



1/11/95 "These clauses are purely illustrative. Different policy conditions may be agreed. The specimen clauses are available to any interested person upon request. In particular:
 (a) in relation to any clause which excludes losses from the cover, insurers may agree a separate insurance policy covering such losses or may extend the clause to cover such events;
 (b) in relation to clauses making cover of certain risks subject to specific conditions each insurer may alter the said conditions".

(FOR USE ONLY WITH THE CURRENT MAR POLICY FORM)

INSTITUTE TIME CLAUSES FREIGHT

This insurance is subject to English law and practice

1	NAVIGATION	1
1.1	The Vessel has leave to dock and undock, to go into graving dock, to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1 shall not exclude customary towage in connection with loading and discharging.	2 3 4 5 6 7
1.2	This insurance shall not be prejudiced by reason of the Assured entering into any contract with pilots or for customary towage which limits or exempts the liability of the pilots and/or tugs and/or towboats and/or their owners when the Assured or their agents accept or are compelled to accept such contracts in accordance with established local law or practice.	8 9 10 11
1.3	The practice of engaging helicopters for the transportation of personnel, supplies and equipment to and/or from the Vessel shall not prejudice this insurance.	12 13
2	CRAFT RISK	14
	Including risk of craft and/or lighter to and from the Vessel.	15
3	CONTINUATION	16
	Should the Vessel at the expiration of this insurance be at sea and in distress or missing, the subject-matter insured shall, provided notice be given to the Underwriters prior to the expiration of this insurance, be held covered until arrival of the Vessel at the next port in good safety, or if in port and in distress until the Vessel is made safe, at a pro rata monthly premium.	17 18 19 20
4	BREACH OF WARRANTY	21
	Held covered in case of any breach of warranty as to cargo, trade, locality, towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.	22 23 24
5	CLASSIFICATION	25
5.1	It is the duty of the Assured, Owners and Managers at the inception of and throughout the period of this insurance to ensure that	26 27
5.1.1	the Vessel is classed with a Classification Society agreed by the Underwriters and that her class within that Society is maintained,	28 29
5.1.2	any recommendations requirements or restrictions imposed by the Vessel's Classification Society which relate to the Vessel's seaworthiness or to her maintenance in a seaworthy condition are complied with by the dates required by that Society.	30 31 32
5.2	In the event of any breach of the duties set out in Clause 5.1 above, unless the Underwriters agree to the contrary in writing, they will be discharged from liability under this insurance as from the date of the breach, provided that if the Vessel is at sea at such date the Underwriters' discharge from liability is deferred until arrival at her next port.	33 34 35 36
5.3	Any incident condition or damage in respect of which the Vessel's Classification Society might make recommendations as to repairs or other action to be taken by the Assured, Owners or Managers must be promptly reported to the Classification Society.	37 38 39
5.4	Should the Underwriters wish to approach the Classification Society directly for information and/or documents, the Assured will provide the necessary authorization.	40 41
6	TERMINATION	42
	This Clause 6 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.	43 44
	Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of	45 46
6.1	change of the Classification Society of the Vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, or any of the Classification Society's periodic surveys becoming overdue unless an extension of time for such survey be agreed by the Classification Society, provided that if the Vessel is at sea such automatic termination shall be deferred until arrival at her next port. However where such change, suspension, discontinuance or withdrawal of her Class or where a periodic survey becoming overdue has resulted from loss or damage covered by Clause 7 of this insurance or which would be covered by an insurance of the Vessel subject to current Institute Time Clauses Hulls or Institute War and Strikes Clauses Hulls-Time such automatic termination shall only operate should the Vessel sail from her next port without the prior approval of the Classification Society or in the case of a periodic survey becoming overdue without the Classification Society having agreed an extension of time for such survey,	47 48 49 50 51 52 53 54 55 56 57
6.2	any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the Vessel, provided that, if the Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the Vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the Vessel is at sea or in port.	58 59 60 61 62 63 64
	A pro rata daily net return of premium shall be made provided that a total loss of the Vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.	65 66

