

War Insurance Conditions for Goods

Adopted by the Swedish Transport Insurance Pool

These Conditions are approved by the Swedish Transport Insurance Pool. These conditions are only intended as guidance and nothing shall prevent the Insurer and the Assured from agreeing on other conditions.

The original Swedish wording of the Conditions to be decisive in case of dispute.

1. Extent of cover

- 1.1** damage or loss directly caused by
 - 1.1.1** military use of projectiles, bombs, rockets, missiles, torpedoes, mines, explosives or other weapon of war used for its intended purpose whether or not there was war or warlike conditions at the time of the damage;
 - 1.1.2** embargo, seizure, capture, confiscation or other measures taken by a foreign power which is at war or is carrying out warlike operations or is preparing for war (hereafter referred to as 'belligerent');
 - 1.1.3** participants in civil war, warlike operation, revolution or rebellion;
 - 1.1.4** sabotage to the extent that the damage is related with war or warlike conditions,
 - 1.1.5** the vessel or aircraft having been navigated in an extraordinary way due to war or warlike conditions, such as when
 - 1.1.5.1** the vessel has proceeded in a convoy or
 - 1.1.5.2** it not being possible when navigating the vessel to use the navigation aids that should normally have been available, or
 - 1.1.5.3** the vessel has had to sail along routes or in waters which would not have been used under normal circumstances;
- 1.2** indemnity for total loss
 - 1.2.1** where the vessel, with which the goods are carried, has not arrived or been abandoned by the crew as a consequence of an occurrence covered by this insurance and more than three months have elapsed since the day on which the vessel last made contact;
 - 1.2.2** where the aircraft, with which the goods are carried, has not arrived or been abandoned by the crew as a consequence of an occurrence covered by this insurance and more than three weeks have elapsed since the day on which the aircraft last made contact;
- 1.3** the goods' contribution to general average caused by an event covered by this insurance,
- 1.4** the goods' contribution to detention costs as per Chapter 14, Section 40 of the Swedish Maritime Code, but only in the event of the vessel calling at a port for inspection of the vessel or the cargo and then only for the detention period exceeding the first seven days. Expenses for the vessel's entering and leaving the port are not compensated for.

2. The Insurer does not compensate for

- 2.1** damage, loss, expense or liability, directly or indirectly caused by, arising from or attributable to,
 - 2.1.1** use of nuclear weapons;
 - 2.1.2** nuclear damage, which means
 - any damage caused by radioactive properties of nuclear fuel or radioactive products or radioactive properties in combination with toxic, explosive or other hazardous properties of the fuel or the product and/or
 - any damage caused by ionising radiation emitted from other source of radiation inside a nuclear installation or atomic reactor than nuclear fuel or radioactive products.
- The terms nuclear fuel, radioactive product, atomic reactor and nuclear installation shall be defined as per the Swedish Nuclear Liability Act (1968:45).

Section 2 is paramount and shall override anything contained in these conditions inconsistent therewith.

2.2 other indirect loss

3 Safety directions

3.1 It is an obligation of the Assured

3.1.1 to comply with the applicable national and foreign regulations on import and export or similar acts that are subject to penalties;

3.1.2 comply with other special regulations imposed by the Insurer.

If the Assured has disregarded safety directions, conducive to averting or minimising damage, and has such disregarding caused or contributed to loss or damage, the Insurer is released from liability to the extent provided by section 8 of the General Swedish Marine Insurance Plan of 2006

4. Term of the insurance

4.1 For carriage by sea

This insurance attaches from the time when the goods were loaded onto a sea-going vessel, and terminates when the goods have been discharged from a sea-going vessel at the final port of discharge or upon the expiry of 15 days, counted from 24.00 on the date on which the vessel arrived at the final port of discharge, whichever shall first occur.

In case of damage caused by mines or torpedoes during the period when the goods are being transported by another vessel, barge, lighter or the like to and/or from the sea-going vessel, the insurance is deemed to have attached as of the occurrence of the damage. Such extension of the term of the insurance only applies from the time when loading was started at the port of shipment specified in the insurance policy until the time when the goods have been discharged at the port of discharge specified in the insurance policy.

