



Allianz Global Corporate & Specialty

Cargo

Specialist UK Cargo Insurance Policy.

Welcome

Dear Policyholder,

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

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

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

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

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

Yours sincerely,



A handwritten signature in black ink, appearing to be 'A. Whitehouse', written in a cursive style.

Andrew Whitehouse
Head of Marine UK

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Section 1

A Introduction

1. Your Policy and Schedule form a legally binding contract between us, Allianz Global Corporate & Specialty SE and you, the Insured named in the Schedule.
2. Please read these documents carefully. The cover that you have is shown in the Schedule. If the Policy and the Schedule do not provide you with the protection you want either now or at any time in the future please inform your broker.
3. This insurance contract has been based on the answers that you gave us on your presentation and information that you provided presenting the risk to us. You must tell us of any change in this information as soon as possible since failure to do so could invalidate your Policy. You should not wait until the next renewal date. You must tell us of any information or fact that might influence us in deciding the terms and conditions upon which we issue you, the Premium we charge or whether to insure you.
4. You are responsible to your broker for the payment of the Premium.
5. Please read the documents carefully. Please advise us if the Policy and Schedule do not provide you with the protection you want and you do not want.
6. Your Policy is underwritten by Allianz Global Corporate & Specialty which is the UK branch of Allianz Global Corporate & Specialty SE, Königinstrasse 28, 80802 München, Germany. Authorised by Bundesanstalt für Finanzdienstleistungsaufsicht. The UK Branch office address is Allianz House, 60 Gracechurch Street, London EC3V 0HR UK.

B Our service

It is our aim to provide the highest possible standard of service. If for any reason you are not satisfied with the service you have been given we would ask that you state your complaint in writing, in the first instance to the intermediary who arranged your insurance. Alternatively, you may contact the UK Cargo Manager, Allianz Global Corporate and Specialty SE, Allianz House, 60 Gracechurch Street, London EC3V 0HR. Please quote policy details in any correspondence.

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

If relevant under the terms of the Financial Ombudsman Service, we must respond to your complaint within eight weeks. Failing satisfaction, if you are a private person or your business has a turnover of less than EU2m or a charity with an annual income less than EU2m or a trustee of a trust with a net asset value of less than EU2m and you are a resident of England, Scotland, Wales or Northern Ireland, you may then approach the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR, telephone 0300 123 9 123, www.financial-ombudsman.org.uk or email complaint.info@financial-ombudsman.org.uk who will advise whether they are able to look into your complaint. An application to the Financial Ombudsman Service must be made within six months of being notified of our final decision about your complaint.

C Law applicable to the contract

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

D Jurisdiction

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

E Data Protection Act 1998

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

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

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

F Recording of telephone numbers

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

G Claims and underwriting exchange

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

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

H Definitions

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

Basis of Valuation	The method of establishing the Agreed Value of the Goods and upon which you should calculate declarations under the Policy.
CIF	Cost insurance and freight and is used for both import and export valuations. For import the cost element is the cost element to you of Goods being imported but for export it is the sale price that you charge your customer.
Conveyance	The method of transport of the Goods for which we insure you as shown in the Policy.
Deductible	The amount noted on the Schedule to be deducted from any claim settlement.
Endorsement	A written alteration to the terms of the Policy.
Flood	Flood is defined as Damage caused by <ol style="list-style-type: none"> the escape of water from the normal confines of any natural water course, lake reservoir, canal or dam Inundation from the sea, whether resulting from storm or otherwise Inundation by rainwater or rainwater induced runoff, other than where the inundation results solely from the ingress of rainwater through or via the roof of a building
Goods	The subject matter insured being those types of Goods described in the Schedule for which we insure you and which are new, unused and of recent manufacture unless otherwise described. It does not include Goods shipped on or above deck unless Goods are in fully enclosed metal containers.
Gross Proceeds	The actual price obtained at a sale where all charges on sale are paid by the seller.
Gross Value	The wholesale price or, if there is no such price, the estimated value with, in either case, freight, landing charges and duty paid beforehand. In the case of Goods customarily sold in bond, the bonded price is deemed to be the Gross Value.
Hi-Tech Equipment	Defined as laptops, tablets, MP3 players, games, satnavs, mobile phones, smartphones, e-readers, cameras and similar consumer electronic devices, microchips, microprocessors, memory chips, central processing units or other components of a similar nature when not contained within fully assembled units.
Insured Peril	Those risks which are a direct cause of loss of or damage to the Goods for which we insure you subject to the Warranties and other terms of the Policy.
Insurer	Allianz Global Corporate & Specialty SE.
Limit of Liability	The maximum amount we pay to you for any one accident or loss arising out of the same event and is the maximum amount of Agreed Value of Goods that you can have on any one Conveyance or at any one Location at any one time or the maximum amount of Agreed Value of Goods as shown in the Schedule.
Location	Any one place, building or area in which Goods are consolidated (but does not include a Conveyance) during the course of the Voyage/Transit.
Measure of Indemnity	The sum which you can recover in respect of loss occurring covered by the Policy and is subject to the Limit of Liability.
Named Assured	The commercial entity named in the Schedule.
Period of Insurance	The period set out in the Schedule during which we insure Goods on the terms of the Policy.
Premium	The amount of money that you pay to us to insure your Goods.
Voyage/Transit	The Geographical movements for which we insure Goods shown in the Schedule or as defined in the Policy, beginning and ending in accordance with the appropriate Institute Clause applicable to the Voyage/Transit and for the Conveyance.

I Premium

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

J Basis of premium

1. DECLARATION PREMIUM

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

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

2. DEPOSIT PREMIUM

- 2.1 The Deposit Premium is that sum fixed at inception for the purpose of commencing cover. If the Deposit Premium is stated as being a Minimum Premium this represents the lowest sum acceptable to us for the cover provided. If the Policy is cancelled prior to the actual expiry we are entitled to retain all the Minimum Premium.
- 2.2 If the Schedule states that your Premium is subject to an adjustment the Deposit Premium has been calculated based upon your estimated sendings and is subject to adjustment. You agree to provide to us a Declaration of all actual sendings made by you within 30 days of expiry of the Period of Insurance. Should you not provide to us any Declarations then we may at our option assess on the basis of the information before us the sendings that we calculate you have made and calculate Premium on that basis. We will give you notice of our assessment made and the Premium due and you will be obliged to pay us within 14 days of the date of such notice the Premium we assess.