7	PERILS	67
7.1	This insurance covers loss of the subject-matter insured caused by	68
7.1.1	perils of the seas rivers lakes or other navigable waters	69
7.1.2	fire, explosion	70
7.1.3	violent theft by persons from outside the Vessel	71
7.1.4	jettison	72
7.1.5	piracy	73
7.1.6	contact with land conveyance, dock or harbour equipment or installation	74
7.1.7	earthquake volcanic eruption or lightning	75
7.1.8	accidents in loading discharging or shifting cargo or fuel.	76
7.2	This insurance covers loss of the subject-matter insured caused by	77
7.2.1	bursting of boilers breakage of shafts or any latent defect in the machinery or hull	78
7.2.2	negligence of Master Officers Crew or Pilots	79
7.2.3	negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	80 81
7.2.4	barratry of Master Officers or Crew	82
7.2.5	contact with aircraft, helicopters or similar objects or objects falling therefrom	83
	provided that such loss has not resulted from want of due diligence by the Assured, Owners, Managers or Superintendents or any of their onshore management.	84 85
7.3	Masters Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 7 should they hold shares in the Vessel.	86 87
8	POLLUTION HAZARD	88
	This insurance covers loss of the subject matter insured caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard or damage to the environment, or threat thereof, resulting directly from a peril covered by this insurance, provided that such act of governmental authority has not resulted from want of due diligence by the Assured, Owners or Managers to prevent or mitigate such hazard or damage, or threat thereof.	89 90 91 92
	Masters Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 8 should they hold shares in the Vessel.	93 94
9	FREIGHT COLLISION	95
	It is further agreed that if the Vessel shall come into collision with any other vessel and the Assured shall in consequence thereof become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of the amount of freight taken into account in calculating the measure of the liability of the Assured for	96 97 98 99
9.1.1	loss of or damage to any other vessel or property on any other vessel	100
9.1.2	delay to or loss of use of any such other vessel or property thereon	101
9.1.3	general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,	102 103
	the Underwriters will pay the Assured such proportion of three-fourths of such sum or sums so paid applying to freight as their respective subscriptions hereto bear to the total amount insured on freight, or to the gross freight earned on the voyage during which the collision occurred if this be greater.	104 105 106
9.2	Provided always that:	107
9.2.1	liability of the Underwriters in respect of any one such collision shall not exceed their proportionate part of three-fourths of the total amount insured hereon on freight, and in cases in which, with the prior consent in writing of the Underwriters, the liability of the vessel has been contested or proceedings have been taken to limit liability, they will also pay a like proportion of three-fourths of the costs, appertaining proportionately to the freight portion of damages, which the Assured shall thereby incur or be compelled to pay;	108 109 110 111 112 113
9.2.2	no claim shall attach to this insurance:	114
9.2.2.1	which attaches to any other insurances covering collision liabilities	115
9.2.2.2	which is, or would be, recoverable in the terms of the Institute 3/4ths Collision Liability Clause if the Vessel were insured in the terms of such Institute 3/4ths Collision Liability Clause for a value not less than the equivalent in pounds sterling, at the time of commencement of this insurance, of the Vessel's limit of liability calculated in accordance with Article 6.1(b) of the 1976 Limitation Convention,	116 117 118 119 120
9.2.3	this Clause 9 shall in no case extend or be deemed to extend to any sum which the Assured may become liable to pay or shall pay for or in respect of:	121 122
9.2.3.1	removal or disposal, under statutory powers or otherwise of obstructions, wrecks, cargoes or any other thing whatsoever	123 124
9.2.3.2	any real or personal property or thing whatsoever except other vessels or property on other vessels	125 126
9.2.3.3	pollution or contamination or threat thereof, of any real or personal property or thing whatsoever (except other vessels with which the insured Vessel is in collision or property on such other vessels) or damage to the environment, or threat thereof, save that this exclusion shall not extend to any sum which the Assured shall pay for or in respect of salvage remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account	127 128 129 130 131 132 133
9.2.3.4	the cargo or other property on or the engagements of the Vessel	134
9.2.3.5	loss of life, personal injury or illness.	135
10	SISTERSHIP	136
	Should the Vessel named herein come into collision with or receive salvage services from another vessel belonging wholly or in part to the same Owners, or under the same management, the Assured shall have the same rights under this insurance as they would have were the other vessel entirely the property of Owners not interested in the Vessel named herein; But in such cases the liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Underwriters and the Assured.	137 138 139 140 141 142

