.12 On Deck Shipments

On deck **shipments** are insured subject to the deletion of the Institute Cargo Clauses (A) and replacement with Institute Cargo Clauses (C), extended to include the risks of washing overboard and theft or non-delivery of an entire consignment or full container, trailer or vehicle load. **Shipments** in fully enclosed containers are insured under the Institute Cargo Clauses (A).

Section 3

General Conditions

3.1 Duty of Disclosure

You must take reasonable care:

1. Not to make a misrepresentation to **us** when answering any questions **we** ask in the application form.
2. When renewing this **policy**, not to make a misrepresentation to **us** in answering any questions, or confirming or amending any matter previously disclosed to **us** in relation to this **policy**; and
3. To disclose to **us** any matter, other than what **we** have asked in a) and b) above, that **you** know, or a reasonable person should expected to know, to be relevant to our decision on whether to accept the risk or not and the rates and terms to be applied.

3.2 Consequences of Breach of Duty

Breach of **your** duty as stated above may result in **us** voiding the **policy** and refusing all claims, or the terms of the **policy** being varied, and/or the amount to be paid on a claim being proportionately reduced, depending on the type of misrepresentation or non- disclosure and the effect of the said misrepresentation or non- disclosure.

3.3 How Much We Will Pay

1. Claims are paid in the currency specified in the **Certificate of Insurance**.
2. If the amount of a claim is to be calculated based on an invoice in a currency other than the insured currency, the claim will be paid in the insured currency at the rate of exchange current at the date the loss or damage occurred.
3. Any amount that we pay for loss or damage to goods will be limited by the Sum Insured stated in the **policy** documents for any one claim arising from one event.
4. **We** will also pay amounts for **your** reasonable additional expenses for the purpose of averting or minimizing loss. These amounts are payable in addition to any claim for loss of or damage to goods and are payable in addition to the Sum Insured stated in the **policy**.
5. Claims that **we** pay under this **policy** will have any **deductible** or **excess** deducted prior to settlement. No **deductible** or **excess** will apply to **General Average** or salvage guarantee claims.

3.4 Alterations of Risk

Please inform **us** immediately in writing of any fundemental changes to the facts or circumstances which existed when this insurance commenced that change the nature of the risk (for example, the nature of **your** business operations, or other circumstances that affect the goods carried in a way that would increase the risk of loss or damage occurring. If **we** agree to the change, **we** may charge an additional premium.

3.5 Applicable Law / Jurisdiction

This **policy** is governed by and shall be construed in accordance with the laws of the territory where the policy was issued.

3.6 Cancellation

This **policy** may be cancelled by either **you** or **us** by giving written notice as set out below:

A 30 days notice of cancellation form either party is required. You are not eligible to receive any premium refunds if you've made a claim during the active policy period or intend to make a claim.

Cancellation shall become effective on the expiry of the appropriate number of days from midnight on the day on which notice of cancellation is issued by **you** or by **us** but shall not apply to any transit insurance which shall have been declared or attached in accordance with contract terms and conditions before the cancellation becomes effective.

War, Strikes, Riots and Civil Commotions risks are subject to 7 days notice of cancellation at any time by either party but shipment to or from the USA shall be subject to 48 hours notice of cancellation at any time by either party in respect of Strikes, Riots and Civil Commotions.

3.7 Premium

Each shipment is subject to a premium and is based on the rates specified in the **Policy Schedule**. A minimum premium per **shipment**, as shown in the **Policy Schedule**, may also apply. Should the Institute War Clauses and/or Institute Strikes Clauses apply, we will charge the additional premium rate specified in the **Policy Schedule**.

As war and strikes exposures may vary during the currency of an open cargo **policy**, we reserve the right to vary the war and strikes rates at any time.

Open cargo policies may be subject to a minimum and deposit premium. The actual premium is computed based on the declared shipments. If the declared shipments' premiums exceed the minimum and deposit premium, then **you** must pay the additional premium.

All premiums must be paid on or before the premium due date. **We** may decline claims, suspend or cancel the **policy** if a premium is not paid on time.

