



TOKIO MARINE  
NICHIDO

## **MARINE CARGO INSURANCE POLICY**

A Tokio Marine & Nichido Fire Insurance Company Policy



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Clauses Specified on the attached Policy Schedule shall only apply to this Insurance

#### INSTITUTE CARGO CLAUSES (A)

#### RISKS COVERED

##### Risks

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

##### General Average

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

##### "Both to Blame Collision Clause"

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

#### EXCLUSIONS

4. **In no case shall this insurance cover**
  - 4.1 **Loss damage or expense attributable to willful misconduct of the Assured**
  - 4.2 **ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured**
  - 4.3 **loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance (for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)**
  - 4.4 **loss damage or expense caused by inherent vice or nature of the subject-matter insured**
  - 4.5 **loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)**
  - 4.6 **loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that Such insolvency or financial default could prevent the normal prosecution of the voyage This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract**
  - 4.7 **loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.**
5. **5.1 In no case shall this insurance cover loss damage or expense arising from**
  - 5.1.1 **unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein**
  - 5.1.2 **unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.**



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- 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 oversee of the subject-matter insured from the oversea vessel at the final port of discharge, whichever shall first occur.*
- 8.2 *If, after discharge oversee from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.*
- 8.3 *This insurance shall remain in force (subject to termination as provided for in Clauses 8.1.1 to 8.1.4 above and to the provisions of Clause 9 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or 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*



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*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*



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*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 subjectmatter 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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01/01/2009



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INSTITUTE CARGO CLAUSES (B)

RISKS COVERED

Risks

1. *This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,*
  - 1.1 *loss of or damage to the subject-matter insured reasonably attributable to*
    - 1.1.1 *fire or explosion*
    - 1.1.2 *vessel or craft being stranded grounded sunk or capsized*
    - 1.1.3 *overturning or derailment of land conveyance*
    - 1.1.4 *collision or contact of vessel craft or conveyance with any external object other than water*
    - 1.1.5 *discharge of cargo at a port of distress*
    - 1.1.6 *earthquake volcanic eruption or lightning,*
  - 1.2 *loss of or damage to the subject-matter insured caused by*
    - 1.2.1 *general average sacrifice*
    - 1.2.2 *jettison or washing overboard*
    - 1.2.3 *entry of sea lake or river water into vessel craft hold conveyance container or place of storage,*
  - 1.3 *total loss of any package lost overboard or dropped whilst loading on to, or unloading from, vessel or craft.*

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 subjectmatter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance**  
**(for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)**
  - 4.4 **loss damage or expense caused by inherent vice or nature of the subject-matter insured**
  - 4.5 **loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)**
  - 4.6 **loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel,**  
**the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage**  
**This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract**
  - 4.7 **deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by**



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

- 5. 5.1 In no case shall this insurance cover loss damage or expense arising from**
- 5.1.1 unseaworthiness of vessel or craft or unfitness of vessel or craft for the safe carriage of the subject-matter insured, where the Assured are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein**
  - 5.1.2 unfitness of container or conveyance for the safe carriage of the subject-matter insured, where loading therein or thereon is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading.**
- 5.2 Exclusion**
- 5.1.1 above shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract.**
- 5.3 The Insurers waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination.**

- 6. In no case shall this insurance cover loss damage or expense caused by**
- 6.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power**
  - 6.2 capture seizure arrest restraint or detention, 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,*



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*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 subjectmatter*  
*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*



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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. *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 subjectmatter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.*

**AVOIDANCE OF DELAY**

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

**LAW AND PRACTICE**

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

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

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INSTITUTE CARGO CLAUSES (C)

**RISKS COVERED**

*Risks*

1. *This insurance covers, except as excluded by the provisions of Clauses 4, 5, 6 and 7 below,*
  - 1.1 *loss of or damage to the subject-matter insured reasonably attributable to*
    - 1.1.1 *fire or explosion*
    - 1.1.2 *vessel or craft being stranded grounded sunk or capsized*
    - 1.1.3 *overturning or derailment of land conveyance*
    - 1.1.4 *collision or contact of vessel craft or conveyance with any external object other than water*
    - 1.1.5 *discharge of cargo at a port of distress,*
  - 1.2 *loss of or damage to the subject-matter insured caused by*
    - 1.2.1 *general average sacrifice*
    - 1.2.2 *jettison.*