3. FLAT PREMIUM

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

Section 2

General Conditions

1. INTEREST INSURED

- 1.1 As specified in the Schedule the Policy covers all Goods and merchandise in connection with your business including goods where you have the contractual responsibility to provide insurance in the ordinary course of your business
- 1.2 Unless otherwise agreed by us in the Schedule we do not cover Goods whilst being personally conveyed
- 1.3 Unless otherwise agreed by us in the Schedule we do not cover Hi-Tech Equipment
- 1.4 Including unpacked and/or unprotected and/or second-hand goods however
 - 1.4.1 in no case shall this Policy cover claims for or loss damage or expense reasonably attributable to water damage, damage to paint work, chipping, denting, scratching, marring, bruising, rust, oxidization and/or discolouration.
 - 1.4.2 The above exclusion shall not apply to second-hand goods if a pre-shipment survey, including a load and stow report, is undertaken by a suitably qualified marine surveyor at your expense and that report is submitted to and accepted by us prior to attachment of cover.
- 1.5 Where goods are returned for any reason including refurbishment, reconditioning or repair, we will cover the Goods subject to the terms of this policy continuously until terminated either:
 - 1.5.1 on the expiry of 60 days starting on the day of arrival at the consignees or other warehouse or place of storage outside the ordinary course of transit; or
 - 1.5.2 on completion of delivery to an alternative buyer's premises or return to the original consignee's premises or other nominated destination or until finally disposed of by you; whichever shall first occur.
 - 1.5.3 If the outward journey was not insured under this Policy or where the cover provided by this Policy has not been continuous then
 - 1.5.3.1 in no case shall this Policy cover claims for or loss damage or expense reasonably attributable to water damage, damage to paint work, chipping, denting, scratching, marring, bruising, rust, oxidization and/or discolouration.
 - 1.5.3.2 The above exclusion shall not apply to returned goods if a pre-shipment survey, including a load and stow report, is undertaken by a suitably qualified marine surveyor at your expense and that report is submitted to and accepted by us prior to attachment of cover.

2. CONVEYANCES

- 2.1 All vessels used for sea transit must comply with the Institute Classification Clause 01/01/2001.CL.354 for the standard rates to apply. Any vessels that fall outside these provisions will be covered at rates to be agreed but must be declared to us as soon as information is received by you that any vessel used for sea transit does not comply with the provisions of the Institute Classification Clause.
- 2.2 However you will not to be prejudiced in the event that you were not aware of the carrying vessel failing to comply with such requirements at the time of loading.

3. LIMIT OF LIABILITY

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

4. LATE DECLARATION

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

5. OMISSION

Your insurance is not prejudiced by any unintentional or inadvertent omission

6. CANCELLATION

The Policy may be cancelled by us or you at any time by 30 days written notice sent to the relevant address shown in the Schedule (or to your broker) except in the case of War Risks and Strike Risks as defined in the appropriate Institute War and Strikes clauses, when the policy will be subject to seven days written notice of cancellation, except in respect of Strike Risks for sendings to or from the USA which is subject to 48 hours written notice of cancellation

7. INSURANCE PREMIUM TAX CLAUSE

7.1 The Insurance Premium Tax (Taxable Insurance Contracts) Order 1994 (SI 1995/1698) - Schedule 7A of the Finance Act 1994 makes underwriters responsible for insurance premium tax which will be collected at the current rate on taxable gross premium paid by you.

7.2 We will calculate the tax liability and you agree to pay all amounts due to us.

7.3 Late notification by us of tax due as a result of de- minimis rules being exceeded or for any other reason will not reduce or negate the liability of you to pay the tax.

8. OTHER INSURANCE

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

9. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE

9.1 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to the Policy or to any certificate(s) of insurance under it and neither this Policy nor any certificate issued hereunder confer any benefits on any third parties except a bona fide assignee in the ordinary course of business of a certificate of insurance issued hereunder.

9.2 No third party may enforce any term of this Policy or any certificate issued under it except a bona fide assignee in the ordinary course of business of a certificate of insurance issued hereunder.

Section 3

General Exclusions

Please note the exclusions contained within Clause 4 of the attached Institute Cargo Clauses in addition we shall not be liable for:

1. **ELECTRICAL OR MECHANICAL DERANGEMENT**

loss, damage or expense caused by electrical, electronic or mechanical breakdown or derangement unless caused by an Insured Peril

2. **TEMPERATURE VARIATION**

loss or damage to goods carried or stored under temperature controlled conditions resulting from any variation in temperature unless caused by

- 2.1 breakdown of refrigerating machinery resulting in its stoppage for a period of not less than 12 consecutive hours
- 2.2 fire or explosion
- 2.3 vessel or craft being stranded grounded sunk or capsized
- 2.4 overturning or derailment of land conveyance
- 2.5 collision or contact of vessel craft or conveyance with any external object other than water
- 2.6 discharge of cargo at a port of distress

3. **TERMINATION OF TRANSIT CLAUSE (TERRORISM)**

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

- 3.1 Notwithstanding any provision to the contrary contained in the Policy or the Clauses referred to in the Policy it is agreed that insofar as this Policy covers loss of or damage to Goods caused by any terrorist or any person acting from a political motive, such cover is conditional upon Goods being in the ordinary course of transit and, in any event, SHALL TERMINATE either:
 - 3.1.1 in accordance with the Transit Clauses contained within the Policy; or
 - 3.1.2 on delivery to the consignee's or other final warehouse or place of storage at the destination; or
 - 3.1.3 on delivery to any other warehouse or place of storage, whether prior to or at the destination named for delivery which you or any assignee of the certificate elects to use either for storage other than the ordinary course of transit or for allocation or distribution; or
 - 3.1.4 in respect of marine transits on the expiry of 60 days after completion of discharge overseas of the Goods from the overseas vessel at the port of discharge; or
 - 3.1.5 in respect of air transit, on the expiry of 30 days after unloading the Goods insured from the aircraft at the final place of discharge;

whichever shall first occur
- 3.2 The Policy covers a sum not exceeding £100,000 or equivalent other currencies in respect of any loss or series of losses arising out of any one event for loss of or damage to the subject matter insured caused by any terrorist or any person acting from a political motive which would have been excluded from cover under the Policy under Clause 3.1 above.
- 3.3 If the Policy specifically provides cover for inland or other further transits following on from storage or termination as provided for above, cover will reattach and will continue during the ordinary course of transit terminating in accordance with sub-clause 3.1 of this Clause and subject always to sub-clause 3.2 of this Clause.

