

# **Institute Marine Cargo Clauses, C**

Institute Marine Cargo Clauses

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1 **Institute Marine Cargo Clauses**

2 **C Clauses**

3 **RISKS COVERED**

4 **1. - Risks Clause**

5 **1** This insurance covers, except as provided in Clauses 4, 5, 6  
and 7 below,

6 **1.1** loss of or damage to the subject-matter insured reasonably  
attributable to

7 **1.1.1** fire or explosion

8 **1.1.2** vessel or craft being stranded grounded sunk or cap-  
sized

9 **1.1.3** overturning or derailment of land conveyance

10 **1.1.4** collision or contact of vessel craft or conveyance with any  
external object other than water

11 **1.1.5** discharge of cargo at a port of distress,

12 **1.2** loss of or damage to the subject-matter insured caused  
by

13 **1.2.1** general average sacrifice

14 **1.2.2** jettison.

15 **2. - General Average Clause**

16 **2** This insurance covers general average and salvage charges,  
adjusted or determined according to the contract of affreightment  
and/or the governing law and practice, incurred to avoid or in  
connection with the avoidance of loss from any cause except

those excluded in Clauses 4, 5, 6 and 7 or elsewhere in this  
insurance.

**3. - “Both to Blame Collision” Clause**

17

**3** This insurance is extended to indemnify the Assured against  
such proportion of liability under the contract of affreightment “Both  
to Blame Collision” Clause as is in respect of a loss recoverable  
hereunder. In the event of any claim by shipowners under the said  
Clause the Assured agree to notify the Underwriters who shall have  
the right, at their own cost and expense, to defend the Assured  
against such claim.

18

**EXCLUSIONS**

19

**4. - General Exclusion Clause**

20

**4** In no case shall this insurance cover

21

**4.1** loss damage or expense attributable to wilful misconduct of  
the Assured

22

**4.2** ordinary leakage, ordinary loss in weight or volume, or ordinary  
wear and tear of the subject-matter insured

23

**4.3** loss damage or expense caused by insufficiency or unsuitabil-  
ity of packing or preparation of the subject-matter insured (for the  
purpose of this Clause 4.3 “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)

24

**4.4** loss damage or expense caused by inherent vice or nature of  
the subject-matter insured

25

**4.5** loss damage or expense proximately caused by delay, even

26

though the delay be caused by a risk insured against (except expenses payable under Clause 2 above)

27 **4.6** loss damage or expense arising from insolvency or financial default of the owners managers charterers or operators of the vessel

28 **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

29 **4.8** loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

30 **5. - Unseaworthiness and Unfitness Exclusion Clause**

31 **5.1** In no case shall this insurance cover loss damage or expense arising from unseaworthiness of vessel or craft, unfitness of vessel craft conveyance container or liftvan for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.

32 **5.2** The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

33 **6. - War Exclusion Clause**

34 **6** In no case shall this insurance cover loss damage or expense caused by

35 **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, and the consequences thereof or any attempt thereat 36

**6.3** derelict mines torpedoes bombs or other derelict weapons of war. 37

**7. - Strikes Exclusion Clause** 38

**7** In no case shall this insurance cover loss damage or expense 39

**7.1** caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions 40

**7.2** resulting from strikes, lock-outs, labour disturbances, riots or civil commotions 41

**7.3** caused by any terrorist or any person acting from a political motive. 42

**DURATION** 43

**8. - Transit Clause** 44

**8.1** This insurance attaches from the time the goods leave the warehouse or place of storage at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either 45

**8.1.1** on delivery to the Consignees' or other final warehouse or place of storage at the destination named herein, 46

**8.1.2** on delivery to any other warehouse or place of storage, 47

whether prior to or at the destination named herein, which the Assured elect to use either

48 **8.1.2.1** for storage other than in the ordinary course of transit  
or

49 **8.1.2.2** for allocation or distribution, or

50 **8.1.3** on the expiry of 60 days after completion of discharge over-  
side of the goods hereby insured from the oversea vessel at the  
final port of discharge, whichever shall first occur.

