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 (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

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| <b>1</b> | <b>NAVIGATION</b>   | 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<br>3<br>4<br>5<br>6<br>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<br>9<br>10<br>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<br>13   |
| <b>2</b> | <b>CRAFT RISK</b>   | 14   |
|          | Including risk of craft and/or lighter to and from the Vessel.  | 15   |
| <b>3</b> | <b>CONTINUATION</b>   | 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<br>18<br>19<br>20   |
| <b>4</b> | <b>BREACH OF WARRANTY</b>   | 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<br>23<br>24   |
| <b>5</b> | <b>CLASSIFICATION</b>   | 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<br>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<br>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<br>31<br>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<br>34<br>35<br>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<br>38<br>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<br>41   |
| <b>6</b> | <b>TERMINATION</b>  | 42   |
|          | <b>This Clause 6 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.</b>   | 43<br>44   |
|          | Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of   | 45<br>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<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>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<br>59<br>60<br>61<br>62<br>63<br>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<br>66   |

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| <b>7</b>  | <b>PERILS</b>  | 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<br>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<br>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<br>87                                      |
| <b>8</b>  | <b>POLLUTION HAZARD</b>  | 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<br>90<br>91<br>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<br>94                                      |
| <b>9</b>  | <b>FREIGHT COLLISION</b>   | 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<br>97<br>98<br>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<br>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<br>105<br>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<br>109<br>110<br>111<br>112<br>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<br>117<br>118<br>119<br>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<br>122                                    |
| 9.2.3.1   | removal or disposal, under statutory powers or otherwise of obstructions, wrecks, cargoes or any other thing whatsoever  | 123<br>124                                    |
| 9.2.3.2   | any real or personal property or thing whatsoever except other vessels or property on other vessels  | 125<br>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<br>128<br>129<br>130<br>131<br>132<br>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   |
| <b>10</b> | <b>SISTERSHIP</b>  | 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<br>138<br>139<br>140<br>141<br>142        |

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| <b>11</b> | <b>GENERAL AVERAGE AND SALVAGE</b>   | 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<br>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<br>147<br>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<br>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<br>153<br>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<br>156<br>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<br>159<br>160<br>161                      |
| <b>12</b> | <b>FRANCHISE</b>   | 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<br>164<br>165                             |
| <b>13</b> | <b>ASSIGNMENT</b>  | 166   |
|           | No assignment of or interest in 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<br>168<br>169<br>170                      |
| <b>14</b> | <b>MEASURE OF INDEMNITY</b>  | 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<br>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<br>175<br>176<br>177                      |
| 14.3      | In calculating the liability under Clause 11 all insurances on freight shall likewise be taken into consideration.   | 178<br>179                                    |
| 14.4      | Nothing in this Clause 14 shall apply to any claim arising under Clause 16.  | 180   |
| <b>15</b> | <b>LOSS OF TIME</b>  | 181   |
|           | This insurance does not cover any claims consequent on loss of time whether arising from a peril of the sea or otherwise.  | 182<br>183                                    |
| <b>16</b> | <b>TOTAL LOSS</b>  | 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<br>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<br>188<br>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<br>191                                    |
| <b>17</b> | <b>RETURNS FOR LAY-UP AND CANCELLATION</b>   | 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<br>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<br>200<br>201<br>202<br>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<br>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<br>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<br>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<br>212<br>213                             |
| 17.2.4    | in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly  | 214<br>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 (b) 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<br>217<br>218<br>219<br>220<br>221<br>222 |

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| <b>The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.</b>   | 223<br>224 |
| <b>18 WAR EXCLUSION</b>   | 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<br>228 |
| 18.2 capture seizure arrest restraint or detainment (barratry and piracy accepted), and the consequences thereof or any attempt thereat   | 229<br>230 |
| 18.3 derelict mines torpedoes bombs or other derelict weapons of war.   | 231        |
| <b>19 STRIKES EXCLUSION</b>   | 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        |
| <b>20 MALICIOUS ACTS EXCLUSION</b>  | 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        |
| <b>21 RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE</b>  | 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<br>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<br>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<br>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<br>249 |

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