4. SANCTION LIMITATION AND EXCLUSION CLAUSE

We shall not be deemed to provide cover and we shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

5. LOCAL LEGISLATION

We do not cover Goods, Voyages or Transits to or from any country where local legislation precludes the insurance from being placed outside of that country or requires insurance to be placed within that country

6. PROCESS

This policy does not cover loss or damage to Goods due to or directly resulting from any process of production, manufacture, fabrication, assembly or dis-assembly

7. OWN VEHICLE THEFT EXCLUSION

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

- 7.1 at any time during the working day of the driver between 06:00 hours or when the Conveyance is first used and 18:00 hours or when the Conveyance is last occupied, unless all doors and openings are locked and
- 7.2 the windows and other means of access are adequately and properly secured and all keys are removed and all other security protections fitted are properly employed;
- 7.3 at any other time after completion of the working day of the driver and in any event between the hours of 18:00 hours or when the Conveyance is last occupied, whichever is the later, and 06:00 hours or until the Conveyance is first used, whichever is the earlier, and non-working days, unless the Conveyance:
 - 7.3.1 is garaged in a fully enclosed building or substantial construction which is securely closed and locked and has all keys removed; or
 - 7.3.2 is locked with all keys removed and parked in a yard or compound which yard or compound is fully enclosed and locked or is fully enclosed under human surveillance 24 hours a day; or
 - 7.3.3 is in any location agreed by us in writing; or
 - 7.3.4 is under constant surveillance by the driver or other responsible person authorised by you.
- 7.4 the carrying Conveyance, vehicle and/or trailer and/or container must be fitted with an alarm system and/or immobiliser and/or tracker which is/are in full efficient working order and regularly tested and set when the Conveyance and/or vehicle and/trailer and/or container is left loaded unoccupied.
- 7.5 In the event of your acting reasonably and being unable to comply with clause 7.3.4 we will continue to insure your Goods, provided always the Goods are removed from the carrying vehicle to a private dwelling house, hotel or other suitable premises, and further providing that loss or damage precedes or follows forcible and violent entry to or exit from the place to which the Goods are removed

8. UNEXPLAINED OR MYSTERIOUS DISAPPEARANCE AND TAKING OF INVENTORY

We shall not be liable for any loss or damage to Goods in store outside the ordinary course of transit due to unexplained and or mysterious disappearance or following the taking of inventories

9. THEFT OR ATTEMPTED THEFT

We shall not be liable for loss or damage to Goods in store outside the ordinary course of transit due to theft or attempted theft unless there is evidence of forcible and violent entry into or exit from the premises

10. RADIOACTIVITY CHEMICAL AND BIOLOGICAL RISKS

Damage directly or indirectly caused by, or contributed to, or arising from

- 10.1 ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 10.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 10.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 10.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of radioactive matter but not to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes
- 10.5 any chemical, biological, bio-chemical or electromagnetic weapon

11. CYBER ATTACK

Damage directly or indirectly caused by or contributed 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

Section 4

Cover Clauses

Standard Institute clauses are used in the Policy to allow cover to be recognised internationally. The full conditions of these clauses are shown in Section 7. Please read this section carefully as it specifies the basis of cover under this policy

1. CARGO CLAUSES

The following conditions apply to your policy unless otherwise shown in the Schedule or amended by a specific clause within the Policy:

- 1.1 in respect of goods moving by sea, road or rail;
 - 1.1.1 Institute Cargo Clauses (A) 01.01.2009
 - 1.1.2 Institute Strikes Clauses (Cargo) 01.01.2009
 - 1.1.3 Institute War Clauses (Cargo) 01.01.2009
- 1.2 in respect of goods moving by air;
 - 1.2.1 Institute Cargo Clauses (Air) 01.01.2009
 - 1.2.2 Institute Strike Clauses (Air) 01.01.2009
 - 1.2.3 Institute War Clauses (Air) (excluding sendings by post) 01.01.2009
 - 1.2.4 Institute War Clauses (Sendings) by Post 01.01.2009

2. AIRFREIGHT CHARGES

- 2.1 In the event of loss of or damage to Goods recoverable hereunder we shall either pay the costs of:
 - 2.1.1 returning by air freight damaged Goods to manufacturers and/or suppliers for repair; or
 - 2.1.2 sending by air freight replacement Goods from manufacturers and/or suppliers to destination, notwithstanding the Goods lost or damaged were not originally despatched by air freight.
- 2.2 Our Maximum liability under this extension shall be the lesser of either:
 - 2.2.1 £50,000; or
 - 2.2.2 25% of the insured value, in respect of any one occurrence or series of occurrences arising out of any one event.

3. ACCUMULATION

Should there be an accumulation of the Goods whilst in transit beyond the limits shown in the Schedule by reason of any interruption of transit and/or occurrence beyond your control, or by reason of any casualty at a transhipping point and/or on connecting conveyance, this Policy shall attach for the full amount at risk, but in no event for more than twice the limits shown in the Schedule.

4. BRANDED GOODS

- 4.1 In the event of loss or damage to Goods recoverable under the policy and should those Goods bear embossed or indented brands or labels or any other permanent marking identifying you as manufacturer of the Goods you shall retain control of the disposal of all such Goods.
- 4.2 In such event you will have an option to either:
 - 4.2.1 destroy the Goods providing such destruction allows a reasonable value for salvage of any undamaged or repairable Goods or
 - 4.2.2 return the Goods to the manufacturing factory or
 - 4.2.3 recondition the Goods
- 4.3 You will exercise a reasonable discretion in conjunction with us or our appointed representative in deciding whether any Goods involved in any loss recoverable hereunder are suitable for sale, can be returned to the manufacturing factory or be re-conditioned so as to avert or minimise any loss.
- 4.4 No Goods agreed by you and us to be unfit for marketing shall be sold or otherwise disposed of except by you with our consent.
- 4.5 We shall pay to You a total loss on any Goods under option 4.2.1 and the reasonable costs incurred under options 4.2.2 and 4.2.3

5. CERTIFICATES

- 5.1 We agree that you may issue Claims Payable Abroad (C.P.A.) Certificates of Insurance and/or Claims Payable London (C.P.L.) Certificates of Insurance.
- 5.2 We authorise you to issue and countersign certificates and/or endorsements thereto on any Goods insured by this Policy but subject to the terms, conditions and Warranties of this Policy.
- 5.3 All certificates and/or endorsements shall be countersigned by a duly authorised representative of you.

6. CONCEALED DAMAGE CLAUSE

- 6.1 It is agreed that any loss or damage discovered on opening containers, cases and/or packages shall be deemed to have occurred during the Voyage/Transit irrespective of the time of attachment of your interest in Goods unless evidence to contrary is provided by us.
- 6.2 Provided that:
 - 6.2.1 if any containers, cases, packages, or packaging shows any signs of damage at the time of arrival at final destination such containers, cases, packages are to be immediately unpacked and we are to be immediately notified of such signs of damage; and
 - 6.2.2 the time between delivery of Goods to destination and notification of any loss or damage to us will not exceed 90 days.
- 6.3 It is agreed that this Additional Clause will not apply where there is evidence that loss or damage occurred after either:
 - 6.3.1 the date of arrival at final destination; or
 - 6.3.2 termination of cover

7. CONTAINER DAMAGE

This Policy extends to include your legal liability in respect of physical loss or damage to containers and/or railwagons supplied to you by vessel owners, aircraft owners or others for the insured transit and whilst in your custody or your agents.

The indemnity provided by this clause shall be in addition to the indemnity provided elsewhere under the Policy but claims under this clause are limited to GBP 50,000 any one loss or series of losses arising out of one event.

8. CONTINGENT INTEREST

8.1 This Policy extends to cover your contingent interest in any goods where you have no responsibility to insure under the terms of sale or purchase or which should have been insured elsewhere or where the cover provided is more restrictive than that afforded under this Policy in terms of either conditions or duration of cover or where you are unable to obtain settlement of legitimate claims under the insurance arranged elsewhere or where loss or damage to Goods recoverable under this Policy has occurred and you cannot obtain payment in accordance with the Contract of Sale.

8.2 Also where interest in the goods reverts to you for any reason such goods shall be covered continuously whilst awaiting resale or return including any additional transit resultant upon such resale or return.

8.3 When required by you we agree to supply General Average Guarantees or refund General Average deposits.

8.4 The cover provided is limited to loss and/or damage and expense which would otherwise be recoverable under the terms and conditions of this Policy but only up to the extent that you are unable to recover such loss and/or damage and/or expense under the insurance effected by the buyer or seller or which should have been effected by the buyer or seller but was not as may be applicable provided that

8.4.1 the existence of this extension is not to be disclosed to any other interested parties

8.4.2 notice to be given to us as soon as practicable after you become aware that you may have a claim under this extension

8.4.3 you must in the first instance take all reasonable steps to invoke the terms of the Contract of Sale and obtain reimbursement from the buyers and/or sellers and/or any other interested parties

8.4.4 in the event of any claim settlement under this extension, all your rights of recovery against buyers and/or sellers and/or any other interested parties will be subrogated to us

This extension is for the sole benefit of you and is not to be deemed a double insurance.

9. CUTTINGS

In the event of loss or damage to Goods recoverable under the policy but such Goods are reasonably useable if cut to a shorter length we will pay to you the value of the damaged part cut off and will receive the benefit of any salvage on the cut off part.

10. DEBRIS REMOVAL

10.1 In the event of loss or damage to Goods recoverable under the policy we will pay the costs and expenses necessarily incurred by you in connection with:

10.1.1 removing and disposing of the debris of any Goods;

10.1.2 the transfer of Goods from one conveyance to another in the event of an accident to the original conveyance;

10.1.3 loss of or damage to Goods whilst being transferred.

10.2 We shall not be liable for:

10.2.1 any expense incurred in consequence of or to avert or mitigate pollution or contamination or any threat or liability therefore; and

10.2.2 the cost of removal of any cargo from any vessel or craft.

10.3 Our Limit of Liability under this Additional Clause is limited to the lesser of either:

- 10.3.1 10% of the Agreed Value; or
- 10.3.2 £50,000.

10.4 It is agreed this indemnity is in addition to the Limit of Liability shown in the Schedule.

11. DECEPTION

- 11.1 For transit risks only this Policy includes loss of Goods caused by the acceptance by you or your agents of orders, documents or signatures fraudulently prepared or otherwise, from any person who purports to be the proper party to receive or accept the Goods but excluding any loss involving the collusion of your employees or their agents.
- 11.2 Provided that you or your agents acted with due diligence in the acceptance of such orders, documents or signatures.

12. DEMURRAGE CHARGES

- 12.1 If you are directed by us or by our representatives to retain a container, trailer or rail car and if you subsequently are assessed for a late penalty and/or demurrage charge for the holding of such container, trailer or rail car past the originally agreed return date, we agree to pay any such late penalties and/or demurrage charges incurred by you.
- 12.2 The amount which we will pay shall be the charges incurred by you until such time as we or our representatives agree that the container, trailer or rail car can be released.

13. DESTRUCTION BY GOVERNMENT AUTHORITIES

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

14. DISCHARGE EXPENSES

- 14.1 In the event of loss of or damage to Goods recoverable under the Policy we shall pay to you any additional expense incurred by you in discharging, handling, storing, reloading or transporting sound and/or damaged goods by any means other than the normal methods or other than at normal rates.
- 14.2 We shall be credited with the recovery where such charges are recovered, either in General Average or from carriers.
- 14.3 Our Limit of Liability under this Additional Clause is limited to the lesser of either:
 - 14.3.1 10% of the Agreed Value or;
 - 14.3.2 £25,000

15. DUTY & TAXES

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

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

16. EXHIBITIONS

- 16.1 Where a limit is shown in the schedule and subject to the terms and conditions of the Policy we will cover Goods whilst in transit to and from and at exhibition sites including unpacking, assembly and dismantling and repacking at the exhibition site all for a period not exceeding 30 days.
- 16.2 We do not cover:
 - 16.2.1 loss of or damage to High-Tech Equipment unless we have agreed to insure such items in the Schedule for Exhibition Risk under this Special Clause;
 - 16.2.2 loss or damage due to or arising from any use, testing or demonstration
 - 16.2.3 loss or damage caused by or arising from atmospheric, climatic or weather conditions in respect of exhibitions held in the open or in marquees or in tents or similar temporary structures
 - 16.2.4 theft of goods or malicious acts:
 - 16.2.4.1 during exhibition hours unless the stand is attended by you or your representative at all times;
 - 16.2.4.2 from a room containing exhibits outside exhibition hours unless:
 - 16.2.4.2.1 the room is attended by a representative of you or the theft involves entry to or exit from the room by forcible and violent means; or
 - 16.2.4.2.2 the exhibition premises or site is controlled by security personnel.
- 16.3 Subject to goods returning from exhibitions being repacked to no less than the same standard as was used for the outward journey and that repacking is supervised by your responsible official.
- 16.4 Where a limit for exhibitions is shown in the schedule and subject to the terms and conditions of the policy we will in addition to the limit shown pay for loss of exhibition expenses incurred by you if at any time before the advertised public closing time of the exhibition it is abandoned or interrupted as a result of loss or damage to:
 - 16.4.1 any building, stand, marquee or other property used by you at the exhibition premises
 - 16.4.2 the goods used in connection with the exhibition whilst in transit to or whilst at the exhibition premises
 - 16.4.3 provided that:
 - 16.4.3.1 if the exhibition is abandoned or interfered with the liability under the policy shall not exceed more than the amount incurred by you or £25,000 whichever is less
 - 16.4.3.2 where the exhibition is abandoned or interfered with as a result of loss or damage to goods, you are not covered for any claim for loss of exhibition expenses unless we have admitted liability for such loss

17. FUMIGATION

- 17.1 Should the Goods require fumigation we will pay to you the cost of fumigating cargo provided such fumigation was outside of or additional to normal procedures and/or regulations.
- 17.2 We further agree that in the event of the subject matter insured requiring fumigation by order of a properly constituted authority provided such fumigation was outside of or additional to normal procedures and/or regulations and loss or damage to the subject matter results, we will pay for such loss or damage to the Goods insured
- 17.3 Our Limit of Liability under this Additional Clause is limited to the lesser of either:
- 17.3.1 10% of the Agreed Value or;
- 17.3.2 £25,000

18. GENERAL AVERAGE AND SALVAGE

For the purpose of claims for General Average Contributions and Salvage Charges recoverable under the policy the subject matter insured shall be deemed to be insured for their full contributory value.

19. ISM ENDORSEMENT

- 19.1 Applicable to Goods carried onboard:
- 19.1.1 Ro-Ro passenger ferries; and
- 19.1.2 passenger carrying vessels transporting more than 12 passengers; and
- 19.1.3 oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 gross tonnes or more; and
- 19.1.4 all other cargo ships and mobile offshore drilling units of 500 gross registered tonnes or more.
- 19.2 In no case shall this insurance cover loss, damage or expense where Goods are carried by a vessel described in this clause which is either:
- 19.2.1 not ISM certified; or
- 19.2.2 its owners or operators do not hold an ISM Code Document of compliance; or if, at the time of the loading of the Goods onboard the vessel:
- 19.2.3 you were aware; or
- 19.3.4 in the ordinary course of business ought to have been aware that either:
- 19.3.4.1 such vessel was not certified in accordance with the ISM Code; or
- 19.3.4.2 a current document of compliance was not held by the owner or operators, as required under the SOLAS Convention 1974 as amended.
- 19.3 This exclusion will not apply where this insurance has been assigned to a party claiming under this insurance who has bought or agreed to buy the Goods in good faith under a binding contract.

20. ISM FORWARDING CHARGES

- 20.1 The Policy is extended to reimburse to you up to 10% of the Agreed Value of Goods subject to a Limit of Liability of £50,000 for any extra charges properly and reasonably incurred in unloading, storing and forwarding Goods to the destination to which the Goods are insured following release of Goods from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due either to:
- 20.1.1 such vessel not being certified in accordance with ISM Code; or
 - 20.1.2 to a current Document of Compliance not being held by the owners or operators as required under the SOLAS Convention 1974 as amended.
- 20.2 It is a Condition Precedent to our liability under this extension that:
- 20.2.1 you were not aware; nor
 - 20.2.2 in the ordinary course of business ought to have been aware that, the vessel was not certified in accordance with the ISM code.
- 20.3 This extension does not apply to General Average or Salvage Charges and is otherwise subject to all other terms and conditions and exclusions contained in the Policy.

21. ISPS ENDORSEMENT

- 21.1 In no case shall this insurance cover loss, damage or expense where Goods are carried by a vessel that does not hold a valid International Ship and Port Facility Security (ISPS) Code if at the time of loading of Goods on board the vessel:
- 21.1.1 you were aware; or
 - 21.1.2 in the ordinary course of business ought to have been aware that the vessel was not certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.
- 21.2 This exclusion will not apply where the insurance has been assigned to a party claiming under this insurance who has bought or agreed to buy the Goods in good faith under a binding contract.

22. ISPS FORWARDING CHARGES

- 22.1 The Policy is extended to reimburse you up to 10% of the Agreed Value of Goods subject to a Limit of Liability of £50,000 for any extra charges properly and reasonably incurred in unloading, storing and forwarding Goods to the destination to which the Goods are insured following release of Cargo from a vessel arrested or detained at or diverted to any other port or place (other than the intended port of destination) where the voyage is terminated due to such vessel not being certified in accordance with the ISPS Code as required under the Solas Convention 1974 as amended (the ISPS Code).
- 22.2 It is a Condition Precedent to our liability under this extension that:
- 22.2.1 you were not aware; or
 - 22.2.2 in the ordinary course of business you ought not to have been aware that the vessel was not certified in accordance with the ISPS Code.
- 22.3 This extension does not apply to General Average or Salvage Charges and is subject to all terms, conditions, execution and warranties of the Policy.

23. LABELS AND PACKAGING

In the event of loss or damage to Goods recoverable under the policy affecting labels, capsules, wrappers or packaging our liability will not exceed the cost of new labels, capsules, wrappers or packaging and the cost of re-labelling and packaging and reconditioning the Goods.

24. NON-DELIVERY

In the event of non-delivery of the entire consignment and the cargo has not been located after the expiry of 60 days from the anticipated delivery date we agree to pay to you the cost of the Goods subject to you having suffered a financial loss.

Should the Goods subsequently be recovered you agree to assist us in arranging any salvage sale.

25. ON-DECK SHIPMENTS

25.1 In respect of shipments made in fully enclosed containers cover is provided under the policy whether on or under deck.

25.2 Cover for goods carried on deck but not in fully enclosed containers will only be provided by us on terms and conditions to be agreed prior to shipment

26. PACKERS AND FORWARDERS

26.1 We cover Goods in transit to or from and whilst at packers, forwarders, consolidators and similar premises whilst being packed and/or unpacked by professional logistics operators for up to 30 days which is deemed within the ordinary course of transit as defined within the relevant part of the Institute Clauses

26.2 Cover attaches and terminates in accordance with the provisions contained in the Duration Clause of the Institute Clauses as applicable to the relevant Transit/Voyage.

27. PACKING

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

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

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

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

28. PRESENTATION PACKING AND TRADE-MARKED CARTONS

In the event of loss or damage to Goods recoverable under the policy affecting presentation packing or trade-marked cartons where the condition of such presentation packing or trade-marked cartons prevents the Goods from being displayed for sale we will pay you for the reasonable costs of replacing the presentation packing or trade-marked cartons.

29. REPACKING OF GOODS

In the event that loss or damage to Goods recoverable under the policy cause damage to the packing which renders the Goods unfit for onward shipment or distribution we will pay the reasonable cost of re-packing the Goods .

30. REPLACEMENT OF PARTS

30.1 In the event of loss of or damage to any part or parts of any plant machinery or equipment recoverable under the Policy we will pay 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.

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

30.2 In the event of loss or damage to any part or parts of any second hand plant machinery or equipment the costs of replacement or repair of such parts will be reduced proportionately based on the insured value of the used machine compared to the value of a new machine, plus charges for forwarding and refitting, if incurred.

30.2.1 Provided always that in no case shall liability under the policy exceed the insured value of the complete used machine.

31. ROPES AND SHEETS

31.1 We will pay you for loss or damage to your own ropes, sheets, toggles and tarpaulins and similar own equipment carried on vehicles owned or operated by you caused by a peril insured under the policy

31.2 Excluding loss or damage due to wear, tear or gradual deterioration

31.3 Our Limit of Liability under this Additional Clause is limited to GBP 2,500 in respect of any one vehicle

31.4 Subject to a deductible of GBP 250 each and every loss

32. SEALS INTACT

In respect of shipments in containers, trailers or full vehicle loads claims will not be invalidated by the fact that the container and/or trailer seals appear intact at the final destination.

33. STORAGE (OUTSIDE THE ORDINARY COURSE OF TRANSIT)

Where we have agreed in the Schedule to extend the Policy to cover Goods in store outside the ordinary course of transit the following terms and conditions shall apply in addition to any other terms and conditions of the Policy:

33.1 For the purposes of this clause the term The Premises means the premises owned or controlled by you in which Goods are stored.

33.2 It is a condition precedent to our liability in respect of loss of or damage to Goods stored in The Premises that:

33.2.1 the Premises are protected by an intruder alarm installed and inspected under a contract by an approved installer;

33.2.2 such alarm is subject to RedCARE protection or such other protection as may be agreed by us in writing;

33.2.3 the intruder alarm together with all connections to RedCARE or such other protection as may be agreed by us in writing are kept in full working order;

33.2.4 whenever The Premises are closed for business or left unattended the intruder alarm will be fully operational, properly maintained and fully set to protect them;

33.2.5 you will keep in force a maintenance contract for the intruder alarm with a maintenance company agreed by us;

33.2.6. you will not alter the intruder alarm without first obtaining our permission;

33.2.7 if any defect in the intruder alarm is discovered or the police withdraw their services you will:

33.2.7.1 immediately notify us when we will have the option of immediately cancelling this insurance on Goods stored in The Premises; and

33.2.7.2 not leave The Premises unattended without our prior consent; and

33.2.7.3 put into effect the additional temporary safeguards when required; and

33.2.7.4 give immediate instructions to the maintenance company to carry out the necessary repairs.

33.3 You will notify us immediately if:

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

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

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

33.5 It is a condition precedent to liability that for any premises owned or operated by you the premises are equipped with the minimum fire protection equipment recommended by the relevant authorities and such equipment must be in efficient working order and maintained as recommended by the manufacturers

33.6 If at the time of loss or damage to Goods the Limit of Liability shown in the Schedule is less than the value of the Goods covered by such Limit of Liability the amount we will pay will be proportionately reduced.

34. SURVEY AND RISK IMPROVEMENTS

34.1 If this Policy has been issued or renewed subject to the completion of a survey or surveys of the Premises or of any other location(s) as specified by us, then pending completion of such survey(s) cover is provided by us on the terms, conditions, provisions, exclusions and limits as specified in the Policy and in the Sections of the Policy.

34.2 In the event that a survey should show that a risk or any part of it is not satisfactory in our opinion then we reserve the right to either:

34.2.1 alter the premium or terms and conditions of the cover , or

34.2.2 suspend or cancel cover

34.2.1.1 from the date cover was incepted or renewed, or

34.2.1.2 for any other period specified by us

34.3 You must comply with all survey risk improvements required by us within completion time scales specified by us. In the event that a risk improvement is not completed or risk improvement procedures are not introduced within the completion time scales specified by us then we reserve the right to either

34.3.1 continue cover subject to alteration of the terms and conditions of such cover, or

34.3.2 suspend or cancel cover effective

34.3.2.1 from the date cover was incepted or renewed or

34.3.2.2 from the expiry of any time period specified by us for completion/introduction of the required survey risk improvements, or

34.3.2.3 for any other period specified by us

- 34.4 If the terms or conditions of cover are amended by us then you will have 14 days to accept or reject the revised basis of cover.
- 34.4.1 If you elect to reject the revised basis of cover, then provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance you will be entitled to a refund of the premium paid calculated on a pro-rata basis, less an administration charge of £500 to cover operational costs. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.
- 34.5 If we exercise the right to suspend or cancel cover, then provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance you will be entitled to a proportionate return of the premium in respect of such period that cover is suspended or for any period beyond the effective date from which cover is cancelled. The amount of premium refund payable will be reduced by all unpaid premiums or unpaid premium instalments due.
- 34.6 Except in so far as they are expressly varied by this condition, all of the terms, conditions, provisions, exclusions and limits of the Policy and of the Sections of the Policy shall continue to apply until we advise otherwise.
- 34.7 To the extent that this specific clause conflicts with any other cancellation condition, this condition shall prevail.

35. SUBROGATION WAIVER

We agree that you may with our prior written agreement waive all rights of subrogation and/or recourse against any third party.

36. TESTING, SORTING AND SEGREGATION

In the event of loss or damage to Goods recoverable under the policy or in the event of external signs of damage to the Goods or their packing we agree to pay the costs of testing, sorting and segregating the Goods including any surveyors fees and additional storage charges whether or not any actual damage is subsequently found including the cost of transporting the Goods to or from a test facility and the costs of re-packing and onward shipment to the final destination.

37. TOOLS AND SAMPLES

- 37.1 If a limit is shown in the Schedule we will pay you in the event of loss or damage to your tools of trade, representatives or sales samples used in your business while in a Conveyance owned and operated by you and whilst such vehicle is in use for the purpose of your business but excluding loss, damage or expense:
- 37.1.1 arising out of use, wear, tear and natural deterioration; and
- 37.1.2 rust, oxidisation and discolouration.
- 37.2 The basis of valuation shall be current market value
- 37.3 Our Limit of Liability under this Additional Clause is limited to GBP 25,000 in respect of any one vehicle
- 37.4 Subject to a deductible of GBP 500 each and every loss
- 37.5 This cover is subject to all the other terms and conditions of the Policy including Clause 7 Own Vehicle Theft. Exclusion.

38. UNAUTHORISED OCCUPANTS

- 38.1 In the event of a conveyance or container being occupied by an unauthorised person or persons seeking entry into or exit from a country we will pay the reasonable costs for any loss or damage to the goods and in addition in the event of you having reasonable grounds for not accepting the entire consignment we will subject to our prior approval pay for the total loss of the goods
- 38.2 We will be entitled to any salvage of the goods.

Section 5

Claims

1. INSURED PERSONS	In this Section ('The Insured') means any person(s) company or corporation whose Goods are covered by the Policy.
2. NOTICE	The Insured must:
	2.1 notify us or your insurance broker direct of any occurrence which might give rise to a claim under the Policy as soon as possible;
	2.2 if the Goods are outside the geographical area of the British Isles, Northern Ireland or Eire at the time of occurrence which might give rise to a claim under the Policy, notify our nominated agent at the port or place of destination as soon as possible;
	2.3 immediately hold liable any responsible carrier, bailee or other third party;
Written notice:	2.4 provide us with a written report of the occurrence as soon as possible;
Theft:	2.5 notify the police as soon as possible of any theft, malicious damage or other crime involving the Goods;
Riot:	2.6 notify us within seven days of any event of riot which might give rise to a claim under the Policy;
Communications from third parties:	2.7 as soon as possible pass onto us unanswered all communications from third parties relating to a matter which might give rise to a claim under the Policy;
Admission:	2.8 not admit liability, offer to settle, compromise or make a payment in respect of any event which might give rise to a claim under the Policy without our prior written consent;
Mitigation:	2.9 avoid, minimise or mitigate any loss or damage;
Statement of truth:	2.10 within seven days, sign and return to us or our representative duly signed or comment constructively upon any statement of truth which we may require from you for prosecution or defence of any claim which is or may be the subject of indemnity under this Policy;
Disclosure:	2.11 search for and provide to us any documents that may be required by us for the purpose of prosecution or defence of any claim which may be the subject of indemnity under the Policy within 14 days of the request by us or our representative and to sign and return to us within seven days any disclosure statement we or our representatives may require.
3. OUR RIGHTS	We have the right:
Repair:	3.1 to decide where and how damaged Goods will be repaired;
Defence:	3.2 to commence or take over and conduct the defence of any claim against or prosecution of an Insured Person arising out of an occurrence which might give rise to a claim under the Policy;
Insured Person(s) obligations:	3.3 to commence or take over the conduct of any claim brought in the name of the Insured Person to recover sums which are or which might be payable under the Policy;
	3.4 the Insured Person shall give us such assistance as we may reasonably request for the purposes of exercising our right under the Policy.

<p>4. PROCEDURE IN THE EVENT OF LOSS OR DAMAGE FOR WHICH WE MAY BE LIABLE:</p>	<p>It is your duty or the duty of your agents in all cases to take measures as may be reasonable for purposes of averting or minimising a loss and to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised. In particular you or your agent are required:</p> <p>4.1 to claim immediately on the carriers, port authorities or other bailees for any missing packages;</p> <p>4.2 in no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition;</p> <p>4.3 when delivery is made by container, to ensure that the container and seals are examined immediately by a responsible official. If the container is delivered damaged or with seals broken or missing or with seals other than as stated in the shipping documents to clause the delivery document accordingly and to retain defective or irregular seals for subsequent identification;</p> <p>4.4 to apply immediately for survey by carriers or other bailees representatives if any loss or damage be apparent and claim on the carriers or other bailees for any act or loss or damage found in such survey;</p> <p>4.5 to give notice in writing to the carriers or bailees within three days of delivery of any loss which was not apparent at the time of taking delivery.</p>
<p>5. DOCUMENTS TO ACCOMPANY CLAIM</p>	<p>5.1 You should provide to us as soon as possible in making your claim copies of the following documents:</p> <p>(a) packing list;</p> <p>(b) invoice;</p> <p>(c) Original Bill of Lading or transit contract, or other transit documentation (i.e. CMR Note, CIM Note, Airway Bill, Consignment Note etc);</p> <p>(d) delivery receipt;</p> <p>(e) claim against the carrier;</p> <p>(f) freight invoice;</p> <p>(g) repair estimate.</p>

Section 6

Amount Payable

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

	We shall pay the Agreed Value of Goods:
Total loss:	3.1 if Goods are totally lost or destroyed;
	3.2 the cost of recovery and/or repairing Goods shall exceed the Agreed Value;
Constructive total loss caused by loss of use:	3.3 You are deprived of the free use and disposal of Goods for a period of twelve consecutive months commencing in the Period of Insurance or such earlier period that we might agree except in the cases of theft when the period shall be a reasonable period depending upon the facts of each individual case.
	In all other cases we shall pay:
Partial loss:	3.4 where part of the Goods are totally lost, such proportion of the Agreed Value fixed by the Policy as the Sound Value of that part lost bears to the Sound Value of the whole; or
	3.5 at our option either:
	3.5.1 if whole or any part of the Goods have been delivered damaged at their destination such proportion of the Agreed Value as the difference between the Gross Sound and damaged value at the place of arrival bears to the Gross Sound Value; or
	3.5.2 the reasonable costs of recovering the Goods and the reasonable costs of effecting repair.
Bulk shipments	4. You agree with us that when property in bulk is stowed so as to be co-mingled with similar property belonging to others, loss or damage arising from an Insured Peril shall be apportioned between the party or parties involved in the shipment in accordance with their respective interest(s) in the same ratio as the property belonging to each party bears to the total quantity of the produce stowed at the time and place of loss.
Damage repairs	5. In respect of damage claims recoverable under the Policy where you are appointed to effect repairs on behalf of us it is agreed that the repair costs shall be based on your normal commercial rate for such repairs including your normal element of profit.
Payment on account	6. Where a claim with accompanying paper is submitted and we agree only the quantum of the claim is in question we will make a payment on account at your request equal to 75% of the amount that we agree is the least amount recoverable under the Policy.
Survey fees	7. In the event that you or a holder in due course of a certificate issued under the Policy and you comply with instructions contained in the Policy or Certificate of Insurance calling for a survey in respect of loss or damage which would result in a claim under the Policy we agree that the reasonable costs incurred and fees charged in respect of the survey will be paid by us even though a claim may not be subsequently result under the Policy.
Waiver of surveys	8. We agree to waive surveys in respect of claims not exceeding £1,000 or equivalent in other currencies, after deduction of the Deductible, if any, such claims to be accepted by us on presentation of your statement and supporting documents only.
Contact details	9. UK Cargo Claims, Allianz Global Corporate & Specialty, 60 Gracechurch Street, London EC3V 0HR Telephone 020 34513000 E-mail marine.cargoclaims@allianz.com

Section 7

Standard Institute Clauses

Institute Cargo Clauses (A)

RISKS COVERED

Risks

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

General Average

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

"Both to Blame Collision Clause"

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

EXCLUSIONS

4. In no case shall this insurance cover
 - 4.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 4.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 4.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 4.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 4.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 4.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 4.7 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
5.
 - 5.1 In no case shall this insurance cover loss damage or expense arising from
 - 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
 - 5.2 Exclusion 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.
6. In no case shall this insurance cover loss damage or expense caused by
 - 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 6.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat

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

DURATION

Transit Clause

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

Termination of Contract of Carriage

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

Change of Voyage

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

CLAIMS

Insurable Interest

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

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

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

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

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

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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INSTITUTE CARGO CLAUSES (AIR) (excluding sendings by Post)

RISKS COVERED

Risks

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

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit.
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. In no case shall this insurance cover loss damage or expense caused by
 - 4.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 4.2 capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
 - 4.3 derelict mines torpedoes bombs or other derelict weapons of war.
5. In no case shall this insurance cover loss damage or expense
 - 5.1 caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 5.2 resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
 - 5.3 caused by any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted
 - 5.4 caused by any person acting from a political, ideological or religious motive.

DURATION

Transit Clause

6. 6.1 Subject to Clause 9 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse, premises or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either
 - 6.1.1 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse, premises or place of storage at the destination named in the contract of insurance,
 - 6.1.2 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse, premises or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their

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

Termination of Contract of Carriage

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

Change of Transit

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

CLAIMS

Insurable Interest

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

Forwarding Charges

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

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

Constructive Total Loss

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

Increased Value

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

such proportion as the sum insured under this insurance bears to such total amount insured.
In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL387 01/01/2009

INSTITUTE WAR CLAUSES (CARGO)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)
 - 3.6 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.7 any claim based upon loss of or frustration of the voyage or adventure
 - 3.8 loss damage or expense directly or indirectly caused by or arising from any hostile use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4.
 - 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
 - 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.

DURATION

Transit Clause

5.
 - 5.1 This insurance
 - 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an oversea vessel and
 - 5.1.2 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is discharged from an oversea vessel at the final port or place of discharge, or on expiry of 15 days counting from midnight of the day of arrival of the vessel at the final port or place of discharge, whichever shall first occur;
nevertheless, *subject to prompt notice to the Insurers and to an additional premium*, such insurance
 - 5.1.3 reattaches when, without having discharged the subject-matter insured at the final port or place of discharge, the vessel sails therefrom,

and

- 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge, whichever shall first occur.
- 5.2 If during the insured voyage the overseas vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by overseas vessel or by aircraft, or the subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying overseas vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2
- 5.2.1 where the on-carriage is by overseas vessel this insurance continues subject to the terms of these Clauses, or
- 5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by air.
- 5.3 If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches
- 5.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;
- 5.3.2 in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;
- thereafter this insurance terminates in accordance with 5.1.4.
- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the overseas vessel, but in no case beyond the expiry of 60 days after discharge from the overseas vessel unless otherwise specially agreed by the Insurers.
- 5.5 Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to carriers under the contract of carriage.

(For the purpose of Clause 5:

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

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

Change of Voyage

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

CLAIMS

Insurable Interest

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

Increased Value

9. 9.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured

under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.

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

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

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL385 01/01/2009

INSTITUTE WAR CLAUSES (AIR CARGO) (excluding sendings by Post)

RISKS COVERED

Risks

1. This insurance covers, except as excluded by the provisions of Clause 3 below, loss of or damage to the subject-matter insured caused by
 - 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 1.2 capture seizure arrest restraint or 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.

Salvage Charges

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

EXCLUSIONS

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

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

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

DURATION

Transit Clause

4. 4.1 This insurance
 - 4.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured and
 - 4.1.2 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of dischargeor
on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge,
whichever shall first occur;
nevertheless, *subject to prompt notice to the Insurers and to an additional premium*, such insurance

- 4.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom,
and
- 4.1.4 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,
or
on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge, whichever shall first occur.
- 4.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2
- 4.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these Clauses,
or
- 4.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.
- 4.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches
- 4.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;
- 4.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge; thereafter this insurance terminates in accordance with 4.1.4.
- 4.4 Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.

Change of Transit

5. 5.1 Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.
- 5.2 Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.

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

CLAIMS

Insurable Interest

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

Increased Value

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

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

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL388 01/01/2009

INSTITUTE WAR CLAUSES (Sendings by Post)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

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

DURATION

Transit Clause

4. 4.1 This insurance attaches only as the subject-matter insured and as to any part as that part is first moved in the premises of the senders at the place named in the contract of insurance for the immediate commencement of the transit and continues, but with the exclusion of any period during which the subject-matter insured is in packers' premises, until the subject-matter insured and as to any part as that part is delivered to the address on the postal package(s) when this insurance shall terminate.

5. **Anything contained in this contract which is inconsistent with Clauses 3.6, 3.7 or 4 shall, to the extent of such inconsistency, be null and void.**

CLAIMS

Insurable Interest

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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CL390 01/03/2009

INSTITUTE STRIKES CLAUSES (CARGO)

RISKS COVERED

Risks

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

General Average

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

EXCLUSIONS

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

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

- 3.7 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.8 any claim based upon loss of or frustration of the voyage or adventure
 - 3.9 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.10 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
4. 4.1 In no case shall this insurance cover loss damage or expense arising from
 - 4.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein
 - 4.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.
 - 4.2 Exclusion 4.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 4.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject matter insured to destination.

DURATION

Transit Clause

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

Termination of Contract of Carriage

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

Change of Voyage

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

CLAIMS

Insurable Interest

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

Increased Value

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

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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CL386 01/01/2009

INSTITUTE STRIKES CLAUSES (AIR CARGO)

RISKS COVERED

Risks

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

Salvage Charges

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject- matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of this Clause 3.3 "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)
 - 3.4 loss damage or expense caused by inherent vice or nature of the subject-matter insured
 - 3.5 loss damage or expense arising from unfitness of aircraft conveyance or container for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading. This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.
 - 3.6 loss damage or expense caused by delay, even though the delay be caused by a risk insured against
 - 3.7 loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the aircraft where, at the time of loading of the subject-matter insured on board the aircraft, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the transit
This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract
 - 3.8 loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
 - 3.9 any claim based upon loss of or frustration of the transit or adventure
 - 3.10 loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 3.11 loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

DURATION

Transit Clause

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

Termination of Contract of Carriage

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

Change of Transit

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

CLAIMS

Insurable Interest

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

Increased Value

8. 8.1 If any Increased Value insurance is effected by the Assured on the subject-matter insured under this insurance the agreed value of the subject-matter insured shall be deemed to be increased to the total amount insured under this insurance and all Increased Value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured under this insurance bears to such total amount insured.
In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.
- 8.2 Where this insurance is on Increased Value the following clause shall apply:
The agreed value of the subject-matter insured shall be deemed to be equal to the total amount insured under the primary insurance and all Increased Value insurances covering the loss and effected on the subject-matter insured by to such total amount insured.
In the event of claim the Assured shall provide the Insurers with evidence of the amounts insured under all other insurances.

BENEFIT OF INSURANCE

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

MINIMISING LOSSES

Duty of Assured

10. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder
- 10.1 to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
- 10.2 to ensure that all rights against carriers, bailees or other third parties are properly preserved and Exercised

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

Waiver

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

AVOIDANCE OF DELAY

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

LAW AND PRACTICE

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

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

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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 open-hatch gantry crane vessels (OHGCs) and have 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.

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