When the sea-going vessel has arrived at a port or another place, where the goods should be discharged to be forwarded with another vessel or aircraft, the insurance terminates after 15 days, counted from 24.00 on the date when the vessel arrived at the port or place. The insurance reattaches when the goods have been loaded onto the sea-going vessel or into an aircraft which will tranship the goods. During the said 15-day period, the insurance also applies following discharge, although only for as long as the goods are within such a port or at such a place.

If the contract of carriage terminates at another place than the destination named therein, such a place shall be deemed to constitute the final port of discharge, whereupon the insurance terminates according to the first paragraph. If the goods are transhipped thereafter, the insurance re-enters into force when the goods have been loaded onto a sea-going vessel, subject to the precondition that the Insurer is notified of the transhipment before it is commenced and that the supplementary premium required is paid.

4.2 For air transport

The insurance attaches when the goods have been loaded into the aircraft and terminates when the goods have been discharged therefrom at the end of the air transport or upon the expiry of 15 days, counted from 24.00 on the date when the aircraft arrived at the airport where air transport was concluded, whichever shall first occur.

When an aircraft has arrived at a place where the goods shall be discharged for transshipment with another aircraft or a sea-going vessel, the insurance terminates after 15 days, counted from 24.00 on the date when the aircraft arrived at that place. The insurance reattaches when the goods have been loaded into the aircraft or onto the sea-going vessel which will tranship the same. During the said 15-day period, the insurance is in force following discharge only for as long as the goods are located at the place of discharge. The provisions of 3.1. apply otherwise when the goods are transhipped on a sea-going vessel.

4.3 For postal conveyance

The insurance attaches when the goods are delivered to the post office and terminates when the post office delivers the goods to the addressee.

4.4 Common provisions

4.4.1 In the event that the journey specified in the insurance is changed or if a deviation is made from the recognised route or if there is otherwise a change of risk as a consequence of the exercise of rights under a contract of carriage, the insurance is extended to the extent necessary in return for a supplementary premium. As soon as the Assured learns of such circumstance he shall immediately notify the Insurer thereof. If this is neglected the Insurer is released from liability for damage arising from this circumstance.

4.4.2 If departure from the place of loading will be later than as specified when the insurance policy was concluded, the Assured shall as soon as practicable notify the Insurer of this circumstance. If increased risk arises prior to departure the Insurer is entitled to demand an increase in the premium corresponding to the increase of risk.

5 **Action in the case of damage**

5.1 When damage occurred or there is a manifest risk of damage occurring the Assured shall

5.1.1 implement reasonable measures to avert or limit the damage,

5.1.2 protect his and the Insurer's rights against a carrier or another within whose care the goods are, and

5.1.3 immediately notify the Insurer or the nominated average agent. Reasonable costs for doing this will be compensated under the insurance even if the insured value is thereby exceeded.

5.2 If the Assured learns that an embargo, seizure, capture or other measure referred to in 1.1.2 has been implemented against the insured goods or against the vessel or aircraft with which the goods are to be transported, he shall immediately notify the Insurer of this and also upon demand hand over to the Insurer as soon as possible the documents, etc. that may be necessary for the adjustment of the loss to bring proceedings for the release of the goods.

6 **Disputes**

If a dispute arises regarding the Insurer's liability to pay indemnity in accordance with this contract, the dispute shall be determined according to Swedish law by arbitration proceedings with the Official Swedish Average Adjuster as sole arbitrator. The proceedings shall comply with the procedure prescribed by law for the Swedish Average Adjuster and the parties are entitled to issue proceedings challenging the arbitration award in the same way and within the same period as an adjustment can according to law be challenged.

The costs of the Swedish Average Adjuster in the arbitration proceedings shall be compensated by the Insurer, unless the claim made by the Assured was manifestly unfounded.

7. Other provisions

As regard circumstances that are not governed by these conditions, the relevant parts of the General Conditions for Insurance of Goods of 1 April 2000 with any amendments and supplements shall apply.

Outbreak of War Clause

If, during the currency of this insurance, such a war should break out, whereby – in accordance with an Agreement authorized by the Swedish Government and entered into between the Swedish Government War Risks Insurance Board and the Insurer – the Board assumes the liability for the Insurer's war risks insurances in force at the outbreak of this war, then the Insurer's liability for war risks according to this policy will be transferred to the Board.

The War Insurance Conditions approved by the War Risks Insurance Board apply to war insurance taken over by the Board.