3.8 Declaration of Shipments

Unless agreed otherwise, **you** are bound to **declare** each and every **shipment** prior to the shipment's arrival date. The declared values, including freight charges and applicable import duties, may not exceed the maximum insured limit per **voyage** specified in the **Policy Schedule**. Import duties, if applicable, must be specified separately.

Restricted items and/or shipments in excess of the maximum insured limits must be referred to **us** for approval or insured under a single shipment policy.

3.9 Other Insurance

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

If **you** are aware of such other insurance covering either wholly or in part the goods, **you** are required to notify **us**. **You** must also provide **us** with full information and all reasonable assistance in the recovery of claims payments.

3.10 Subrogation / Rights of Recovery

We have the right to take action or institute legal proceedings, in **your** name, for the recovery of payments made and expenses incurred in relation to any claim covered by this **policy**, against any person, company or entity legally liable to **you** in respect of that claim. **You** must provide us with full information and all reasonable assistance in the recovery of those payments or expenses.

Where a recovery is obtained from a carrier or other third party, such recovery shall be apportioned between **you** and **us** in the same proportion as the respective parties hereto have borne the loss.

3.11 Disputes

If any dispute relating to the settlement amount of any loss or damage arising under this **policy**, the same shall, at the written request of either party hereto, be submitted to two arbitrators, one to be appointed by **you** and one by **us**. In the event of their failure to agree, unresolved disputes can be submitted to the courts of the territory where the insurance **policy** was issued.

Section 4

General Exclusions

Exclusions specific to insured **shipments** are listed in the applicable **Institute Cargo Clauses** specified in the **Policy Schedule** and **Certificates of Insurance**. The following exclusions are in addition to the Standard Cover's exclusions and apply to the entire **policy**:

4.1 We do not insure you for loss or damage to

1. Property other than the types of goods or commodity categories noted in the **Policy Schedule**.
2. Vehicles and machines whilst driven under their own power or whilst being towed other than during Loading and Unloading operations.

4.2 We do not insure any loss or damage arising from or related to

1. War and Civil War Risks and Strikes except as specifically covered
2. Nuclear Risks
3. Terrorism
4. Pre-existing damages
5. Risks of Financial Guarantee
6. Rejection Risks
7. Unexplained loss / mysterious disappearance
8. Shortage deduced solely from an inventory computation
9. Ocean Towage Risks
10. Asbestos
11. Container Leasing Operations
12. Delay / Loss of Market / Consequential Loss
13. Confiscation / Seizure / Nationalism / Expropriation and Deprivation Risk
14. Satellite Cargo Business up to launch
15. Project Cargo
16. Stock Throughput except as specifically covered
17. Bodily Injury or Property Damage to any Third Party
18. Damage occurring after the goods have been delivered at final destination
19. Infection of property, humans, animals or other living creatures by infectious matter
20. Errors and Ommissions, Professional Liability
21. The dismantling, assembly, testing or fabrication of machinery, plant, equipment or structure

4.3 We do not insure any of the following perils or damages

1. Pre-existing damages
2. Loss of computer data
3. Mechanical-, electrical- or electronic breakdown or derangement,
4. Rust or oxidation
5. Discoloration
6. Dampness
7. Staining, scratching, bruising, chipping, denting, marring and the cost of repainting as applicable
8. Temperature variation (unless specifically covered by another clause)

Steel and Iron Products

1. End damage, bending, twisting, crimping and all other standard exclusions

Dried Food in Bags & Snacks

1. Heating, sweating
2. Infestation arising from weevil, grub or web
3. Any natural loss in weight and warranted shipped in ventilated containers
4. All other standard exclusions

Used Goods

1. Wear and tear
2. Moth and vermin
3. Gradual deterioraton, natural depreciation and all other standard exclusion

4.4 We do not insure loss or damage caused by

1. Your misconduct or intentionally caused by **you** or any person acting with **your** express or implied consent;
2. Failure to exercise Due Care in the safe handling, storage, protection and security of the goods to the extent these matters are within **your** control.
3. Fraudulent or dishonest acts, fraudulent misappropriation, embezzlement and forgery involving **you** or in collusion with any other person(s).