*General Average*

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

*"Both to Blame Collision Clause"*

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

**EXCLUSIONS**

4. **In no case shall this insurance cover**
  - 4.1 **loss damage or expense attributable to wilful misconduct of the Assured**
  - 4.2 **ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured**
  - 4.3 **loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subjectmatter insured to withstand the ordinary incidents of the insured transit where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance**  
**(for the purpose of these Clauses "packing" shall be deemed to include stowage in a container and "employees" shall not include independent contractors)**
  - 4.4 **loss damage or expense caused by inherent vice or nature of the subject-matter insured**
  - 4.5 **loss damage or expense caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)**
  - 4.6 **loss damage or expense caused by insolvency or financial default of the owners managers charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage**  
**This exclusion shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the subject-matter insured in good faith under a binding contract**
  - 4.7 **deliberate damage to or deliberate destruction of the subject-matter insured or any part thereof by the wrongful act of any person or persons**
  - 4.8 **loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.**
    5. 5.1 **In no case shall this insurance cover loss damage or expense arising from**



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

DURATION

*Transit Clause*

8. 8.1 *Subject to Clause 11 below, this insurance attaches from the time the subject-matter insured is first moved in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either*
- 8.1.1 *on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,*
  - 8.1.2 *on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or*
  - 8.1.3 *when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit or*
  - 8.1.4 *on the expiry of 60 days after completion of discharge overside of the subject-matter insured from the oversea vessel at the final port of discharge, whichever shall first occur.*
- 8.2 *If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in Clauses*
- 8.1.1 to 8.1.4, shall not extend beyond the time the subject-matter insured is first moved for the*



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*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 subjectmatter 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*



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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 subjectmatter 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 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.**



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**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 oversea vessel arrives at an intermediate port or place to discharge the subject-matter insured for on-carriage by oversea vessel or by aircraft, or the subject-matter insured is discharged from the vessel at a port or place of refuge, then, subject to 5.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the vessel at such port or place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying oversea vessel or aircraft. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such port or place. If the subject-matter insured is oncarried within the said period of 15 days or if the insurance reattaches as provided in this Clause 5.2*
- 5.2.1 *where the on-carriage is by oversea vessel this insurance continues subject to the terms of these Clauses,*  
*or*
- 5.2.2 *where the on-carriage is by aircraft, the current Institute War Clauses (Air Cargo) (excluding sendings by Post) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by air.*
- 5.3 *If the voyage in the contract of carriage is terminated at a port or place other than the destination agreed therein, such port or place shall be deemed the final port of discharge and this insurance terminates in accordance with 5.1.2. If the subject-matter insured is subsequently reshipped to the original or any other destination, then provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches*
- 5.3.1 *in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying vessel for the voyage;*
- 5.3.2 *in the case of the subject-matter not having been discharged, when the vessel sails from such deemed final port of discharge;*  
*thereafter this insurance terminates in accordance with 5.1.4.*
- 5.4 *The insurance against the risks of mines and derelict torpedoes, floating or submerged, is extended whilst the subject-matter insured or any part thereof is on craft whilst in transit to or from the oversea*



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vessel, but in no case beyond the expiry of 60 days after discharge from the oversea vessel unless otherwise specially agreed by the Insurers.

