

1/1/82

INSTITUTE WAR CLAUSES (AIR CARGO) (excluding sendings by Post) (FOR USE ONLY WITH THE NEW MARINE POLICY FORM) TR 1706/00

RISKS COVERED

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

EXCLUSIONS

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

DURATION

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| 3 | 3.1 This insurance | Transit Clause |
| 3.1.1 | attaches only as the subject-matter insured and as to any part as that part is loaded on the aircraft for the commencement of the air transit insured
and | |
| 3.1.2 | terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is discharged from the aircraft at the final place of discharge,
or
on expiry of 15 days counting from midnight of the day of arrival of the aircraft at the final place of discharge,
whichever shall first occur;
nevertheless,
<i>subject to prompt notice to the Underwriters and to an additional premium</i> , such insurance | |
| 3.1.3 | reattaches when, without having discharged the subject-matter insured at the final place of discharge, the aircraft departs therefrom,
and | |
| 3.1.4 | terminates, subject to 3.2 and 3.3 below, either as the subject-matter insured and as to any part as that part is thereafter discharged from the aircraft at the final (or substituted) place of discharge,
or
on expiry of 15 days counting from midnight of the day of re-arrival of the aircraft at the final place of discharge or arrival of the aircraft at a substituted place of discharge, | |

whichever shall first occur.

- 3.2 If during the insured transit the aircraft arrives at an intermediate place to discharge the subject-matter insured for on-carriage by aircraft or oversea vessel, then, subject to 3.3 below and to an additional premium if required, this insurance continues until the expiry of 15 days counting from midnight of the day of arrival of the aircraft at such place, but thereafter reattaches as the subject-matter insured and as to any part as that part is loaded on an on-carrying aircraft or oversea vessel. During the period of 15 days the insurance remains in force after discharge only whilst the subject-matter insured and as to any part as that part is at such intermediate place. If the goods are on-carried within the said period of 15 days or if the insurance reattaches as provided in this Clause 3.2
- 3.2.1 where the on-carriage is by aircraft this insurance continues subject to the terms of these clauses,
or
- 3.2.2 where the on-carriage is by oversea vessel, the current Institute War Clauses (Cargo) shall be deemed to form part of this insurance and shall apply to the on-carriage by sea.
- 3.3 If the air transit in the contract of carriage is terminated at a place other than the destination agreed therein, that place shall be deemed to be the final place of discharge and such insurance terminates in accordance with 3.1.2. If the subject-matter insured is subsequently consigned to the original or any other destination, then, *provided notice is given to the Underwriters before the commencement of such further transit and subject to an additional premium*, such insurance reattaches
- 3.3.1 in the case of the subject-matter insured having been discharged, as the subject-matter insured and as to any part as that part is loaded on the on-carrying aircraft for the transit;
- 3.3.2 in the case of the subject-matter not having been discharged, when the aircraft departs from such deemed final place of discharge;
thereafter such insurance terminates in accordance with 3.1.4.
- 3.4 *Subject to prompt notice to Underwriters, and to an additional premium if required*, this insurance shall remain in force within the provisions of these Clauses during any deviation, or any variation of the adventure arising from the exercise of a liberty granted to air carrier under the contract of carriage.

(For the purpose of Clause 3

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

- 4 Where, after attachment of this insurance, the destination is changed by the Assured, *held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters*.
- 5 **Anything contained in this contract which is inconsistent with Clauses 2.8, 2.9 or 3 shall, to the extent of such inconsistency, be null and void.**

Change of
Transit
Clause

CLAIMS

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

Insurable
Interest
Clause

Increased
Value Clause

BENEFIT OF INSURANCE

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

Not to Inure
Clause

MINIMISING LOSSES

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| 9 | It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder | Duty of Assured Clause |
| 9.1 | to take such measures as may be reasonable for the purpose of averting or minimising such loss, | |
| | and | |
| 9.2 | to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised | |
| | and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties. | |
| 10 | Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party. | Waiver Clause |

AVOIDANCE OF DELAY

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| 11 | It is a condition of this insurance that the Assured shall act with reasonable despatch in all circumstances within their control. | Reasonable Despatch Clause |
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LAW AND PRACTICE

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| 12 | This insurance is subject to English law and practice. | English Law and Practice Clause |
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NOTE: *It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice to the Underwriters and the right to such cover is dependent upon compliance with this obligation.*

CL. 258.