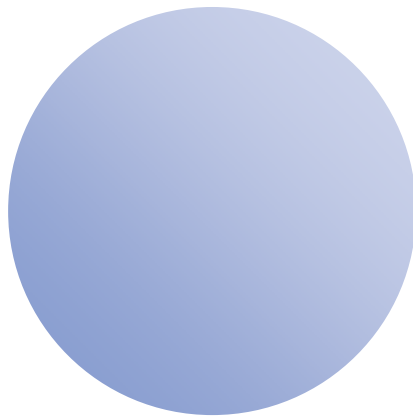
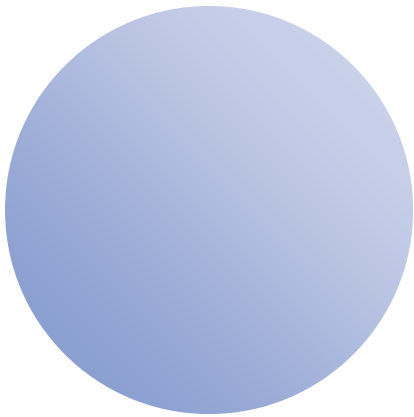
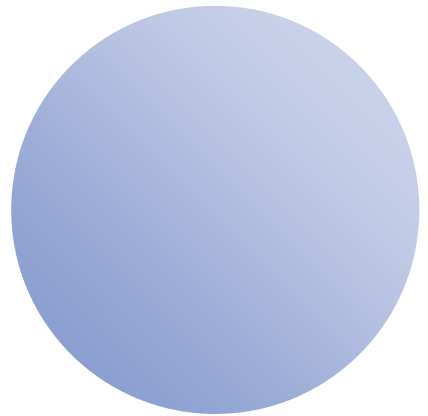
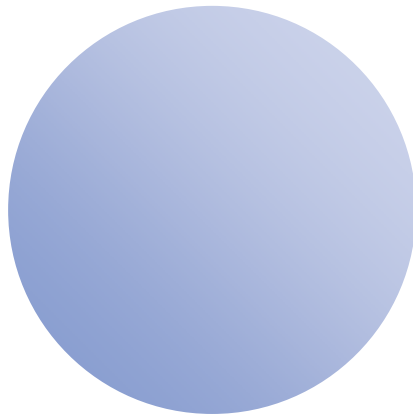
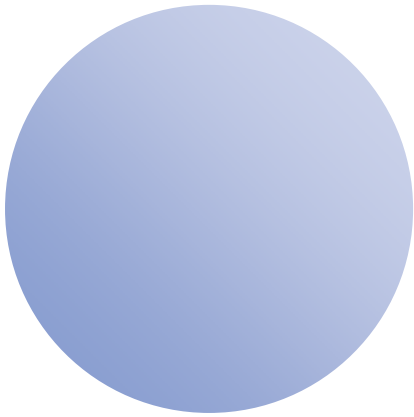
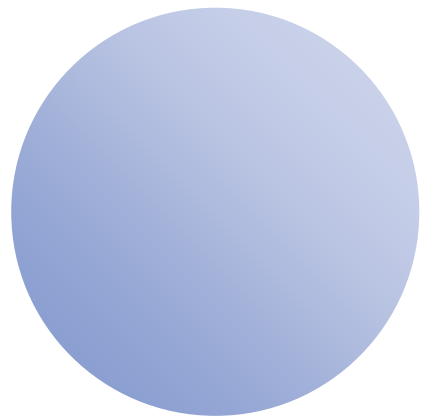
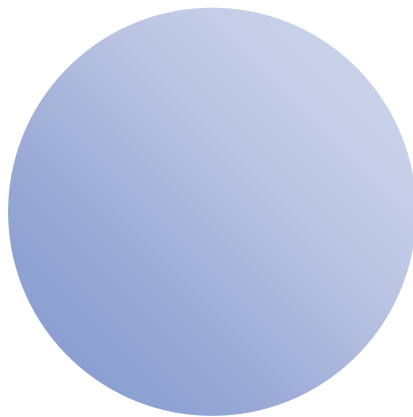
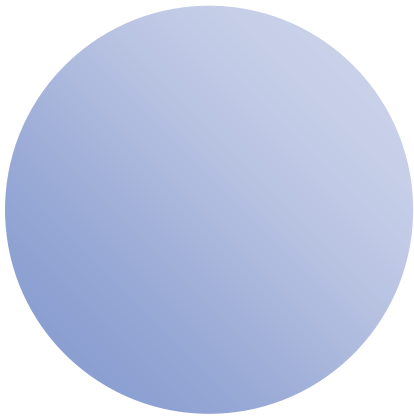


Single Shipment Marine Cargo

Policy document



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A warm welcome to Zurich

Thank **you** for taking **your** Marine Cargo insurance out with **us** and welcome to Zurich Insurance plc.

Zurich Insurance plc is a member of the insurance-based financial services provider Zurich Financial Services Group (Zurich). Zurich has a global network of subsidiaries and offices in North America and Europe as well as in Asia Pacific, Latin America and other markets. Founded in 1872, the Group is headquartered in Zurich, Switzerland. It employs approximately 58,000 people serving customers in more than 170 countries.

At Zurich Insurance plc **we** have **your** future in mind and look forward to working closely with **you**.

Marine Cargo policy

This policy is a contract between **you** and **us**. **You** have made a proposal to **us** which is the basis of and forms part of this contract.