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

(For the purpose of Clause 5

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

*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 subjectmatter 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,



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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 dispatch 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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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 subjectmatter 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.**



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**4.2 Exclusion**

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

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

**DURATION**

**Transit Clause**

5. 5.1 Subject to Clause 8 below, this insurance attaches from the time the subject-matter insured is first moved

*in the warehouse or at the place of storage (at the place named in the contract of insurance) for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either*

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

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

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

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

5.2 *If, after discharge overside from the oversea vessel at the final port of discharge, but prior to termination of this insurance, the subject-matter insured is to be forwarded to a destination other than that to which it is insured, this insurance, whilst remaining subject to termination as provided in*

*Clauses 5.1.1 to 5.1.4, shall not extend beyond the time the subject-matter insured is first moved for the purpose of the commencement of transit to such other destination.*

5.3 *This insurance shall remain in force (subject to termination as provided for in Clauses 5.1.1 to 5.1.4 above and to the provisions of Clause 6 below) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or 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*



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*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 subjectmatter 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 subjectmatter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.*



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*AVOIDANCE OF DELAY*

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

*LAW AND PRACTICE*

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

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

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INSTITUTE CARGO CLAUSES (AIR)

*(excluding sendings by Post)*

**RISKS COVERED**

**Risks**

1. *This insurance covers all risks of loss of or damage to the subject-matter insured except as excluded by the provisions of Clauses 3, 4 and 5 below.*  
*Salvage Charges*
2. *This insurance covers salvage charges incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clauses 3, 4 and 5 below.*

**EXCLUSIONS**

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



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

**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*



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*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.*
10. *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 minimizing such loss, and*
- 14.2 *to ensure that all rights against carriers, bailees or other third parties are properly preserved and*



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*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 dispatch in all circumstances within their control.*

*LAW AND PRACTICE*

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

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

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INSTITUTE WAR CLAUSES (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*



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- part as
- and
- 4.1.2 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge or on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge, whichever shall first occur; nevertheless, subject to prompt notice to the Insurers and to an additional premium, such insurance
- 4.1.3 reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom, and
- 4.1.4 terminates, subject to 4.2 and 4.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge, or on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge, whichever shall first occur.
- 4.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subjectmatter insured for on-carriage by aircraft or oversea vessel, then, subject to 4.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the subject-matter insured is on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 4.2
- 4.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these Clauses, or
- 4.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of the contract of insurance and shall apply to the on-carriage by sea.
- 4.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and this insurance terminates in accordance with 4.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, provided notice is given to the Insurers before the commencement of such further transit and subject to an additional premium, this insurance reattaches
- 4.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;
- 4.3.2 in the case of the subject-matter insured not having been discharged, when the aircraft departs from such deemed final place of discharge; thereafter this insurance terminates in accordance with 4.1.4.
- 4.4 Subject to prompt notice to Insurers, and to an additional premium if required, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to the air carriers under the contract of carriage.
- (For the purpose of Clause 4 "oversea vessel" shall be deemed to mean a vessel carrying the subject-matter from one port or place
- to



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*another where such voyage involves a sea passage by that vessel)*

*Change of Transit*

5. 5.1 *Where, after attachment of this insurance, the destination is changed by the Assured, this must be notified promptly to Insurers for rates and terms to be agreed. Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable market terms.*
- 5.2 *Where the subject-matter insured commences the transit contemplated by this insurance (in accordance with Clause 4.1), but, without the knowledge of the Assured or their employees the aircraft leaves for another destination, this insurance will nevertheless be deemed to have attached at commencement of such transit.*
6. *Anything contained in this contract which is inconsistent with Clauses 3.8, 3.9 or 4 shall, to the extent of such inconsistency, be null and void.*

**CLAIMS**

*Insurable Interest*

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

*Increased Value*

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

**BENEFIT OF INSURANCE**

*9. This insurance*

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

**MINIMISING LOSSES**

*Duty of Assured*

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



*Waiver*

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

*AVOIDANCE OF DELAY*

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

*LAW AND PRACTICE*

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

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

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*INSTITUTE STRIKES CLAUSES (AIR CARGO)*

**RISKS COVERED**

*Risks*

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

*Salvage Charges*

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

**EXCLUSIONS**

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



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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 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.*



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*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 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.*



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**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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## **LAND TRANSIT CLAUSE – “ALL RISKS”**

