

INSTITUTE WAR AND STRIKES CLAUSES

Cargo stored afloat in mechanically self-propelled vessels

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 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
 - 1.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 1.5 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
 - 1.6 any person acting from a political, ideological or religious motive.

General Average

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

EXCLUSIONS

3. In no case shall this insurance cover
 - 3.1 loss damage or expense attributable to wilful misconduct of the Assured
 - 3.2 ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
 - 3.3 loss damage or expense caused by insufficiency or unsuitability of packing or preparation of the subject-matter insured to withstand the ordinary incidents of the insured storage and/or 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 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
 - 3.9 loss damage or expense arising from the outbreak of war (whether there be a declaration of war or not) between any of the following countries:
United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China
 - 3.10 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
 - 3.11 any claim for any sum recoverable under any other insurance on the subject-matter insured or which would be recoverable under such insurance but for the existence of this insurance.
4. In no case shall this insurance cover
 - 4.1 loss damage or expense arising from unseaworthiness or unfitness of the named storage vessel 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.
 - 4.2 Exclusion 4.1 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

5. 5.1 This insurance attaches
 - 5.1.1 at midnight of the day when the storage vessel named herein carrying the subject-matter insured
 - 5.1.1.1 first enters the area specified herein for the purpose of storage whilst under way within that area or
 - 5.1.1.2 first anchors, moors, or otherwise secures at the anchorage specified herein for purpose of storage afloat, or
 - 5.1.2 at the stated commencement time and date if the named storage vessel is within the areas specified herein for the purpose of storage afloat; and
- 5.2 terminates
 - 5.2.1 as the subject-matter insured is discharged overside from the named storage vessel, or
 - 5.2.2 after the expiry of 15 days counting from midnight of the day of arrival of the named storage vessel at the final port or place of discharge for the purpose of discharge, whichever shall first occur unless and if as specified in the contract of insurance the named storage vessel is permanently moored at the final port or place of discharge whilst carrying the subject-matter insured when this insurance terminates as in Clause 5.2.1 above
- 5.3 If, during the period between the time of attachment or termination referred to above, the named storage vessel puts into any port other than for the purpose of discharge, this insurance shall terminate not later than 15 days counting from midnight of the day of arrival at the port. When without having discharged the subject-matter insured the named storage vessel sails from the port, the insurance shall reattach from the time of sailing and thereafter terminate in accordance with the provisions of Clause 5.2 of this Clause 5.
(For the purpose of Clauses 5.2.2 and 5.3 above "arrival" shall be deemed to mean that the named storage 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)
- 5.4 In no event shall this insurance extend beyond twelve months from attachment as provided for in Clauses 5.1.1 or 5.1.2 above.

Change of Location

6. In the event of the named storage vessel proceeding outside the limits of the area specified in this insurance *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.*

VESSEL QUALIFICATION

7. Warranted that the named storage vessel is a mechanically self-propelled vessel and will at the inception of the risk be classed as specified in the Institute Classification Clause current at that time.

CLAIMS

Insurable Interest

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

Increased Value

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

BENEFIT OF INSURANCE

10. This insurance

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

MINIMISING LOSSES

Duty of Assured

11. It is the duty of the Assured and their employees and agents in respect of loss recoverable hereunder

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

Waiver

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

AVOIDANCE OF DELAY

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

NOTICE OF CANCELLATION AND AUTOMATIC TERMINATION OF COVER

14. 14.1 This insurance may be cancelled by either the Insurers or the Assured giving 48 hours notice (such cancellation becoming effective on the expiry of 48 hours from midnight of the day on which notice of cancellation is issued by or to the Insurers). The Insurers agree however to reinstate this insurance subject to agreement between the Insurers and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

14.1.1 Whether or not such notice of cancellation has been given this insurance shall **TERMINATE AUTOMATICALLY:**

- 14.1.1.1 upon the occurrence of any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, wheresoever or whensoever such detonation may occur and whether or not the subject-matter insured may be involved

- 14.1.1.2 upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries:

United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;

- 14.1.1.3 In the event of the subject-matter insured or the named storage vessel being requisitioned either for title or use.

- 14.2. In the event either of cancellation by notice or of automatic termination of this insurance by reason of the operation of the above provisions of this Clause 14 a net return of premium shall be payable to the Assured, pro rata or as may be agreed.

15. **This insurance shall not become effective if, prior to the intended time of its attachment, there has occurred any event which would have automatically terminated this insurance under the provisions of Clause 14 above.**

LAW AND PRACTICE

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

Storage Vessel	Period	Quantity and Description of the subject matter insured	Insured value
<p style="text-align: center;">Sea and territorial limits</p> <p>a. for vessels underway: b. for vessels at anchor, moored or otherwise secured:</p>			

NOTE:- Where a change of location 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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