This policy and any schedule, endorsement and Institute Clause should be read as if they are one document. **We** will insure **you** during any period of insurance for which **we** have accepted **your** premium provided always that all the terms and conditions of this policy are kept. **Our** liability will in no case exceed the amount of any sum insured or limit of indemnity stated within this policy, the schedule or any endorsement to this policy.

Any reference to the singular will include the plural and vice versa. Any reference to any statute or statutory instrument will include any modifications or re-enactment thereto. Any heading in this policy is for ease of reference only and does not affect its interpretation.

Law applicable to this contract

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

You agree to submit to the exclusive jurisdiction of the English courts.

For and on behalf of Zurich Insurance plc



Guy Munnoch

Chief Executive Officer of Zurich Insurance plc, UK Branch

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

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

How we will use your data

We hold **your** personal data in accordance with the Data Protection Act 1998. The information supplied to **us** by **you** may be held on computer and passed to other insurers for underwriting and claims purposes. **You** should show this to anyone whose personal data may be processed to administer this policy.

Policy Administration

In order to administer **your** insurance policy and any claims made under this policy **we** may share personal data provided to **us** with other companies within the Zurich Financial Services Group and with business partners including overseas companies. If **we** do transfer **your** personal data including where **we** propose a change of **underwriter we** make sure that it is appropriately protected.

Claims History

Under the conditions of this policy **you** must tell **us** about any insurance related incidents such as fire, water damage, theft or an accident whether or not they give rise to a claim. When **you** tell **us** about an incident **we** will pass information relating to it to the relevant database. **We** may search these databases when **you** apply for insurance in the event of any incident or claim or at time of renewal to validate **your** claims history or that of any other person or property likely to be involved in the policy or claim.

Fraud Prevention & Detection

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

- a) share information about **you** with other organisations including the police
- b) undertake credit searches
- c) check and share **your** details with fraud prevention and detection agencies.

If false or inaccurate information is provided and fraud is identified details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. **We** and other organisations may also access and use this information to prevent fraud and money laundering for example when:

- a) checking details on applications for credit and credit related or other facilities
- b) managing credit and credit related accounts or facilities
- c) recovering debt and tracing beneficiaries
- d) checking details on proposals and claims for all types of insurance
- e) checking details of job applicants and employees.

Please contact **us** if **you** want to receive details of the relevant fraud prevention agencies. **We** and other organisations may access and use from other countries the information recorded by fraud prevention agencies.

Section 1 – Definitions

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

a) in bold in Sections 1-6

b) with the first letter being a capital letter in the Institute Clauses.

C & F or CFR

Cost and freight.

CIF

Cost, insurance and freight.

Data processing system

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

Excess

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

FAS

Free alongside ship.

FOB

Free on board.

Subject-Matter Insured

As stated in the schedule.

Voyages

As stated in the schedule.

We, Us, Our, Ours or Underwriters

Zurich Insurance plc.

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

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

Section 2 – The Cover

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

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

2.1 Accumulation

In the event of any accumulation of **subject-matter insured** during the ordinary course of transit due to circumstances beyond **your** control **we** shall pay up to twice the relevant limit of indemnity stated in the schedule or £3,500,000 whichever is the lesser provided always that prompt notice is given by **you** to **us** when **you** become aware that such an accumulation exists.

2.2 Additional Discharge Expenses

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

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

We shall be entitled to treat any claim as a constructive total loss and will be entitled to any salvage unless **your** rights under provision 2 are affected.

2.3 Airfreight Replacement

In the event of loss or damage to the **subject-matter insured** **we** shall pay the charges incurred for transporting either the damaged **subject-matter insured** by air back to manufacturers for repair and return or the transport by air of replacement goods to destination notwithstanding that the **subject-matter insured** was not originally despatched by air. Subject to a limit of 4 times the original sea freight charges paid.

2.4 Buyers and Sellers Contingent Interest

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

Where interest in the **subject-matter insured** reverts to **you** for any reason during transit such **subject-matter insured** shall be covered continuously during any reasonable period whilst awaiting resale or return including any additional transit resultant upon such resale or return. This cover is limited to loss or damage which would otherwise be recoverable under the terms and conditions of this policy but only to the extent that **you** are unable to recover such loss or damage under the insurance effected by the buyer or seller.

Provided always that:

- a) **you** do not knowingly purchase goods where the insurance arranged by the seller is more restrictive than Institute Cargo Clauses (A) CL252 or local equivalent
- b) the existence of this cover shall not be disclosed to any other party interested in any shipment
- c) immediate notice shall be given to **us** of any known loss or damage to the **subject-matter insured** covered under this clause or any known circumstances which may render this clause operative
- d) **you** shall in the first instance take all reasonable steps to invoke the terms of the contract of sale and obtain reimbursement from the buyers or sellers and any other interested party
- e) in the event of any claim payment under this clause all **your** rights of recovery against buyers or sellers and any other interested party will be subrogated to **us**.

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

Waiver Clause

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

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

We will pay 20% of the limit of indemnity for the voyage or £50,000 whichever is the lesser.

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

2.6 Cargo ISPS Forwarding Charges

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

This clause which does not apply to general average or salvage or salvage charges is subject to all other terms and conditions of policy and to exclusion 2.

2.7 Consequential Loss

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

We will not pay more than £5,000 in the aggregate in any period of insurance.

An **excess** of 10% or £250 whichever is the lesser will apply to each loss.

2.8 Debris Removal

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

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

excluding:

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

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

2.9 Deliberate Damage Pollution

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

2.10 Duty

This policy includes duty payable on lost or damaged **subject-matter insured** subject to the same terms and conditions applying thereto and to pay the same percentage of loss (excluding charges and expenses) as may be paid thereon but excluding claims in respect of:

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

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

2.11 Extension of Duration of Marine or Transit Insurance

Subject to prompt advice to **us** and the payment of an additional premium if required the duration limit referred to in Institute Cargo Clauses applicable to this policy may be increased for a period to be agreed.

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

2.12 Fumigation

We will pay fumigation expenses incurred by **you** to minimise or avoid a loss covered under this policy. **We** will also pay for loss of or damage to the **subject-matter insured** caused by fumigation provided always that such fumigation is not customary and is beyond **your** control.

2.13 General Average

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

2.14 Labels

In the event of loss or damage affecting only the labels, wrappers and capsules of the **subject-matter insured we** shall recondition or replace them.

2.15 Letter of Credit

Where **you** are obligated to arrange insurance in accordance with any instructions contained in a Letter of Credit such cover is granted provided always that it does not exceed the existing terms and conditions of this policy unless with **our** prior consent and at an additional premium if required. Notwithstanding the above and irrespective of the Letter of Credit requirements **your** interest shall be protected hereunder against all the risks covered under this policy.

2.16 Loading and Unloading

This policy includes cover for loss or damage to the **subject-matter insured** in accordance with Institute Cargo Clauses (A) CL252 during loading onto a carrying conveyance immediately prior to dispatch and unloading from a carrying conveyance immediately after arrival at **your** or the consignee's premises and in the case of containers during the stuffing immediately prior to dispatch and destuffing immediately after arrival at **your** or the consignee's premises.

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

Our liability to **you** commences from the time of leaving any supplier's factory, warehouse, store, mill or other premises notwithstanding the goods or interest may have been purchased on CFR, FAS or FOB or other terms which provide that the responsibility of the seller or their insurer ceases at any point prior to delivery to final destination as if the contract of sale was ex the suppliers premises.

Provided always that **you** shall:

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

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

2.18 Return Shipments

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

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

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

2.19 Segregation

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

2.20 Sheets, Ropes and the Like

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

The amount payable under this clause shall be in addition to indemnity provided elsewhere under this policy but **we** will not pay more than £2,500 in respect of any claim.

2.21 Trademarked Cartons

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

2.22 Transit Extension

If cover for the **subject-matter insured** terminates under the transit clause referred to in any Institute Clauses applicable to this policy because of a delay beyond **your** control provided always that **you** give **us** prompt notice **we** will hold **you** covered at a premium and conditions to be agreed whilst the **subject-matter insured** is in a warehouse or bonded store at the port of discharge.

2.23 Voyage Extension

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

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

Section 3 – Optional Extensions

Applicable only if stated in the schedule.

1. Exhibitions

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

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

We will not pay for:

- a) loss or damage caused by theft or attempted theft from any inadequately secured site
- b) loss or damage caused by vermin, weevil, mildew, mould, heating or frost
- c) loss or damage arising from latent defect or arising from faulty assembly or construction
- d) loss or damage resulting directly from mechanical, electrical or manual operation of the **subject-matter insured** for demonstration or other purposes
- e) loss or damage during transit following any exhibition, trade fair or demonstration unless the **subject-matter insured** is properly packed
- f) consequential loss of whatsoever nature.

Exhibition Fees

We will indemnify **you** for fees that **you** are contractually obliged to pay the organiser of any exhibition, trade fair, or demonstration and for any penalty fare and charge made by any air, rail or road transport operator should **you** reasonably cancel **your** booking due to **your** inability to attend any exhibition, trade fair or demonstration following an insured loss or due to the death or incapacitation of **you** or **your** employees. **We** will not pay more than £5,000 in respect of any claim and not more than £25,000 in the aggregate in any period of insurance.

2. Storage

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

Cover in respect of **subject-matter insured** in store shall attach on the inception date of this policy for their full value in accordance with provision 1 irrespective of the date the **subject-matter insured** commenced transit to any storage location and shall terminate in accordance with the policy expiry date in respect of all **subject-matter insured** in store at that time.

We will not pay for:

- a) theft unless following violent or forcible entry or exit from the storage site
- b) disappearance and stocktaking losses
- c) any act of fraud or dishonesty by **you** or any business partner or director employed by **you** whether acting alone or in collusion with others.

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

- a)
 - i) all external doors including those to common parts or other areas to be secured by locks which conform to BS 3621; Thief Resistant Locks or the equivalent
 - ii) all accessible opening windows including fanlights to be secured with key operated locking devices.
Any door or window designated a fire exit by a competent person is excluded from these requirements.
- b) any intruder alarm installed:
 - i) be maintained in an efficient working order
 - ii) has a maintenance contract and the maintenance contract company is immediately advised of any defect
 - iii) is in full operation at all times when the building is unattended.

3. Consequential Loss

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

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

We will not pay for:

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

We will not pay in respect of any one loss more than the limit any one conveyance stated in the schedule and not more than £25,000 in the aggregate in any period of insurance.

An **excess** of 10% or £250 whichever is the greater will apply to each loss.

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

4. Installation

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

We will not pay for:

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

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

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

Section 4 – Exclusions

This policy does not cover:

1. Cargo International Safety Management (ISM) Endorsement

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

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

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

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

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

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

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

2. Cargo ISPS

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

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

3. Date Recognition

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

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

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

4. Insolvency

The insolvency exclusion clause contained in the Institute Clauses applicable to this policy is replaced by the following:

‘Excluding loss, damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the vessel or aircraft.

This exclusion shall not apply where:

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

5. Own Vehicle Security

loss or damage to the **subject-matter insured** arising from theft or attempted theft whilst on or contained in any vehicle owned by **you** or under **your** control when left unattended unless:

- a) all doors are locked and windows and other means of access securely closed and fastened and all locks and security devices are properly maintained; and
- b) at any time prior to or after completion of the driver’s working day or on non-working days such vehicle shall be:
 - i) garaged in a fully enclosed locked building or be under constant supervision
 - ii) in a vehicle security park which is permanently attended.

The vehicle shall be deemed to be attended whilst **you** or **your** driver, agent or representative is asleep in the vehicle unless **you** or **your** driver, agent or representative is unfit to drive due to the influence of drugs or alcohol.

In circumstances where:

- 1) **you** fail to comply with these requirements
- 2) **your** driver, agent or representative is asleep in the vehicle and is not unfit to drive due to the influence of drugs or alcohol

we shall only indemnify **you** to the extent of 90% of any claim after the application of any **excess you** bearing the remaining 10% in addition to the **excess**

6. Process

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

7. Second-hand or Used Machinery

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

8. Unseaworthiness and Unfitness Exclusion

The Unseaworthiness and Unfitness Exclusion Clause contained in the Institute Clauses applicable to this policy is replaced by the following:

‘In no case shall this insurance cover loss, damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel, aircraft, conveyance, container or liftvan for the safe carriage of the **subject-matter insured** where **you** are privy to such unseaworthiness or unfitness at the time the **subject-matter insured** is loaded therein.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has brought the **subject-matter insured** in good faith without notice of such unseaworthiness or unfitness.

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

Section 5 – Provisions

1. Basis of Valuation

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

2. Brands

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

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

3. Certificates

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

4. Claused Bills of Lading

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

5. Concealed Damage

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

6. Contracts (Rights of Third Parties) Act 1999

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

7. Dock Strikes or Labour Disturbances

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

8. Errors and Omissions

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

9. Fitness of Container

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

10. Institute Clauses

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

11. Non Delivery Losses

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

12. Pairs and Sets

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

13. Repacking

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

14. Shortages from Containers

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

15. Subrogation Waiver &/or Recourse Rights

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

16. Termination of Transit Clause (Terrorism)

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

1. Notwithstanding any provision to the contrary contained in this policy or the clauses referred to therein it is agreed that in so far as this insurance covers loss of or damage to the **subject-matter insured** caused by any terrorist or any person acting from a political motive such cover is conditional upon the **subject-matter insured** being in the ordinary course of transit and in any event shall terminate:
 - a) in accordance with the transit clauses contained within this policy
 - b) on delivery to the consignee's or other final warehouse or place of storage at the destination named herein
 - c) on delivery to any other warehouse or place of storage whether prior to or at the destination named herein which **you** elect to use either for storage other than in the ordinary course of transit or for allocation or distribution
 - d) in respect of marine transits on the expiry of 60 days after completion of discharge over-side of the **subject-matter insured** hereby insured from the overseas vessel at the final port of discharge
 - e) in respect of air transits on the expiry of 30 days after unloading the **subject-matter insured** from the aircraft at the final place of discharge

whichever shall first occur.

2. If this 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 1 above.

17. Underinsurance

If the value of any shipment or sending calculated in accordance with provision 1 is at the time of the loss or damage greater than the relevant limit of indemnity **we** will only pay the proportion of the loss or damage which such limit of indemnity bears to the value of the shipment or sending calculated in accordance with provision

Section 6 - Conditions

1. Arbitration

Provided that liability for a claim has been admitted any dispute as to the amount to be paid will be referred to an arbitrator who will be appointed by the parties in accordance with the statutory provisions in force at the time and the making of an award will be a condition precedent to any right of action against **us**.

2. Cancellation

This policy may be cancelled by either **you** or **us** under the following provisions of notice:

- a) war risks: 7 days
- b) strikes risks: 7 days with the exception of shipments to or from the United States of America where risks may be cancelled at 48 hours notice
- c) otherwise 30 days.

In all cases the notice period shall commence from midnight of the day on which notice of cancellation is issued but cancellation shall not apply to any risks which have attached or which will attach prior to the end of the notice period.

3. Claims Settlement on Increased Value Basis

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

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

4. Claim Survey

No survey is necessary for any claim of less than £1,000 or equivalent in other currencies. When a survey is called for following a report of loss or damage to **subject-matter insured** which is likely to result in a claim hereunder fees are recoverable even when no claim eventually results.

5. Contractual Right of Renewal (Tacit)

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

6. Institute Clauses

The Institute Clauses referred to in this policy are those current at the date of attachment of risk as defined in the appropriate Transit Clause of the Institute Clauses. Where permission is given by **us** to **you** to issue cargo certificates the Institute Clauses stated in this policy must be incorporated by reference.

7. Insurance Premium Tax

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

8. Marine Insurance Act 1906

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

9. Observance

The due observance and fulfilment of the terms and conditions of this policy by **you** in so far as they relate to anything to be done or complied with by **you** will be a condition precedent to **our** liability to make any payment under this policy.

10. Other Insurances

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

11. Packing

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

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

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

12. Payment by Instalments

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

13. Policy Voidable

This policy will be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.

14. Premium Adjustment

If any part of the premium is calculated on estimates supplied by **you** an accurate record will be kept by **you** containing all information relative thereto and **you** will allow **us** to inspect such record. **You** will within one month from the expiry of each period of insurance supply to **us** such particulars and information as **we** may require. The premium for such period will thereupon be adjusted and the difference paid by or allowed to **you** as the case may be subject always to the minimum premium stipulated.

15. Reasonable Care

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

Our Complaints Procedure

We value the opportunity to investigate any concerns **you** may have about any aspect of **our** service and are committed to handling all complaints fairly, thoroughly and promptly.

Who to contact in the first instance

Many concerns can be resolved straight away therefore in the first instance please get in touch with **your** usual contact as they will generally be able to provide **you** with an immediate response to **your** satisfaction.

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

If **we** cannot resolve **your** complaint straight away **we** will aim to resolve **your** concerns as soon as possible and **we** will keep **you** informed of progress while **our** enquiries are continuing. The majority of complaints **we** receive are resolved within four weeks of receipt.

Next steps if you are not happy with the response provided

We are dedicated to **our** customers and seek to do what is right however sometimes **we** may not be able to reach agreement with **you**. If this is the case and **you** remain dissatisfied once **you** have received our response to **your** complaint **we** will refer **your** complaint to our Customer Relations Team for a separate review.

The Customer Relations Team will contact **you** to let **you** know they have received **your** complaint and when their review is complete they will provide **you** with a final response on our behalf.

The Financial Ombudsman Service (FOS)

If **we** are unable to resolve **your** complaint to **your** satisfaction within eight weeks or if **you** remain dissatisfied following receipt of our final response letter **you** can ask the FOS to formally review **your** case. **You** must contact the FOS within six months of our final response.

The FOS contact details are as follows:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

You can telephone on 0845 080 1800 or e-mail complaint.info@financial-ombudsman.org.uk

This is a free and impartial service and will not affect **your** legal rights.

The FOS can help with most complaints if **you** are:

- a) a private individual
- b) a business with an annual turnover of less than £1,000,000
- c) a charity with an annual turnover of less than £1,000,000
- d) a trustee of a trust with a net asset value of less than £1,000,000

If **you** are unsure whether the FOS will look at **your** complaint please contact them directly for further information.

You are entitled to contact the FOS at any stage of **your** complaint.

The Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS). **You** may be entitled to compensation should **we** be unable to meet our obligations. Further information is available on www.fscs.org.uk or **you** may contact the FSCS on 020 7892 7300.

Following this complaints procedure does not affect **your** legal rights.

Addendum

Zurich Marine Cargo Policy Wording for P&O Ferries Holdings Ltd

It is hereby agreed that:

The vessel age limitation, as defined in the Institute Classification Clause 01/01/2001, is deleted, in respect of cargo consigned on the vessels operated or chartered by P&O Ferries and any overage additional premiums waived.

INSTITUTE CARGO CLAUSES (A)

RISKS COVERED

- | | | |
|---|---|----------------------------------|
| 1 | This insurance covers all risks of loss of or damage to the subject-matter insured except as provided in Clauses 4, 5, 6 and 7 below. | Risks Clause |
| 2 | This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in | General Average Clause |
| 3 | This insurance is extended to indemnify the Assured against such proportion of Liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim. | "Both to Blame Collision" Clause |

EXCLUSIONS

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|---|--|--|
| 4 | <p>In no case shall this insurance cover</p> <p>4.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</p> <p>4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>4.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)</p> <p>4.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel.</p> <p>4.7 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.</p> | General Exclusions Clause |
| 5 | <p>5.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.</p> <p>5.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.</p> | Unseaworthiness and Unfitness Exclusion Clause |
| 6 | <p>In no case shall this insurance cover loss damage or expense caused by</p> <p>6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.</p> <p>6.2 capture seizure arrest restraint or detention (piracy excepted), and the consequences thereof or any attempt thereat</p> <p>6.3 derelict mines torpedoes bombs or other derelict weapons of war.</p> | War Exclusion Clause |
| 7 | <p>In no case shall this insurance cover loss damage or expense</p> <p>7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>7.2 resulting from strikes, locked-out labour disturbances, riots or civil commotions</p> <p>7.3 caused by any terrorist or any person acting from a political motive.</p> | Strikes Exclusion Clause |

DURATION

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| 8 | <p>8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either</p> <p>8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein.</p> <p>8.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein,</p> <p>8.1.2.1 for storage other than in the ordinary course of transit or</p> <p>8.1.2.2 for allocation or distribution</p> <p>or</p> <p>8.1.3 on the expiry of 60 days after completion of discharge overside of the goods hereby insured from the oversea vessel at the final port of discharge, whichever shall first occur.</p> <p>8.2 If, after, discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.</p> <p>8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.</p> | Transit Clause |
| 9 | <p>If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either.</p> <p>9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,</p> <p>or</p> <p>9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.</p> | Termination of Contract of Carriage Clause |
| 10 | Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters. | Change of Voyage Clause |

CLAIMS

- 11 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss. Insurable Interest Clause
- 11.2 Subject to 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 12 Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject-matter is covered under this insurance, the Underwriters will reimburse the Assured for any extra charges properly and reasonably incurred in unloading, storing and forwarding the subject-matter to the destination to which it is insured hereunder. Forwarding Charges Clause
- This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.
- 13 No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival. Constructive Total Loss Clause
- 14 14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Increased Value Clause
- In the event of claim the Assured shall provide the Underwriters 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 cargo shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.
- In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

- 15 This insurance shall not inure to the benefit of the carrier or other bailee. Not to Inure Clause

MINIMISING LOSSES

- 16 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder
16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties. Duty of Assured Clause
- 17 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party. Waiver Clause

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

INSTITUTE CARGO CLAUSES (B)

RISKS COVERED

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| <p>1 This insurance covers except as provided in Clauses 4, 5, 6 and 7 below,</p> <p>1.1 loss of or damage to the subject-matter insured attributable to</p> <p>1.1.1 fire or explosion</p> <p>1.1.2 vessel or craft being stranded grounded sunk or capsized</p> <p>1.1.3 overturning or derailment of land conveyance</p> <p>1.1.4 collision or contact of vessel craft or conveyance with any external object other than water</p> <p>1.1.5 discharge of cargo at a port of distress.</p> <p>1.2 loss of or damage to the subject-matter insured caused by</p> <p>1.2.1 general average sacrifice</p> <p>1.2.2 jettison or washing overboard</p> <p>1.2.3 entry of sea lake or river water into vessel craft hold conveyance container liftvan or place of storage,</p> <p>1.3 total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.</p> | <p>Risks
Clause</p> |
| <p>2 This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this insurance.</p> | <p>General
Average
Clause</p> |
| <p>3 This insurance is extended to indemnify the Assured against such proportion of Liability under the contract of affreightment "Both to Blame Collision" Clause as is in respect of a loss recoverable hereunder. In the event of any claim by shipowners under the said Clause the Assured agree to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.</p> | <p>"Both to Blame
Collision"
Clause</p> |

EXCLUSIONS

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|--|---|
| <p>4 In no case shall this insurance cover</p> <p>4.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 4.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</p> <p>4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>4.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)</p> <p>4.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel.</p> <p>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</p> <p>4.8 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.</p> | <p>General
Exclusions
Clause</p> |
| <p>5 5.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.</p> <p>5.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.</p> | <p>Unseaworthiness
and Unfitness
Exclusion
Clause</p> |
| <p>6 In no case shall this insurance cover loss damage or expense caused by</p> <p>6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.</p> <p>6.2 capture seizure arrest restraint or detention (piracy excepted), and the consequences thereof or any attempt thereat</p> <p>6.3 derelict mines torpedoes bombs or other derelict weapons of war.</p> | <p>War
Exclusion
Clause</p> |
| <p>7 In no case shall this insurance cover loss damage or expense</p> <p>7.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions</p> <p>7.2 resulting from strikes, locked-out labour disturbances, riots or civil commotions</p> <p>7.3 caused by any terrorist or any person acting from a political motive.</p> | <p>Strikes
Exclusion
Clause</p> |

DURATION

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| <p>8 8.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either</p> <p>8.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein.</p> <p>8.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein,</p> <p>8.1.2.1 for storage other than in the ordinary course of transit or</p> <p>8.1.2.2 for allocation or distribution</p> <p>or</p> <p>8.1.3 on the expiry of 60 days after completion of discharge overside of the goods hereby insured from the oversea vessel at the final port of discharge,</p> <p>whichever shall first occur.</p> <p>8.2 If, after, discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.</p> <p>8.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.</p> | <p>Transit
Clause</p> |
| <p>9 If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 8 above, then this insurance shall also terminate <i>unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either.</i></p> <p>9.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,</p> <p>or</p> <p>9.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 8 above.</p> | <p>Termination
of Contract
of Carriage
Clause</p> |
| <p>10 Where, after attachment of this insurance, the destination is changed by the Assured, <i>held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters</i></p> | <p>Change of
Voyage Clause</p> |

CLAIMS

- 11 11.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss. Insurable
11.2 Subject to 11.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, Interest
notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Clause
Underwriters were not.
- 12 Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the subject- Forwarding
matter is covered under this insurance, the Underwriters will reimburse the Assured for any extra charges properly and reasonably incurred in unloading Charges
storing and forwarding the subject-matter to the destination to which it is insured hereunder. Clause

This Clause 12, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 4, 5, 6 and 7
above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.
- 13 No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its Constructive
actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to Total Loss
which it is insured would exceed its value on arrival. Clause
- 14 14.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be Increased
increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this Value
insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Clause
In the event of claim the Assured shall provide the Underwriters 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 cargo shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value
insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion as the sum
insured herein bears to such total amount insured.
In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

- 15 This insurance shall not inure to the benefit of the carrier or other bailee. Not to
Inure Clause

MINIMISING LOSSES

- 16 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder Duty of
16.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, Assured Clause
and
16.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition
to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
- 17 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be Waiver
considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party. Clause

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

INSTITUTE CARGO CLAUSES (AIR)

(excluding sendings by Post)

RISKS COVERED

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

Risks Clause

EXCLUSIONS

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

General Exclusions Clause

War Exclusion Clause

Strikes Exclusion Clause

DURATION

- 5 5.1 This insurance attaches from the time the subject-matter insured leaves the warehouse, premises or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
- 5.1.1 on delivery to the Consignees' or other final warehouse, premises or place of storage at the destination named herein,
 - 5.1.2 on delivery to any other warehouse, premises or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
 - 5.1.2.1 for storage other than in the ordinary course of transit or
 - 5.1.2.2 for allocation or distribution,
 - 5.1.3 or on expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur;
- 5.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the subject-matter insured is forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Cause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transhipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.
- 6 If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 5 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters*, either
- 6.1 until the subject-matter is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the subject-matter hereby insured at such place, whichever shall first occur,
 - or
 - 6.2 if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.
- 7 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.*

Transit Clause

Termination of Contract of Carriage Clause

Transit Clause

CLAIMS

- 8 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss. Insurable
8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, Interest
notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Clause
Underwriters were not.
- 9 Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a place other than that to which the Forwarding
subject-matter is covered under this insurance, the Underwriters will reimburse the Assured for any extra charges properly and reasonably incurred Charges
in unloading storing and forwarding the subject-matter to the destination to which it is insured hereunder. Clause
- This Clause 9, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clauses 2,3 and 4 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.
- 10 No claim for Constructive Total Loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account Constructive
of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the Total
destination to which it is insured would exceed its value on arrival. Loss
Clause
- 11 11.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to Increased
be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this Value
insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Clause
In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.
- 11.2 **Where this insurance is on Increased Value the following clause shall apply:**
The agreed value of the cargo shall be deemed to be equal to the total amount insured under the primary insurance and all Increased
Value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion
as the sum insured herein bears to such total amount insured.
In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

- 13 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder Duty of
13.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, Assured Clause
and
13.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in
addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these
duties.
- 14 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be Waiver
considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party. Clause

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

INSTITUTE WAR CLAUSES (CARGO)

RISKS COVERED

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|---|------------------------|
| <p>1 This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by</p> <p>1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power</p> <p>1.2 capture seizure arrest restraint or detainment, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat</p> <p>1.3 derelict mines torpedoes bombs or other derelict weapons of war.</p> | Risks Clause |
| <p>2 This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these clauses.</p> | General Average Clause |

EXCLUSIONS

- | | |
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| <p>3 In no case shall this insurance cover</p> <p>3.1 loss damage or expense attributable to wilful misconduct of the Assured</p> <p>3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured</p> <p>3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)</p> <p>3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured</p> <p>3.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)</p> <p>3.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel</p> <p>3.7 any claim based upon loss of or frustration of the voyage or adventure</p> <p>3.8 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter</p> | General Exclusions Clause |
| <p>4 4.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.</p> <p>4.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.</p> | Unseaworthiness and Unfitness Exclusion Clause |

DURATION

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| <p>5 5.1 This insurance</p> <p>5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel and</p> <p>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, <i>subject to prompt notice to the Underwriters and to an additional premium</i>, such insurance reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom.</p> <p>5.1.3 and</p> <p>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.</p> <p>5.2 If during the insured voyage the oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the goods are discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying oversea vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2</p> <p>5.2.1 where the on-carriage is by oversea vessel this insurance continues subject to the terms of these clauses,</p> <p>or</p> <p>5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) excluding sendings by Post) shall be deemed to form part of this insurance and shall apply to the on-carriage by air.</p> <p>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 such insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then <i>provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium</i>, such insurance reattaches</p> <p>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;</p> <p>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 such insurance terminates in accordance with 5.1.4.</p> <p>5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the oversea vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Underwriters.</p> <p>5.5 <i>Subject to prompt notice to Underwriters, and to an additional premium if required</i>, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.</p> | Transit Clause |
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(For the purpose of Clause 5

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

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

- 6 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.* Change of Voyage Clause
- 7 **Anything contained in this contract which is inconsistent with Clauses 3.7,3.8 or 5 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

- 8 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss. Insurable Interest Clause
 8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the underwriters were not.
- 9 9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. Increased Value Clause
 9.2 In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances. **Where this insurance is on Increased Value the following clause shall apply:**
 The agreed value of the cargo shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.
 In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

- 10 This insurance shall not inure to the benefit of the carrier or other bailee. Not to Inure Clause

MINIMISING LOSSES

- 11 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder
 11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised
 and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties. Duty of Assured Clause
- 12 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party. Waiver Clause

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

INSTITUTE STRIKES CLAUSES (CARGO)

RISKS COVERED

- 1 This insurance covers, except as provided in Clauses 3 and 4 below, loss of or damage to the subject-matter insured caused by
- 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2 any terrorist or any person acting from a political motive.
- 2 This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these clauses.

Risks Clause

General Average Clause

EXCLUSIONS

- 3 In no case shall this insurance cover
- 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel
 - 3.7 loss damage or expense arising from the absence shortage or withholding of equipment, power, fuel, coolant, refrigerant or labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure
 - 3.9 loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
- 4 4.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded insured,
- 4.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

General Exclusions Clause

Unseaworthiness and Unfitness Exclusion Clause

DURATION

- 5 5.1 This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
- 5.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,
 - 5.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
 - 5.1.2.1 for storage other than in the ordinary course of transit or
 - 5.1.2.2 for allocation or distribution,
 - 5.1.3 or on expiry of 60 days after completion of discharge overside of the goods hereby 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 goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
- 5.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Cause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.
- 6 If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is otherwise terminated before delivery of the goods as provided for in Clause 5 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters*, either
- 6.1 until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 60 days after arrival of the goods hereby insured at such port or place, whichever shall first occur,
 - or
 - 6.2 if the goods are forwarded within the said period of 60 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 5 above.
- 7 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.*

Transit Clause

Termination of Contract of Carriage Clause

Change of Voyage Clause

CLAIMS

- 8 8.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 8.2 Subject to 8.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 9 9.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.
- In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

Insurable Interest Clause

Increased Value Clause

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

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

BENEFIT OF INSURANCE

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

Not to Inure Clause

MINIMISING LOSSES

- 11 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder
- 11.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 11.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
- 12 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Duty of Assured Clause

Waiver Clause

AVOIDANCE OF DELAY

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

Reasonable Despatch Clause

LAW AND PRACTICE

14 This insurance is subject to English law and practice.

English Law and Practice Clause

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

INSTITUTE WAR CLAUSES

(sendings by Post)

RISKS COVERED

- 1** This insurance covers, except as provided in Clauses 3 below, loss of or damage to the subject-matter insured caused by
- 1.1. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2. capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3. derelict mines torpedoes bombs or other derelict weapons of war.
- 2** This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these clauses.

Risks Clause

General Average Clause

EXCLUSIONS

- 3** In no case shall this insurance cover
- 3.1. loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2. ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3. loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance or by the Assured or their servants)
 - 3.4. loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5. loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6. any claim based upon loss of or frustration of the voyage or adventure
 - 3.7. loss damage or expense arising from any hostile use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

General Exclusions Clause

DURATION

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

CLAIMS

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

Insurable Interest Clause

MINIMISING LOSSES

- 7** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder
- 7.1. to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
 - 7.2. to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised
- and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.
- 8** Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as Waiver
- a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

Duty of Assured Clause

Clause

AVOIDANCE OF DELAY

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

Reasonable Despatch Clause

LAW AND PRACTICE

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

English Law and Practice Clause

INSTITUTE WAR CLAUSES (AIR CARGO)

(excluding sendings by Post)

RISKS COVERED

- 1 This insurance covers, except as provided in Clause 2 below, loss of or damage to the subject-matter insured caused by
- 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2 capture seizure arrest restraint or detention, arising from risks covered under 1.1 above, and the consequences thereof or any attempt thereat
 - 1.3 derelict mines torpedoes bombs or other derelict weapons of war.

Risks Clause

EXCLUSIONS

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

General Exclusions Clause

DURATION

- 3 3.1 This insurance
- 3.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured and
 - 3.1.2 terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge, or on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge, whichever shall first occur; nevertheless, *subject to prompt notice to the Underwriters and to an additional premium*, such insurance reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom.
 - 3.1.3 and
 - 3.1.4 terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at 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.
 - 3.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or by oversea vessel, then, subject to 3.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 3.2
 - 3.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these clauses, or
 - 3.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of this insurance and shall apply to the on-carriage by sea.
 - 3.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed the final place of discharge and such insurance terminates in accordance with 3.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then *provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium*, such insurance reattaches
 - 3.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;
 - 3.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge; thereafter such insurance terminates in accordance with 3.1.4.
 - 3.4 *Subject to prompt notice to Underwriters, and to an additional premium if required*, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carrier under the contract of carriage.

Transit Clause

(For the purpose of Clause 3 "oversea vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place to another where such voyage involves a sea passage by that vessel)

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

Change of Transit Clause

- 5 **Anything contained in this contract which is inconsistent with Clauses 2.8, 2.9 or 3 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

- 6 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 6.2 Subject to 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the and the underwriters were not.
- 7 7.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

Insurable Interest Clause

Increased Value Clause

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

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

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

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

BENEFIT OF INSURANCE

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

Not to
Inure Clause

MINIMISING LOSSES

9 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

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

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

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

Duty of
Assured Clause

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

Waiver
Clause

AVOIDANCE OF DELAY

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

Reasonable
Clause

LAW AND PRACTICE

12 This insurance is subject to English law and practice.

English Law
and Practice
Clause

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

INSTITUTE STRIKES CLAUSES (AIR CARGO)

RISKS COVERED

- 1 This insurance covers, except as provided in Clauses 2 below, loss of or damage to the subject-matter insured caused by
- 1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.2 any terrorist or any person acting from a political motive.

Risks Clause

EXCLUSIONS

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

General Exclusions Clause

DURATION

- 3 3.1 This insurance attaches from the time the subject-matter leaves the warehouse, premises or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either
- 3.1.1 on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein,
 - 3.1.2 on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either
 - 3.1.2.1 for storage other than in the ordinary course of transit or
 - 3.1.2.2 for allocation or distribution,
 - 3.1.3 or on expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge, whichever shall first occur;
 - 3.2 If, after unloading from the aircraft at the final place of discharge, but prior to termination of this insurance, the goods are to be forwarded to a destination other than that to which they are insured hereunder, this insurance, whilst remaining subject to termination as provided for above, shall not extend beyond the commencement of transit to such other destination.
 - 3.3 This insurance shall remain in force (subject to termination as provided for above and to the provisions of Clause 4 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.
- 4 If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a place other than the destination named therein or the transit is otherwise terminated before delivery of the subject-matter insured as provided for in Clause 3 above, then this insurance shall also terminate *unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters*, either
- 4.1 until the subject-matter is sold and delivered at such place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such place, whichever shall first occur, or
 - 4.2 if the subject-matter is forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 3 above.
- 5 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters*.

Transit Clause

Termination of Contract of Carriage Clause

Change of Transit Clause

CLAIMS

- 6 6.1 In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- 6.2 Subject to 6.1 above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.
- 7 7.1 If any Increased Value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.
- In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.
- 7.2 **Where this insurance is on Increased Value the following clause shall apply:**
The agreed value of the cargo shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.
- In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

Insurable Interest Clause

Increased Value Clause

BENEFIT OF INSURANCE

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

Not to Inure Clause

MINIMISING LOSSES

- 9 It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

Duty of

- 9.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss,
and
9.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised

Assured Clause

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

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

Waiver Clause

AVOIDANCE OF DELAY

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

Reasonable Despatch Clause

LAW AND PRACTICE

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

English Law and Practice Clause

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

01/01/01

CL354

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

CRAFT CLAUSE

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

NATIONAL FLAG SOCIETY

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

PROMPT NOTICE

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

LAW AND PRACTICE

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

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

01/01/34

CL161

INSTITUTE REPLACEMENT CLAUSE

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

10/11/03

CL370

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

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

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

10/11/03

CL380

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

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

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Zurich Insurance plc

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