### **TERMS OF COVER:**

*This insurance covers All Risks of loss or damage whilst the interest is being conveyed by Truck. But this insurance shall in no case be deemed to extend to cover loss, damage or expense proximately caused by or attributed to by:*

- *delay ;*
- *inherent vice or nature of the subject matter insured;*
- *improper or insufficient or inadequate packing or packaging;*
- *improper or inadequate lashing;*
- *water, storm (including Sand Storm), dust or atmospheric exposure(s) if the consignment is not transported in Fully Closed and Protected Truck or Conveyance or Container;*
- *loss or damage to consignment due to normal transit vibrations, jerks and jolts of the carrying vehicle.*

**EXCESS - Dhs.500 each and every loss (unless otherwise expressly amended or waived in the Policy or Marine Open Cover)**

*The risk attaches after completion of the loading of each package or unit into the truck / trailer and ceases immediately on the unloading of each package at the destination or 24 hours after arrival of the truck at final destination whichever first occurs.*

*If any loss or damage as referred to above be recoverably from the Transport Company under any contract of affreightment whether waybill or any other contractual obligation, then this insurance shall cover the interest insured only as regards any excess beyond the amount of compensation payable by the Transport Company.*

*Warranted in the event of any occurrence likely to result in a claim due to an accident to the on-carrying truck/s a survey should be held by a competent surveyor and a certificate obtained from the competent authorities nearest to the place of accident. It is a must that any claim be substantiated by Traffic Police Report or other report from competent authorities.*

*Further, in the event of loss or damage being apparent at the time of receipt of the interest herein insured from the carrying truck, the assured and/or his representatives must not give a clean receipt to the transporter and to obtain a ‘Damage’ Certificate duly signed by them in respect of such loss or damage.*



### **LAND TRANSIT CLAUSE**

#### **TERMS OF COVER:**

*This insurance covers only following risks resulting in loss or damage to the subject matter insured:*

1. *Fire or Explosion*
2. *Overturning or derailment of land conveyance*
3. *Accidental Collision of the conveyance*
4. *Impact damage caused by any rail / road vehicle, animal or external object*
5. *Breakages of bridges*

**EXCLUDING risks of electrical, electronic, mechanical breakdown or derangement, denting, chipping, scratching, abrasion, damage attributable due to defective or improper packing or inadequate lashing (especially damage caused due to transit vibrations) unless the same is caused by the 5 above mentioned perils.**

**EXCESS - AED 500.00 each and every loss (unless otherwise expressly amended or waived in the Policy or Marine Open Cover)**

*The risk attaches after completion of the loading of each package or unit into the truck / trailer and ceases immediately on the unloading of each package at the destination or 24 hours after arrival of the truck at final destination whichever first occurs.*

*If any loss or damage as referred to above be recoverable from the Transport Company under any contract of affreightment whether waybill or any other contractual obligation, then this insurance shall cover the interest insured only as regards any excess beyond the amount of compensation payable by the Transport Company.*

*Warranted in the event of any occurrence likely to result in a claim due to an accident to the on-carrying truck/s a survey should be held by a competent surveyor and a certificate obtained from the competent authorities nearest to the place of accident. It is a must that any claim be substantiated by Traffic Police Report or other report from competent authorities.*

*Further, in the event of loss or damage being apparent at the time of receipt of the interest herein insured from the carrying truck, the assured and/or his representatives must not give a clean receipt to the transporter and to obtain a 'Damage' Certificate duly signed by them in respect of such loss or damage.*

*Warranted the consignment is professionally packed and lashed.*



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INSTITUTE CLASSIFICATION CLAUSE 01/01/2001

#### **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 been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.*

#### **CRAFT CLAUSE**

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

#### **NATIONAL FLAG SOCIETY**

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

#### **PROMPT NOTICE**

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

#### **LAW AND PRACTICE**

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



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CARGOISM ENDORSEMENT

Applicable to shipments on board Ro-Ro passenger ferries.

Applicable with effect from 1 July 1998 to shipments on board:

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

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

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

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

as required under the SOLAS Convention 1974 as amended.

