

# MARINE INSURANCE -LOGS

Approved by the Association of Marine Underwriters of British Columbia

## CONTRACTUAL CONDITIONS

### **Insurers:**

In consideration of premium at rate to be agreed, does insure:

### **Insured:**

- (1)
- (2) For account of whom it may concern.

### **Loss Payable:**

- (3) Loss, if any, payable to :

### **Subject Matter Insured:**

(4) Upon logs whilst waterborne (including piling, boomsticks and swifters), but excluding Alder, Maple, Cotton-wood. Aspen and Birch logs, unless otherwise specifically agreed upon prior to attachment of risk.

The Insured has the privilege of insuring Chains and other Equipment provided they specify their intention to do so prior to attachment of risk.

### **Wire Swiftered Rafts:**

- (5) Unless otherwise agreed prior to attachment of risk, all wire swiftered flat booms are excluded from this Contract.

### **Attachment Date:**

- (6) This contract to be deemed continuous and to cover and attach on all shipments made on and after

### **Valuation:**

(7) Valued at invoice value if logs are purchased or sold, or market value at destination if logs are unsold, exclusive of unearned charges, unless otherwise specially agreed upon prior to attachment of risk.

Value to be based on domestic log market prices unless insurers are notified that the logs are for export use, and insurers have agreed thereto, prior to any loss.

### **Geographical Limits:**

(8) To be insured, lost or not lost, at, from and between ports and/or places in British Columbia and/or the inside waters of Northwest Washington, but warranted Rat and/or bundled booms are not covered while in transit to, from or between ports and/or places on the Queen Charlotte Islands or on the west coast of Vancouver Island between Owen Point and Cape Sutil.

### **Reporting Clause:**

(9) It is agreed that every shipment shall be reported to:

at the end of each month with the following particulars of all booms or logs at the risk of these Insurers during the preceding month.

- (a) Transit
  - (i) Number of logs
  - (ii) Species
  - (iii) Estimated measurement
  - (iv) Date and location of attachment
  - (v) Destination
  - (vi) Name of towing Vessel or Company or carrying vessel

### **(b) Storage**

The Insured agrees to keep an accurate record of all logs in storage and report the maximum total FBM (or equivalent CM) and value thereof during the previous 30 days.

It is understood and agreed, however, that shipments insured hereunder are held covered in the event of inadvertent omission to declare such shipments ; the Insured agreeing on their part to report any such omissions as soon as they are aware of same and to pay premium thereon.

It is understood and agreed that these Insurers or their duly appointed representative shall be permitted at all reasonable times during the term of this policy, or within a year after its expiration, to inspect the property covered hereunder and to examine the Insured's books, records and such policies as are relevant to any property covered hereunder. This inspection and/or examination shall not waive nor in any manner affect any of the terms and conditions of this policy.

### **Construction:**

(10) It is understood and agreed that so far as is possible all booms shall be constructed in accordance with the current log boom specifications published by the Council of Forest Industries of British Columbia.

**Limit of Liability:**

(11) These Insurers are not to be liable under this contract for more than (a) \$ any one tow  
(b) \$ any one barge  
(c) \$ any one storage ground  
unless otherwise agreed upon in writing prior to the attachment of the risk.

**Premiums:**

(12) Premiums payable on all shipments coming under the terms of this Contract at rates shown hereafter, or as arranged.

**Change or Ownership:**

(13) Should the interest insured hereunder be sold at an intermediate storage ground, cover ceases immediately, unless permission to assign the cover is granted by the Insurers or their Agent at an additional premium to be agreed.

**Sue and Labour:**

(14) In case of any loss or misfortune, it shall be lawful for the Insured, their Factors, Servants and Assigns, to sue, labour and travel for, in and about the Defence, Safeguard and Recovery of the subject matter of this insurance or any part thereof, without prejudice to this insurance; to the charges whereof, we, the Insurers, will contribute. each one rateably according to the amount of his subscription hereto. And it is specially declared and agreed that no acts of the Insurer or Insured in recovering, saving or preserving the property insured shall be considered as a waiver or acceptance of abandonment.

**Cancellation:**

(15) This Contract may be cancelled at any time by either party having given the other party Thirty (30) days' notice in writing, but such cancellation shall not prejudice any risk or risks which shall have already attached.

**Canadian Law & Practice**

(16) This insurance is understood and agreed to be subject to Canadian Law & Practice as to Liability for settlement of all claims. Should the Insurers own form of policy be attached hereto. these clauses shall supercede and annul any clauses of same or similar effect printed in such attached policy.

**WARRANTIES**

**Boomsticks, Swifters and Other Equipment:**

(1) Warranted that all boomsticks, swifters, chains, wire and other equipment used in making up any boom are fit and seaworthy for the intended voyage.

**Reporting of Loss:**

(2) Warranted that no loss shall be recoverable hereunder unless discovered and reported to Insurers within ninety (90) days of the date of loss.

**INSURING CONDITIONS**

(1) Subject to the Insured having an insurable interest, this insurance shall attach on Commencement and termination clause  
(a) Logs in Transit per:  
(i) Flat or Bundled Booms -at any time after the logs are made up into a flat or bundled boom and shall continue during the course of the voyage until the boom is sold or until commencement of the intentional breaking up of the boom at destination, whichever shall first occur, but for a period not to exceed forty-five (45) days in all. Provided notice in writing is given to these Insurers prior to the expiry of the forty-five (45) days mentioned above and in consideration of an additional premium to be agreed for each consecutive 30 day period, or part thereof, it is understood and agreed that the insurance under this policy is extended to cover booms of logs in storage after the expiry of the original forty-five (45) day period.  
(ii) Log Barges -from the time of loading on board the barge and shall continue until all logs have been dumped at destination.  
(b) Logs in Approved Storage Grounds:  
From the time of arrival or dumping and shall continue to time of removal or until commencement of the intentional breaking up of a boom whichever shall first occur.

(2) Subject to the provisions of the foregoing Clause and Clause 3 hereunder, this insurance shall remain Extended Cover Clause in force during any deviation or delay in transit beyond the control of the Insured.

(3) If, owing to circumstances beyond the control of the Insured, either the Contract of Towage is terminated at a port or place other than the destination named therein or the adventure is otherwise terminated before delivery of the logs as provided in Clause 1(a) above then subject to prompt notice being given to Insurers and to an additional premium if required, this insurance shall remain in force until either:

(a) The logs are sold and delivered at such port or place, or

(b) If the logs are forwarded within the said period of forty-five (45) days (or any agreed extension thereof) to the destination named in the policy or any other destination, until terminated in accordance with the provisions of clause 1(a) above.

(4) Each boom and/or barge load to be deemed a separate insurance. Separate Insurance  
Clause

(5) