

## Institute War Cargo Clauses

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### The Insurance Contract

This insurance is subject to the terms and conditions stipulated in the following documents:

- the Insurance Policy
- the Insurance Terms, i.e.:
  - any Special Terms that might be stated in the Insurance Policy
  - these Present Terms
- the Act on Insurance Contracts No. 30 of 2004.

The Insurance Policy contains further details of the Insurance Contract, which are not referred to in these Present Terms. The provisions of the Insurance Policy shall supersede any permissive legal clauses. The Insurance Policy Special Terms shall expand, restrict or modify the scope of this Insurance Contract beyond what is directly stated in these Present Terms. Above and beyond what may be stated in the Insurance Policy Special Terms, the provisions of these Present Terms shall apply to the Insurance Contract.

If there is any inconsistency between different provisions concerning the same subject matter, the provisions of the Insurance Policy shall supersede the Insurance Terms, and the Special Terms shall supersede any general provisions, provided, however, that specific rules shall at all times supersede general rules.

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## War Clauses

### RISKS COVERED

#### 1. - Risks Clause

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

#### 2. - General Average Clause

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

### EXCLUSIONS

#### 3. - General Exclusions Clause

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

#### 4. - Unseaworthiness and Unfitness Exclusion Clause

- 4.1 In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein,
- 4.2 The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

## DURATION

### 5. - Transit Clause

- 5.1 This insurance
  - 5.1.1 attaches only as the subject-matter insured and as to any part as that part is loaded on an 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 Underwriters 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 from, and
  - 5.1.4 terminates, subject to 5.2 and 5.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the vessel at the final (or substituted) port or place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the vessel at the final port or place of discharge or arrival of the vessel at a substituted port or place of discharge, whichever shall first occur.
- 5.2 If during the insured voyage the oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the goods are discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying oversea vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2
  - 5.2.1 where the on-carriage is by oversea vessel this insurance continues subject to the terms of these clauses, or
  - 5.2.2 where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of this 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 such insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium, such 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 such insurance terminates in accordance with 5.1.4.
- 5.4 The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the oversea vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Underwriters.

- 5.5 Subject to prompt notice to Underwriters, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to shipowners or charterers under the contract of affreightment.

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

## 6. - Change of Voyage Clause

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

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

## CLAIMS

### 8. - Insurable Interest Clause

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

### 9. - Increased Value Clause

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

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

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

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

## BENEFIT OF INSURANCE

### 10. - Not to Inure Clause

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

## MINIMISING LOSSES

### 11. - Duty of Assured Clause

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

### 12. - Waiver Clause

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

## AVOIDANCE OF DELAY

### 13. - Reasonable Despatch Clause

- 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. - English Law and Practice Clause

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

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

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