

Cargo Fleet

**Risks of war, terrorism and strike**

**Extended cover**

**3**

**Insurance Contract**

General Conditions n° 274

Legal provisions and duties of the Insurer and the Insured Party

Special Agreement n° 492

Risk of war, and associated risks

Maritime cover (Waterborne)

Special Agreement n° 491

Risk of war, terrorism and strike

Extended cover

**4**

Contents

Losses covered 5

Payment of losses 7

Exclusions 8

Duration of the coverage 9

Territory covered 10

Change during the course of transportation 10

Abandonment 11

Special provisions for subscription and/or temporary contracts 12

Premium and regularisation 14

Termination 15

1

2

3

4

5

6

7

8

9

10

5

Article 1.1

*Material damage* to the insured merchandise is covered if resulting from:

**a)** civil war or war between countries, hostilities, reprisals, torpedoes, mines and all other war machines and generally, all accidents and events due to war and acts of sabotage and terrorism of a political nature or related to war;

**b)** capture, takeover, arrest, seizure, constraint, molestation or detention by any government or authority;

**c)** riot, popular movement, strike, lockout and other similar event;

**d)** piracy of a political nature or related to war;

- e) arms of war or machines intended to explode through modification of the structure of the nucleus of the atom.
- f) scuttling or destruction ordered by the French authorities subsequent to one of the above events.

#### Article 1.2

Also covered when arising from one of the events cited in article 1.1 above are:

- a) the risks of theft, pillage or disappearance;
- b) *material damage* to the insured goods subsequent to stoppage of the refrigeration or air conditioning equipment following fuel shortage or labour, or a servicing defect occurring on a vessel;
- c) deterioration of insured goods subsequent to lateness when this occurs on a vessel or lighter.

#### Article 1.3

Dispossession or unavailability giving right to *abandonment* shall be covered when a result of capture, arrest, seizure, constraint or detention ordered by any government or authority;

Damages covered

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The present Special Agreements are only valid if they complete the General Terms and Conditions of Cargofleet, reference 274. They apply to all shipments carried out by *shippers* and/or professional transporters.

6

#### Article 1.4

Also covered, to the equivalent of their amount and proportional to their insured value, are the limited expenses listed hereafter, when they are the result of one of the events listed above:

- a) Reasonably incurred costs with a view to conserving the insured goods from *material damage* covered or limiting this same *material damage*;
- b) The contribution of the insured goods to *common damage* and expenses for assistance, the *Insurer* besides accepting being substituted for the *Insured Party* to pay the provisional *premium* or guarantee payment of the *premium* for *common damages* and expenses for assistance;
- c) The expert's expenses and fees, and those of the averaging surveyor
- d) Costs reasonably listed in the event of voyage interruption or rupture, of offloading, storage, transfer, rerouting, the cost of onward dispatch and demurrage of the insured goods to the destination designated in the Special Conditions, in the transport contract to any other place of destination suitable to the *Insurer*.

- These costs borne shall not exceed the cost of maritime freight relating to the insured voyage, nor the cost of the most economical rail, road or waterway transport, nor **25 %** of the insured value. Within these limits, there remains due as a result of these costs, a sum greater than the insured value, yet the *Insurer* is liable for it.

- The costs listed are covered for up to twelve months with effect from landing the insured goods where their onward dispatch commenced before the said period of **12 months**.

The cost of storage is covered for a maximum period of **6 months**.

#### Article 1.5

Under the conditions of "Institute War Clauses and Institute Strikes Clauses", shipments for which the conditions of sale, *documentary credit* or any other similar agreement so stipulates, shall be covered, without derogation to more favourable conditions than those of this contract.

#### Article 1.6 - Presumption

**When it is not possible to establish the cause of *damages*, these are taken as being the result of a risk included in the Cargofleet General Terms and Conditions, reference 274.**

#### Losses covered

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Payment of losses

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**In all cases giving rise to compensation from the *Insurer*, payment is made without *franchise*.**

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Exclusions

Article 3.1 – Excluded risks and damages

**The following are excluded:**

- a) dispossession or unavailability resulting from capture, takeover, arrest, seizure, constraint, detention or the consequences thereof ordered by the authorities of a European Union Member State, Switzerland, Liechtenstein, Iceland or Norway;**
- b) dispossession or unavailability resulting from seizure or detention by a legal authority or consecutive to a fraudulent operation;**
- c) *material damage* undergone during dispossession or unavailability provided for in indents a) and b) above;**
- d) *material damages* undergone by the goods belonging, at the time of the *loss*, to an enemy of France;**

Article 3.2 – Excluded goods

**Ammunition and war equipment are excluded, except in the case of agreements to the contrary and payment of a special *premium*.**

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9 Duration of the cover

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The duration of the guarantee is governed by the Cargo Fleet General Terms and Conditions – n° 274.