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



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TERMINATION OF TRANSIT CLAUSE (TERRORISM)

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

**1** *Notwithstanding any provision to the contrary contained in this Policy or the Clauses referred to therein, it is agreed that in so far as this Policy covers loss of or damage to the subject-matter insured caused by any terrorist or any person acting from a political motive, such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any event, **SHALL TERMINATE:***

***either***

**1.1** *As per the transit clauses contained within the Policy,*

***or***

**1.2** *on delivery to the Consignee's or other final warehouse or place of storage at the destination named herein,*

**1.3** *on delivery to any other warehouse or place of storage, whether prior to or at the destination named herein, which the Assured elect to use either for storage other than in the ordinary course of transit or for allocation or distribution,*

***or***

**1.4** *in respect of marine transits, on the expiry of 60 days after completion of discharge overseas of the goods hereby insured from the overseas vessel at the final port of discharge,*

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

***whichever shall first occur.***

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

**3** *This clause is subject to English law and practice.*



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## **IMPORTANT**

### **PROCEDURE IN THE EVENT OF LOSS OR DAMAGE FOR WHICH UNDERWRITERS MAY BE LIABLE LIABILITY OF CARRIERS, BAILEES OR OTHER THIRD PARTIES.**

It is the duty of the Assured and their agents, in all cases, to take Such measures as may be reasonable for the purpose of averting or minimizing a loss and to ensure that all rights against Carriers', Bailees or other third parties are properly preserved and exercised. In particular, the Assured or their Agents are required: -

1. To claim immediately on the Carriers, Port Authorities or other Bailees' for any missing packages.
2. 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 actual loss or damage found at such survey.
3. In no circumstances, except under written protest, to give clean receipts where goods are in doubtful condition.
4. To give notice in writing to the Carriers' or other Bailees' within 3 days of delivery if the loss or damage was not current at the time of taking delivery.

Note : - The Consignees or their Agents are recommended to make themselves familiar with the Regulations of the Port Authorities at the port of discharge.

#### **INSTRUCTIONS FOR SURVEY**

In the event of loss or damage which may involve a claim under this insurance, immediate notice of such loss or damage should be given to and a Survey Report obtained from.

#### **DOCUMENTATION OF CLAIMS**

To enable claims to be dealt with promptly, the Assured or their Agents are advised to submit all available supporting documents without delay, including when applicable: -

1. Original policy or certificate of insurance.
2. Original or copy shipping invoices, together with shipping specification and/or weight notes.
3. Original Bill of Lading and/or other contract of carriage.
4. Survey report or other documentary evidence to show the extent of the loss or damage.
5. Landing account and weight notes at final destination.
6. Correspondence exchanged with the Carriers' and other Parties regarding their liability for the loss of damage.

#### **WARRANTY**

*When delivery is made by container, the Assured or their Agents are required to ensure that the container and its seals are examined immediately by their 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 close the delivery receipt accordingly and retain all defective or irregular seals for subsequent identification.*



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#### MAIL AND PARCEL POST CLAUSES

1. Notwithstanding anything to the contrary contained herein, it is hereby specially agreed that this insurance (except War Risks) attaches from the time the subject-matter insured leaves the premises of the senders at the place named in the policy for the commencement of the transit and continues until the subject-matter insured is delivered to the address on the postal package(s) when this insurance shall terminate.

2. Warranted free from any claim for loss or damage proved to be due to incorrect and/or ambiguous and/or insufficient description of the address on the package(s) and also for loss or damage resulting from any disposal by the Postal Authorities by reason of the subject-matter insured having become undeliverable to, or having been unaccepted by the addresses.

3. No claim for pilferage shall be paid if the package(s) be delivered to with seals intact.

4. Post Office Receipt for the Mail and/or Parcel Post will be required as proof in case of claim for non-delivery.

5. In case of loss, claim must be immediately filed against the Government (Postal Service), and a copy thereof and the replies thereto must accompany any claim presented under this policy

#### UNDER DECK OR ON DECK CLAUSE

In consideration of an additional premium, goods and/or merchandise shipped in containers are insured subject to the provisions of this policy applying to under deck shipments even though stowed on deck, provided such shipments are carried under an "optional" Bill of Lading permitting the carrier to stow containers under deck or on deck. Furthermore, coverage afforded under this clause shall include loss of or damage to the goods in containers jettisoned or lost overboard.