4.5 We do not insure the following interests

These **interests** are always excluded or not eligible for the Institute Cargo Clauses (A), unless accepted by **us** under a single shipment policy or as an approved commodity category under the open cargo policy.

1. Aircraft and Helicopters
2. Antiques or Fine Art not part of a Household Goods and Personal Effects consignment
3. Bulk Car Contracts – New & Used
4. Cargo shipped in bulk (not in containers or small items)
5. Cash, bullion, deeds, bonds, stamps, medals, coins
6. Cement
7. Chinese Groundnuts
8. Cigarettes, Tobacco, Cannabis or Cigars
9. Classic Cars - or any vehicle over 12 years of age
10. Computer Chips memory boards & similar high value components
11. Containers
12. Fireworks
13. Fishmeal & Fish catch
14. Fresh foods and other temperature controlled goods (other than Frozen)
15. Fresh fruit & vegetables
16. Frozen Foods (non Meat)
17. Frozen Meat
18. Furs & designer clothing
19. Glassware and other fragile goods
20. Heavy Duty Vehicles
21. Heavylift Cargo
22. Jewellery, watches, trinkets, personal ornaments, precious stones & metals.
23. Laptops or computer tablets
24. Livestock
25. Mobile Phones
26. Ocean Towage Risks
27. Oversized Cargo
28. Perishables (flowers, fresh fruits & vegetables)
29. Project Cargoes
30. Refined sugar, grain, flour, beans or similar
31. Satellite Cargo business up to launch
32. Steel, coils, bars, beams, billets, pipes and similar Goods shipped in bulk
33. Works of Art, sculptures, fine art and similar interests
34. Yachts and other boats

The following interests are always excluded:

1. Asbestos
2. Illegal Objects
3. Arms and Ammunitions
4. Explosives

Section 5

Claims Procedures

5.1 What you must do

1. **You** must immediately advise **us** as soon as you become aware of a (potential) loss or damage. **We** may decide to appoint a surveyor or an assessor to inspect the damage to determine the cause and who might be responsible for it.
2. When **you** incur a loss, damage, or expense claimable under this **policy**, **you**, or anyone acting for **you** or on **your** behalf must:
   a. take all reasonable measures to avoid or minimize any further loss, damage, liability or expense;
   b. advise **us** within 2 days, or as reasonably practicable, of the cause and the amount of loss and any other proof or information with respect to the claim that may be reasonably required;
   c. permit **us** or **our** agents to inquire into, investigate and examine the circumstances of any loss;
   d. provide to **us** details of any other insurance covering, or which may cover, the same loss;
   e. in the event of loss caused by burglary, theft and/ or malicious damage, notify the police immediately and provide to them all assistance to apprehend the offending party;
   f. in the event of a **General Average** or salvage contribution claim, consult **us** before signing any **General Average** or salvage bond;
   g. whenever required by **us**, **you** shall aid in securing information, evidence, obtaining of witnesses and co-operate with **us** in all matters which **we** may deem necessary in the investigation, settlement or recovery of your claim from third parties; and
   h. if **we** elect or become bound to replace or repair any item of the goods, **you** shall at **your** own expense produce and deliver to **us** all such existing plans, documents and information as **we** may reasonably require to do that.
3. When **you** incur or suspect damage that could give rise to a claim under this **policy**, **you**, or anyone acting for **you** or on **your** behalf, must properly preserve and exercise all rights against carriers, bailees or other third parties, specifically:
   a. Claim immediately on the Carriers, Port Authorities or other Bailies for any damage or missing packages;
   b. Do not give a **clean receipt** with no written notes of shortage, loss, damage or possible damage;
   c. Do not give a **clean receipt** even if the exterior packing looks undamaged;
   d. Where the delivery is made by shipping container, ensure that the seals are examined immediately by a responsible official;
   e. If a shipping container is delivered damaged or with seals broken or missing or with seals other than as stated in the shipping documents, note the delivery docket accordingly and retain the seals for subsequent identification;
   f. If the loss or damage is not immediately apparent at the time of delivery but discovered at a later time, apply immediately for surveys by the carriers or other bailees to be conducted within 3 days of discovery; and
   g. If the loss concerns non-delivery of goods, **you** must take all practicable steps to trace and recover any missing goods and to discover by whom the goods were misplaced or stolen, including reporting the matter to the police and any other responsible authority.