11	GENERAL AVERAGE AND SALVAGE	143
11.1	This insurance covers the proportion of general average, salvage and/or salvage charges attaching to freight at risk of the Assured, reduced in respect of any under-insurance.	144 145
11.2	Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.	146 147 148
11.3	No claim under this Clause 11 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.	149 150
11.4	No claim under this Clause 11 shall in any case be allowed for in respect of	151
11.4.1	special compensation payable to a salvor under Article 14 of the International Convention on Salvage, 1989 or under any other provision in any statute, rule, law or contract which is similar in substance	152 153 154
11.4.2	expenses or liabilities incurred in respect of damage to the environment, or the threat of such damage, or as a consequence of the escape or release of pollutant substances from the Vessel, or the threat of such escape or release.	155 156 157
11.5	Clause 11.4 shall not however exclude any sum which the Assured shall pay to salvors for or in respect of salvage remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account.	158 159 160 161
12	FRANCHISE	162
	This insurance does not cover partial loss, other than general average loss, under 3% unless caused by fire, sinking, stranding or collision with another vessel. Each craft and/or lighter to be deemed a separate insurance if required by the Assured.	163 164 165
13	ASSIGNMENT	166
	No assignment of or interest this insurance or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Underwriters unless a dated notice of such assignment or interest signed by the Assured, and by the assignor in the case of subsequent assignment, is endorsed on the Policy and the Policy with such endorsement is produced before payment of any claim or return of premium thereunder.	167 168 169 170
14	MEASURE OF INDEMNITY	171
14.1	The amount recoverable under this insurance for any claim for loss of freight shall not exceed the gross freight actually lost.	172 173
14.2	Where insurances on freight other than this insurance are current at the time of the loss, all such insurances shall be taken into consideration in calculating the liability under this insurance and the amount recoverable hereunder shall not exceed the rateable proportion of the gross freight lost, notwithstanding any valuation in this or any other insurance.	174 175 176 177
14.3	In calculating the liability under Clause 11 all insurances on freight shall likewise be taken into consideration.	178 179
14.4	Nothing in this Clause 14 shall apply to any claim arising under Clause 16.	180
15	LOSS OF TIME	181
	This insurance does not cover any claims consequent on loss of time whether arising from a peril of the sea or otherwise.	182 183
16	TOTAL LOSS	184
16.1	In the event of the total loss (actual or constructive) of the Vessel named herein the amount insured shall be paid in full, whether the Vessel be fully or partly loaded or in ballast, chartered or unchartered.	185 186
16.2	In ascertaining whether the Vessel is a constructive total loss, the insured value in the insurances on hull and machinery shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Vessel or wreck shall be taken into account.	187 188 189
16.3	Should the Vessel be a constructive total loss but the claim on the insurances on hull and machinery be settled as a claim for partial loss, no payment shall be due under this Clause 16.	190 191
17	RETURNS FOR LAY-UP AND CANCELLATION	192
17.1	To return as follows:	193
17.1.1	pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement,	194
17.1.2	for each period of 30 consecutive days the Vessel may be laid up in a port or in a lay-up area provided such port or lay-up area is approved by the Underwriters	195 196
	(a) per cent net not under repair	197
	(b) per cent net under repair.	198
17.1.3	The Vessel shall not be considered to be under repair when work is undertaken in respect of ordinary wear and tear of the Vessel and/or following recommendations in the Vessel's Classification Society survey, but any repairs following loss of or damage to the Vessel or involving structural alterations, whether covered by this insurance or otherwise shall be considered as under repair.	199 200 201 202 203
17.1.4	If the Vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under 17.1.2(a) and (b) respectively,	204 205
17.2	PROVIDED ALWAYS THAT	206
17.2.1	a total loss of the Vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension there	207 208
17.2.2	in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters, or in a port or lay-up area not approved by the Underwriters	209 210
17.2.3	loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of cargo or for lightering purposes	211 212 213
17.2.4	in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	214 215
17.2.5	in the event of any return recoverable under this Clause 17 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 17.1.2(a) and/or (h) above for the number of days which come within the period of this Insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured, either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days as provided under 17.1.2 (a) or (b) above.	216 217 218 219 220 221 222

(Continued)

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	223 224
18 WAR EXCLUSION	225
In no case shall this insurance cover loss damage liability or expense caused by	226
18.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	227 228
18.2 capture seizure arrest restraint or detention (barratry and piracy accepted), and the consequences thereof or any attempt thereat	229 230
18.3 derelict mines torpedoes bombs or other derelict weapons of war.	231
19 STRIKES EXCLUSION	232
In no case shall this insurance cover loss damage liability or expense caused by	233
19.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	234
19.2 any terrorist or any person acting from a political motive.	235
20 MALICIOUS ACTS EXCLUSION	236
In no case shall this insurance cover loss damage liability or expense arising from	237
20.1 the detonation of an explosive	238
20.2 any weapon of war	239
and caused by any person acting maliciously or from a political motive.	240
21 RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE	241
In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from	242 243
21.1 ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel	244 245
21.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof	246 247
21.3 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.	248 249

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