#### BREAK-UP VESSEL CLAUSE

It is understood and agreed that the conditions specified herein and the rate already quoted for the shipment insured hereunder shall be subject to alteration in case where it has already been decided before sailing that the carrying vessel will be broken up.

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#### INSTITUTE WAR CANCELLATION CLAUSE (CARGO)

The cover against war risks (as defined in the relevant Institute War Clauses) may be cancelled by either the Underwriters or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute War Clauses before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days from midnight of the day on which notice of the cancellation is issued by or to the Underwriters.

#### INSTITUTE STRIKES CANCELLATION CLAUSE (CARGO)

The cover against strikes etc. risks (as defined in the relevant Institute Strikes Clauses) may be cancelled by either the Underwriters or the Assured except in respect of any insurance which shall have attached in accordance with the conditions of the Institute Strikes Clauses before the cancellation becomes effective. Such cancellation shall however only become effective on the expiry of 7 days (or 48 hours in respect of sendings to or from the U.S.A.) from midnight of the day on which notice of the cancellation is issued by or to the Underwriters.

#### WILD FAUNA AND FLORA CLAUSE

It is understood and agreed that

(1) no claim will be paid unless the trades of the goods covered hereunder are lawful in the light of any rules, regulations and/or laws enforced in compliance with the Convention on International Trade in Endangered Species



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- of wild Fauna and Flora (CITES, so-called "Washington Convention") in each country of origin, export, re-export or import,*
- (2) the assured, if required by underwriters, shall submit certificates, permits, vouchers and/or other documents showing that the trades are not inconsistent with the above rules, regulations and/or laws,*
- and*
- (3) underwriters shall have the right to investigate facts and legality in respect of the trades in case of claims being presented.*

**NON-SURVEY CLAUSE**

***(USD 600/- within UAE and USD 2,000/-for other destinations)***

*Notwithstanding anything to the contrary contained in the Institute Cargo Clauses and Important Clause, in case the claim amount is estimated to be not more than AED 600 within UAE and AED 2,000/- outside UAE or the equivalent in other currencies, the claims shall be paid upon the particulars of loss or damage to the goods hereby insured, instead of a survey report.*

**INSTITUTE REPLACEMENT CLAUSE**

*In the event of loss of or damage to any part or parts of an insured machine caused by peril covered by the Policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts plus charges for forwarding and refitting, if incurred, but excluding duty unless the full duty is included in the amount insured, in which case loss, if any, sustained by payment of additional duty shall also be recoverable.*

*Provided always that in no case shall the liability of Underwriters exceed the insured value of the complete machine.*

**SPECIAL REPLACEMENT CLAUSE (AIR FREIGHT)**

*It is Specially understood and agreed that charges for forwarding part or parts for replacement or repair provided for in the Institute Replacement Clause attached hereto shall include those for forwarding by air.*

**BRANDS PROTECTION CLAUSE**

*The Assured shall have full rights of possession of all subject matter bearing embossed or indented brands or labels or other permanent markings identifying the manufacturer and/or distributor and/or supplier thereof, or the sale of which carries or implies a guarantee of the supplier or of the Assured or exclusive and/or secret formula that may be involved in any loss hereunder, and shall retain control of all such subject matter.*



*On shipments covered under this policy, underwriters are to pay a total loss on any an all subject matter and/or package damaged by perils insured against, which the Underwriters agrees the Assured elects to either destroy or return or re-condition, Underwriters being entitled to such salvage as may be obtained.*

*The Assured exercising reasonable care shall be the sole judge as to whether the subject matter involved in any loss hereunder is suitable for use in any manufacturing process and/or marketing and no subject matter deemed by the Assured to be unfit for manufacturing and/or marketing shall be sold or otherwise disposed of except by the Assured or with their consent, but the Assured shall allow to underwriters any salvage obtained on any sale or other disposition of such subject matter.*