5.2 What you must not do

1. When **you** incur loss, damage or expense claimable under this **policy**, **you**, or anyone acting for **you** or on **your** behalf must not:
   a. make any false declaration or statement in support of any claim under **your policy**;
   b. dispose of any damaged **goods** without giving us the opportunity to examine those **goods**;
   c. authorize the repair or replacement of anything without **our** agreement;
   d. abandon any **goods** to **us** whether **we** have paid your claim or not; and
   e. release carriers, bailees or other third parties from liability when loss or damage is discovered.

5.3 What we may do

1. **We** may give to and obtain from any other insurers, insurance reference bureaus and credit reporting agencies any information relating to **your** credit or insurance history as well as insurance claims information.
2. In the event of a claim for non-delivery of the goods and after **you** have taken all reasonable steps to locate the goods, we may agree that **we** shall make settlement to **you** if the goods have not been located after the expiration of 60 days counting from the date of arrival of the overseas vessel at the port of discharge or 30 days counting from the date of arrival of the aircraft at the airport of discharge or 60 days counting from the date the goods should have arrived at final destination via land conveyances, as applicable.

3. When **we** have accepted **your** claim, **we** may make reasonable progress payments on account of any claims to **you** at such intervals and for such amounts as **we** may both agree.
4. Upon the payment of any claim under this **policy**, **we** may avail of the right to recover or obtain contribution from:
    a. any person against whom **you** may be able to claim and **we** have the right to take action in **your** name, and;
    b. other insurance covering or which may cover the same loss, the details of which **you** have advised to **us**.
5. **We** shall have full discretion in the conduct or settlement of any recovery action. This includes the right to instruct lawyers to provide advice as to the liability and to represent **you** in such action.
6. **We** may take over any right that **you** may otherwise have had against any person who may be held responsible for the loss, damage, liability or expense, and to take recovery action in **your** name against those responsible for our benefit.
7. If there is a loss that is partially covered by this **policy** that **we** have paid for and there remains an uninsured loss, **we** will use **our** best efforts to agree with **you** upon a fair and proper allocation of amounts that may be recovered from other parties who may be responsible for the losses and the relative legal costs and financial exposures attributable to covered and uncovered losses. At all times, **we** are only liable under this **policy** for amounts attributable to covered losses.

5.4 What can affect a claim

1. **We** may refuse to pay the whole or part of the claim, and may also be entitled to cancel the **policy** if any of the following things happen:
    a. **You** do any of the things that **we** say in this **policy** that you should not do.
    b. **You** fail in **your** duty of disclosure to **us** before entering this **policy**.
    c. **You** breach any condition or fail to comply with any condition of **your policy** and that causes or contributes to loss, damage or liability or prejudices our interests or rights, in respect of that claim; and
    d. **Your** claim is fraudulent or false in any respect.
    e. **You** breach certain warranties
    f. **You** make misrepresentations to us before entering this policy
    g. **You** fail to cooperate with **us** or the surveyor
    h. **You** don't take all reasonable actions to recover lost or stolen goods

5.5 What you must provide us with

To enable claims to be dealt with promptly, **you** must submit all available supporting documents, without delay, to **us** or Survey Agents, including when available and applicable:

1. Original policy or certificate of insurance
2. Original copy shipping invoices, together with shipping specification and/or wieght notes
3. Original Bill of Lading and/or other contract of carriage (full set in the event of total loss)
4. Survey report or other documentary evidence to show the extent of the loss or damage
5. Landing account and weight notes at final destination
6. Correspondence exchanged with the freight forwarder/carrier/airline/port authority and other parties regarding their liability for the loss
7. Photographs of damaged goods
8. Pre-shipment inventory list and check list
9. Commercial invoice
10. Customs entry form
11. Police report
12. Delivery note
13. All other evidence of loss or damage

Data Protection

The **Company** herein commits to treat all individual personal data (**policyholder** and/or **insured**) that have been collected or to be collected in the future due to the execution of this insurance contract, with the purpose to carry out the proper services provision and operations development, which includes, in general, purposes of identification, operation, administration and commercialization.

