## **Joint Cargo Committee**

Room358, Lloyd's, One Lime Street London EC3M 7DQ Tel: (+44) 020 7327 3333 Fax: (+44) 020 7327 4443

Enquiries to: Neil Smith JC 2008/022

Direct Dial: 0207 327 8333 25 November 2008

Neil.smith@lmalloyds.com

### Termination of Transit Clause (Terrorism) 2009 (JC2009/056)

Following the release of the Institute Cargo Clauses (A), (B), (C) and the ICC War and ICC Strikes dated 1 January 2009, the Joint Cargo Committee has produced an updated Cargo Termination of Transit Clause (Terrorism) for use with these clauses. The wording reflects the revised terrorism definition and updated termination provisions contained in the 2009 ICC. The opportunity has also been taken to remove the English Law & Practice provision as it is thought that this will be dealt with elsewhere within the insurance contract.

### For ease of use the new clause has been referenced as JC2009/056

It should be noted that this clause is purely illustrative and different policy conditions may be agreed. Specimen clauses are available to any interested person upon request. In particular:

- 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.

# Neil Smith Secretary

Information relating to the work of the Joint Cargo Committee, including circulars and details of forthcoming Cargo Forum meetings can be accessed from the Joint Cargo Committee page of the LMA website <a href="https://www.lmalloyds.com">www.lmalloyds.com</a>

The Joint cargo Committee page can be accessed via the following link:

 $\underline{http://www.lmalloyds.com/AM/Template.cfm?Section=Joint\_Cargo1\&Template=/Tagge\_dPage/TaggedPageDisplay.cfm\&TPLID=3\&ContentID=7044}$ 

### TERMINATION OF TRANSIT CLAUSE (TERRORISM) 2009

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

Notwithstanding any provision to the contrary contained in the contract of insurance or the Clauses referred to therein, it is agreed that in so far as the contract of insurance covers loss of or damage to the subject-matter insured caused by

any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted or

any person acting from a political, ideological or religious motive,

such cover is conditional upon the subject-matter insured being in the ordinary course of transit and, in any event, **SHALL TERMINATE**:

#### either

1.1 as per the transit clauses contained within the contract of insurance,

or

- 1.2 on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination named in the contract of insurance,
- 1.3 on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination named in the contract of insurance, which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution, or
- 1.4 when the Assured or their employees elect to use any carrying vehicle or other conveyance or any container for storage other than in the ordinary course of transit,

or

- 1.5 in respect of marine transits, on the expiry of 60 days after completion of discharge overside of the subject-matter insured from the oversea vessel at the final port of discharge,
- 1.6 in respect of air transits, on the expiry of 30 days after unloading the subject-matter insured from the aircraft at the final place of discharge,

whichever shall first occur.

If the contract of insurance or the Clauses referred to therein specifically provide cover for inland or other further transits following on from storage, or termination as provided for above, cover will re-attach, and continues during the ordinary course of that transit terminating again in accordance with clause 1.

JC2009/056 01/01/2009