#### **SHIPMENT DECLARATION CLAUSE**

*(1) The Contracting Person or the Assured shall make shipment declarations in respect of the goods which fall into the Insured Goods without exception to the Insurer in writing after the form designated by the Insurer or by other means as agreed. Shipment declarations shall be made as soon as practically possible as the Insurer's liability commences for respective shipments and shall include the below-mentioned particulars. The right of the Assured, however, shall not be prejudiced by omissions, errors or delay of shipment declarations unless made willfully by or gross negligence of the Contracting Person or the Assured, provided that, if either of them become aware of such omissions etc., correct shipment declarations shall be made without delay to the Insurer.*

*(a) Particulars and volume of the goods and invoice number for the goods.*

*(b) Insured Value and Insured Amount*

*(c) Transit*

*(d) Name of oversea vessel and sailing date, aircraft and taking-off date, or other*

*In respect of the shipment declaration as the above, the Contracting Person or the Assured is entitled to make a monthly declaration instead of declarations for each 1 month up to the closing day of monthly shipment declaration. Monthly declarations must be made without delay after the closing day.*

*The closing day:*  
*to be agreed*

*(2) Notwithstanding the above, if the Insured value and Insured Amount of 1 shipment by sea or air exceeds the Amount of Prompt Notice mentioned below, the Contracting Person or the Assured shall make the shipment declaration including the particulars as above before the Insurer's liability for that goods commences, or if any of such particulars is unknown to them, either of them shall make a provisional shipment declaration with such particulars or outlines known to it. If such provisional shipment declaration is made, definite shipment declaration shall follow after the particulars have become known.*

*Amount of Prompt Notice:*  
*to be agreed*

*(3) The Contracting Person and the Assured prepare and keep the books, documents, electronic data or other materials or records in respect of the shipments of the Insured Goods and, upon request of the Insurer, shall disclose or let the Insurer inspect them at any time during business hours.*

#### *N.B.*

*Notwithstanding the provision of "Article 2. Payment of Premium Clause" of "Special Clauses for Open Policy of Marine Cargo Insurance", the rate of exchange for converting the premium in foreign currency into Yen is agreed to be the average of the closing T.T.Selling Rates quoted by The Bank of Tokyo-Mitsubishi UFJ, Ltd., Tokyo, on the first and the last day of the month (or, if any quotation was not made on such a day, the quotation on the preceding day latest to*



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*that day shall be used) for the monthly declaration has been made by the Assured to underwriters, unless otherwise specially agreed by underwriters.*

**DEBRIS REMOVAL CLAUSE**

*It is agreed that subject to the operation of an insured peril, underwriters will indemnify any costs and expenses necessarily incurred by the Assured in connection with removal of debris and/or destruction and/or disposal of damaged goods and/or dismantling and/or demolishing and/or shoring up and/or propping and/or the transfer of interest, covered hereunder, from one conveyance to another in the event of an accident to the original conveyance or following loss or damage which is recoverable hereunder.*

*But excluding absolutely any expenses incurred in the consequence of or to prevent or mitigate pollution or contamination, or any threat or liability thereof.*

*Subject to a limit of 5% of Sum Insured per any one accident. It being agreed that this indemnity is additional to the limit agreed hereunder.*

**DAMAGED LABELS, CARTONS, CAPSULES OR WRAPPERS CLAUSE**

*In case of damage from perils insured against irrespective of the final destination shown herein affecting labels, cartons, capsules or wrappers only, loss to be limited to an amount sufficient to pay the cost of new labels, cartons, capsules or wrappers, the costs of applying such to the subject matter, the cost of re-conditioning, re-cartoning, re-packaging, re-bailing, re-bagging or re-palletising the subject matter (including "franchise" whether deductible or not, if any), irrespective of whether or not the subject matter has suffered damage.*

*If however the goods are reasonably deemed by the underwriters to be unfit for sale, underwriters to pay a Constructive Total Loss.*