The **policyholder** and/or **insured**, by means of execution of the insurance contract, authorizes **insurers** to administer their personal data and transfer it to third parties exclusively for purposes mentioned above, with the understanding that sensitive data requires a written consent.

The owner of the data may exercise rights of access, rectification, cancellation, opposition and revocation by means of a written request. In case personal data has been provided by a person other than the owner thereof, the **policyholder** shall be bound to inform the owner on the purposes of the treatment indicated above and that they may assert before insurers the rights of access, rectification, cancellation, opposition and revocation.

Appendix 1
Institute Cargo Clauses

1/1/2009

Institute Cargo Clauses (A)

Risks Covered

Risks

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

General Average

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

"Both to Blame Collision Clause"

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

Exclusions

4. In no case shall this insurance cover

- 4.1. loss damage or expense attributable to willful misconduct of the Assured
- 4.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- 4.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- 4.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
- 4.5. loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
- 4.6. loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
- 4.7. loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from

- 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
- 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

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

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

7. In no case shall this insurance cover loss damage or expense

- 7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- 7.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
- 7.4 caused by any person acting from a political, ideological or religious motive.

Duration

Transit Clause

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

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

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

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

8.1.4 on the expiry of 60 days after completion of discharge 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 overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

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

Termination of Contract of Carriage

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

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

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

Change of Voyage

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

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

Claims

Insurable Interest

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

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

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

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

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

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

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

Benefit Insurance

15. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

Avoidance of Delay

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

Law and Practice

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

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

CL 382

1/1/2009

Institute War Clauses (Cargo)

Risks Covered

Risks

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

1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

1.2 capture seizure arrest restraint or 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.

General Average

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

Exclusions

3. In no case shall this insurance cover

3.1 loss damage or expense attributable to wilful misconduct of the Assured

3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage

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

3.7 any claim based upon loss of or frustration of the voyage or adventure

3.8 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

4. 4.1 In no case shall this insurance cover loss damage or expense arising from

4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject- matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein

4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

4.2. Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

4.3. The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

Duration

Transit Clause

5. 5.1 This insurance

5.2.0 attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel

and

5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge,

or

on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge, whichever shall first occur;

nevertheless,

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

5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,

and

5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge,
or
on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge, whichever shall first occur.

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

5.2.1 where the on-carriage is by oversea vessel this insurance continues subject to the terms of these Clauses
or

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

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

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

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

thereafter this insurance terminates in accordance with 5.1.4.

5.4. The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the oversea vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Insurers.

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

(For the purpose of Clause 5 "arrival" shall be deemed to mean that the vessel is anchored, moored or otherwise secured at a berth or place within the Harbour Authority area. If such a berth or place is not available, arrival is deemed to have occurred
when the vessel first anchors, moors or otherwise secures either at or off the intended port or place of discharge "oversea vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

Change of Voyage

6. 6.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

6.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

7. Anything contained in this contract which is inconsistent with Clauses 3.7, 3.8 or 5 shall, to the extent of such inconsistency, be null and void.

Claims

Insurable Interest

8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

8.2 Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

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

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

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

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

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

Benefit of Insurance

10. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

Avoidance of Delay

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

Law and Practice

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

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

CL 385

1/1/2009

Institute Strikes Clauses (Cargo)

Risks Covered

Risks

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

1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

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

1.3 any person acting from a political, ideological or religious motive.

General Average

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

Exclusions

3. In no case shall this insurance cover

3.1 loss damage or expense attributable to wilful misconduct of the Assured

3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

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

3.7 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion

3.8 any claim based upon loss of or frustration of the voyage or adventure

3.9 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

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

4. 4.1 In no case shall this insurance cover loss damage or expense arising from

4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein

4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

Duration

Transit Clause

5. 5.1 Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either

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

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

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

5.1.4 on the expiry of 60 days after completion of discharge overside of the subject-matter insured from the oversea vessel at the final port of discharge, whichever shall first occur.