51 **8.2** If, after discharge overside from the oversea vessel at the fi-  
nal port of discharge, but prior to termination of this insurance, the  
goods are to be forwarded to a destination other than that to which  
they are insured hereunder, this insurance, whilst remaining sub-  
ject to termination as provided for above, shall not extend beyond  
the commencement of transit to such other destination.

52 **8.3** This insurance shall remain in force (subject to termination as  
provided for above and to the provisions of Clause 9 below) during  
delay beyond the control of the Assured, any deviation, forced dis-  
charge, reshipment or transhipment and during any variation of the  
adventure arising from the exercise of a liberty granted to shipown-  
ers or charterers under the contract of affreightment.

53 **9. - Termination of Contract of Carriage Clause**

54 **9** If owing to circumstances beyond the control of the Assured ei-  
ther the contract of carriage is terminated at a port or place other  
than the destination named therein or the transit is otherwise ter-  
minated before delivery of the goods as provided for in Clause 8  
above, then this insurance shall also terminate unless prompt no-  
tice is given to the Underwriters and continuation of cover is re-  
quested when the insurance shall remain in force, subject to an  
additional premium if required by the Underwriters, either

**9.1** until the goods are sold and delivered at such port or place, or, 55  
unless otherwise specially agreed, until the expiry of 60 days after  
arrival of the goods hereby insured at such port or place, whichever  
shall first occur, or

**9.2** if the goods are forwarded within the said period of 60 days 56  
(or any agreed extension thereof) to the destination named herein  
or to any other destination, until terminated in accordance with the  
provisions of Clause 8 above.

**10. - Change of Voyage Clause** 57

**10** Where, after attachment of this insurance, the destination is 58  
changed by the Assured, held covered at a premium and on con-  
ditions to be arranged subject to prompt notice being given to the  
Underwriters.

**CLAIMS** 59

**11. - Insurable Interest Clause** 60

**11.1** In order to recover under this insurance the Assured must 61  
have an insurable interest in the subject-matter insured at the time  
of the loss.

**11.2** Subject to 11.1 above, the Assured shall be entitled to re- 62  
cover for insured loss occurring during the period covered by this  
insurance, notwithstanding that the loss occurred before the con-  
tract of insurance was concluded, unless the Assured were aware  
of the loss and the Underwriters were not.

**12. - Forwarding Charges Clause** 63

**12** Where, as a result of the operation of a risk covered by this 64

insurance, the insured transit is terminated at a port or place other than that to which the subject-matter is covered under this insurance, the Underwriters will reimburse the Assured for any extra charges properly and reasonably incurred in unloading storing and forwarding the subject-matter to the destination to which it is insured hereunder.

65 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 servants.

66 **13. - Constructive Total Loss Clause**

67 **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 to the destination to which it is insured would exceed its value on arrival.

68 **14. - Increased Value Clause**

69 **14.1** 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.

70 **14.2** 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. 71

In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances. 72

**BENEFIT OF INSURANCE** 73

**15. - Not to Inure Clause** 74

**15** This insurance shall not inure to the benefit of the carrier or other bailee. 75

**MINIMISING LOSSES** 76

**16. - Duty of Assured Clause** 77

**16** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder 78

**16.1** to take such measures as may be reasonable for the purpose of averting or minimising such loss, and 79

**16.2** 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. 80

81 **17. - Waiver Clause**

82 **17** 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.

83 **AVOIDANCE OF DELAY**

84 **18. - Reasonable Despatch Clause**

85 **18** It is a condition of this insurance that the Assured shall act with  
reasonable despatch in all circumstances within their control.

86 **LAW AND PRACTICE**

87 **19. - English Law and Practice Clause**

88 **19** This insurance is subject to English law and practice.

***[Post Note]***

***[Post Note]***

89 **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.

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