*But in no event shall underwriters be liable for more than the insured value of the damaged merchandise.*

**PAIRS & SETS CLAUSE**

*If any claim arises hereon fro loss or damage (consequent upon a peril covered by the policy) of or to an article constituting one of an insured pair or set, no regard shall be had to any special value as such and the amount recoverable under this policy shall be calculated as though the article had been separately insured on pro rata of the insured value of the pair or set.*

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

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

- 1. In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from**



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- 1.1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 1.2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 1.3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 1.4. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- 1.5. any chemical, biological, bio-chemical, or electromagnetic weapon

**(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)**

**INSTITUTE STANDARD CONDITIONS FOR CARGO CONTRACTS**

1. *This contract is to insure the subject-matter specified for the transits and on the conditions named shipped by or for account of as per the Marine Open cover or the insurance of which is under their control as selling or purchasing agent unless insured elsewhere prior to inception of this contract or to insurable interest being acquired.*

*This contract does not cover the interest of any other person, but this shall not prevent a transfer of the insurance by the Assured or Assignee.*

2. *It is a condition of this contract that the Assured are bound to declare hereunder every consignment without exception, Underwriters being bound to accept up to but not exceeding the amount specified in clause 3 below.*
3. *3.1 This contract is for an open amount but the amount declarable hereunder may not exceed the sum of Limit as mentioned in the Marine Open cover in respect of any one vessel aircraft or conveyance*  
*3. 2 Should this contract be expressed in a form of a floating policy the total amount declarable hereunder may not exceed the limit as per the Marine Open cover subject always to the provisions of clause 3.1 above.*
4. *Notwithstanding anything to the contrary contained in this contract Underwriters Liability in respect of any one accident or series of accidents arising from the same event in any one location shall not exceed the sum of limit as per the Marine open cover.*
5. *In the, event of loss accident or arrival before declaration of value it is agreed that the basis of valuation shall be the prime cost of the goods or merchandise plus the expense of and incidental to shipping, the freight for which the Assured are liable the charges of insurance as per the Marine Open Cover.*
6. *This contract is subject to the Institute Classification Clause.*
7. *Should the risks of war. Strikes riots and civil commotions be included in the cover granted by this contract the relevant Institute War Clauses and Institute Strikes Clauses shall apply.*
8. *The Institute Clauses referred to herein are those current at the inception of this contract but should such clauses be revised during the period of this contract, and provided that Underwriters shall have given at least 90 days notice thereof, then the revised institute Clauses shall apply to risks attaching subsequent to the date of expiry of the said notice.*



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9. *This contract may be cancelled by either the Underwriters or the Assured giving 30 days notice in writing to take effect from the date of notification but risks covered by institute Strikes Causes may be cancelled at seven days notice or at forty-eight hours notice in respect of shipments to or from the United States of America. Notice shall commence from midnight of the day when it is issued but cancellation shall not apply to any risks which have attached in accordance with the cover granted hereunder before the cancellation becomes effective.*

*NOTE. The Assured are required to give the earliest provisional notice of intended shipments advising in each case the name of the vessel and approximate value of the shipments,*

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*Total Loss Cover By Air Cargo.*

*This Insurance Covers Only The Total Loss of the Entire Subject Matter Insured Caused By Fire, Collision, Force Landing, Crashing Or Accident Of the Like Nature To The Carrying Air Craft.*



Exclusions: -

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### Sanctions Limitations and Exclusion Clause

The (re)insurer will not provide cover, be liable to pay any claim or provide any benefit if to do so would expose the (re)insurer (or any parent company, direct or indirect holding company of the (re)insurer) to any penalty or restriction [including extraterritorial penalties or restrictions so far as such do not contradict laws applicable to the (re)insurer], arising out of any trade and economic sanctions laws or regulations which are applicable

### Communicable Disease Endorsement

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - 2.1. for a Communicable Disease, or
  - 2.2. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same



### **Marine Cyber Exclusion Endorsement**

- 1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.**
- 2. Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.**
- 3. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.**

**LMA5403**

**11 November**