5.2. If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 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 transhipment and during any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

Termination of Contract of Carriage

6. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either

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

6.2 if the subject-matter insured is forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 5 above.

Change of Voyage

7. 7.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

7.2. Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 5.1), but, without the knowledge of the Assured or their employees the ship sails for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable Interest

8. 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

8.2. Subject to Clause 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Increased Value

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

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

Benefit of Insurance

10. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

Avoidance of Delay

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

Law and Practice

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

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

CL 386

1/1/2001

Institute Classification Clause

Qualifying Vessels

1. This insurance and the marine transit rates as agreed in the policy or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:

1.1 a Member or Associate Member of the International Association of Classification Societies (IACS*), or

1.2 a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

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

Age Limitation

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

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

2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or

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

Craft Clause

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

National Flag Society

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

Prompt Notice

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

Law and Practice

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

For a current list of IACS Members and Associate Members please refer to the IACS

CL 354

1/7/1998

Cargo ISM Endorsement

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

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

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

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

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

as required under the SOLAS Convention 1974 as amended.

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

JC 98/019

Cargo ISM Forwarding Charges Clause

(For use only with JCC Cargo ISM Endorsement JC98/019)

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

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

as required under the SOLAS Convention 1974 as amended.

This clause, which does not apply to General Average or Salvage or Salvage Charges, is subject to all other terms conditions and exclusions contained in the policy and to JCC Cargo ISM Endorsement JC 98/019.

JC 98/019

1/1/2009

Institute Cargo Clauses (Air)

excluding sendings by post

Risks Covered

Risks

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

Salvage Charges

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

Exclusions

3. In no case shall this insurance cover

- 3.1 loss damage or expense attributable to willful misconduct of the Assured
- 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
- 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
- 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
- 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
- 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit
  This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
- 3.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

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

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

5. In no case shall this insurance cover loss damage or expense

- 5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 5.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- 5.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
- 5.4 caused by any person acting from a political, ideological or religious motive.

Duration

Transit Clause

6. 6.1 Subject to Clause 9 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) forthe purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either

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

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

6.1.4 on the expiry of 30 days after completion of unloading of the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur.

6.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 6.1.1 to 6.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

6.3 This insurance shall remain in force (subject to termination as provided for in Clauses 6.1.1 to 6.1.4 above and to the provisions of Clause 7 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

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

7.1 until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur, or

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

Change of Transit

8. 8.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

8.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 6.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

Claims

Insurable Interest

9. 9.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

9.2 Subject to Clause 9.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Insurers were not.

Forwarding Charges

10. Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject-matter insured is covered under this insurance, the Insurers will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter insured to the destination to which it is insured. Clause 10, which does not apply to salvage charges, shall be subject to the exclusions contained in Clauses 3, 4 and 5 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their employees.

Constructive Total Loss

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

Increased Value

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

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

Benefit of Insurance

13. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

Avoidance of Delay

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

Law and Practice

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

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

CL 387

1/1/2009

Institute War Clauses (Air Cargo)

excluding sendings by post

Risks Covered

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by

1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

1.2 capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat

1.3 derelict mines torpedoes bombs or other derelict weapons of war.

Salvage Charges

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

Exclusions

3. In no case shall this insurance cover

3.1 loss damage or expense attributable to wilful misconduct of the Assured

3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against

3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

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

3.8 any claim based upon loss of or frustration of the transit or adventure

3.9 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

Duration

Transit Clause

4. 4.1 This insurance

4.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured

and

4.1.2 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge

or

on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge, whichever shall first occur;

nevertheless,

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

4.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom,

and

4.1.4 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,

or

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

4.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2

4.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these Clauses, or

4.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.

4.3. If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, *provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium,* this insurance reattaches

4.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;

4.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge; thereafter this insurance terminates in accordance with 4.1.4.