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Cover applies in accordance with the territory stated in the Special Conditions.

Territory covered

Change during the course of transportation

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In the case of transshipment or deviation and any modification entailing increased risks, the ***Insured Party*** shall undertake to inform the ***Insurer*** within **3 days of becoming aware of them**.

Where the *Insured Party* informs the *Insurer* and where the aggravation is not his fault, the insurance shall continue to apply in return for a *premium* corresponding to the increase in question.

**If the aggravation is caused by the *Insured Party*, the *Insurer* may either end the present coverage within three days of becoming aware of it, or request payment of a *premium* corresponding to the increase in the risk in question.**

**If the *Insured Party* does not inform the *Insurer* within three days, the present coverage shall automatically end**, unless the *Insured Party* provides proof of good faith, in which case the *Insurer* shall cover the risk proportional to the *premium* paid in relation to that which should have been paid, except where he establishes that he would not have covered the risks had he been aware of them.

**11**

The right to *abandonment* is available to the *Insured Party*.

**1)** In compliance with the provisions of Article 24.2 of the Cargofleet General Terms and Conditions, reference 274.

**2)** In the case of dispossession or unavailability as a result of one of the events listed in Article 1.3 above. However, the *Insured Party* should notify the *Insurer* with documents as proof, of the event giving right to *abandonment*.

Abandonment

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**12**

Special provisions for subscription and/or temporary contracts

Article 8.1 - Presumption of awareness of an event concerning the insured goods

The insurance shall not be effective if it is established that, prior to the commencement of risks, the news of an event mentioned in article 1.1 was known at the place of contract subscription or at the place where items were notified both in respect of the *Insured Party* and of the third party, or at the place where the *Insurer* is situated, without there being a need to establish proof that the *Insured Party* was personally aware of such an event.

Article 8.2 – Rate of *premium* applying on notification of an item and/or case by case

Under the provisions of the Special Conditions, the rate of *premium* is that applicable on the date of notification of an item where this is prior to cover taking effect. The rate remains valid where the cover takes effect within **seven days** of this notification.

**13**

When the insured goods transit in a geographic area or a country that is subject to a case by case *premium* under the Special Conditions, the cover remains valid, on condition that the *Insured Party* notifies the *Insurer* as soon as he becomes aware of it and that he undertakes to pay the additional *premium*.

When the insured goods are to arrive at or to come from a geographic area or a country subject to a case by case *premium* under the Special Conditions, the cover is only valid on prior request by the *Insured Party* and subject to an additional *premium*.

Article 8.3 – Rate of *premium* applying to a binding subscription contract with revision

The rate of *premium* is that applying on the date of subscribing to the contract and remains valid until the next renewal date and is without tacit renewal. At each renewal, the *premium* will be determined in relation to the variable items making up the basis of the *premium* and/or any changes in the geographic area of the risk and/or any deterioration in the geo-political situation.

**14**

Article 9.1 – *Premium* rates

The *premium* rate(s) are stated in the Special Conditions

Article 9.2 - Regularisation of the *premium*

Regularisation of the *premium* is given in Section 6 of the Cargofleet General Terms and Conditions, reference 274.

*Premium* and regularisation

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Termination

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Article 10.1 - Implementation

The *Insured Party* and the *Insurers* have the option of terminating cover under this Special Agreement at any time. Termination shall be notified by registered letter with confirmation of receipt. It shall take effect at the earliest **2 clear days** after the date of receipt of the letter of termination.

In all cases where the said letter has not reached the recipient, even due to acts of God or fortuitous circumstances, **5 clear days** after being sent, termination shall become effective as from midnight on the **5th day**.

Termination shall not apply:

- to goods for which cover applying under this Special Agreement took effect before expiry of the above period;
- to goods loaded on any means of transport after expiry of the period if the *Insured Party* was not in a position to prevent their being loaded.

Article 10.2 - Third party acting in good faith

Suspension or termination notified by the *Insurer* shall remain without effect with respect to a **third party acting in good faith** to whom the **certificate of insurance** has been submitted prior to the damage and on notification of the suspension or termination, but the *Insurer* shall have the right to request that the *Insured Party* reimburse the compensation paid by him to the said third party.

The *Insurer* shall be entitled to the *premium* relating to the *certificate of insurance* transmitted to the said third party.

All the provisions of this Article shall also apply to contracts taken out for third parties.  
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