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

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

Change of Transit

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

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

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

Claims

Insurable Interest

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

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

Increased Value

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

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

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

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

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

Benefit of Insurance

9. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

CL 388

1/1/2009

Institute Strikes Clauses (Air Cargo)

Risks Covered

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by

1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

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

1.3 any person acting from a political, ideological or religious motive.

Salvage Charges

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

Exclusions

3. In no case shall this insurance cover

3.1 loss damage or expense attributable to wilful misconduct of the Assured

3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured

3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against

3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit

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

3.8 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion

3.9 any claim based upon loss of or frustration of the transit or adventure

3.10 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

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

Duration

Transit Clause

4. 4.1 Subject to Clause 7 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the com mencement 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 transhipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Termination of Contract of Carriage

5. If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before unloading of the subject-matter insured as provided for in Clause 4 above, then this insurance shall also terminate *unless prompt notice is given to the Insurers and continuation of cover is requested when this insurance shall remain in force, subject to an additional premium if required by the Insurers*, either

5.1. until the subject-matter insured is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter insured at such place, whichever shall first occur, or

5.2. if the subject-matter insured is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named in the contract of insurance or to any other destination, until terminated in accordance with the provisions of Clause 4 above.

Change of Transit

6. 6.1 Where, after attachment of this insurance, the destination is changed by the Assured, *this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*

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

Claims

Insurable Interest

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

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

Increased Value

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

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

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

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

Benefit of Insurance

9. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

Avoidance of Delay

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

Law and Practice

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

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

CL 389

1/1/2009

Institute Cargo Clauses (C)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,

1.1 loss of or damage to the subject-matter insured reasonably attributable to

1.1.1 fire or explosion

1.1.2 vessel or craft being stranded grounded sunk or capsized

1.1.3 overturning or derailment of land conveyance

1.1.4 collision or contact of vessel craft or conveyance with any external object other than water

1.1.5 discharge of cargo at a port of distress,

1.2 loss of or damage to the subject-matter insured caused by

1.2.1 general average sacrifice

1.2.2 jettison.

General Average

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

"Both to Blame Collision Clause"

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

Exclusions

4. In no case shall this insurance cover

4.1 loss damage or expense attributable to wilful misconduct of the Assured

4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured

4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)

4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured

4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

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

4.7 deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons

4.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

5. 5.1 In no case shall this insurance cover loss damage or expense arising from

5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein

5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.

5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.

5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

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

6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

6.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat

6.3 derelict mines torpedoes bombs or other derelict weapons of war.

7. In no case shall this insurance cover loss damage or expense

7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

7.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions

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

7.4 caused by any person acting from a political, ideological or religious motive.

Duration

Transit Clause

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

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

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

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

8.1.4 on the expiry of 60 days after completion of discharge 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 overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.

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

Termination of Contract of Carriage

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

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

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

Change of Voyage

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

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

Claims

Insurable Interest

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

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

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

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

Benefit of Insurance

15. This insurance

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

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

Minimising Losses

Duty of Assured

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

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

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

Waiver

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

Avoidance of Delay

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

Law and Practice

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

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

CL 384

01/12/2008

Institute Replacement Clause

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

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

CL 372

01/12/2008

Institute Replacement Clause
Second-Hand Machinery

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

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

CL 373

10/11/2003

Institute Cyber Attack Exclusion Clause

1.1 Subject only to Clauses 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 of 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 software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

CL 380

10/11/2003

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 chemcial, biological, bio-chemical, or electromagnetic weapon.

CL 370

01/01/2009

Termination of Transit Clause (Terrorism) Clause

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

1. Notwithstanding any provision to the contrary contained in the contract of insurance or the Clauses referred to therein, it is agreed that in so far as the contract of insurance covers loss of or damage to the subject-matter insured caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or any person acting from a political, ideological or religious motive, such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any event, **SHALL TERMINATE**:

either

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

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

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

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

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

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

whichever shall first occur.

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

JC2009/56

Sanction Limitation and Exclusion Clause

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, Japan, United Kingdom or United States of America.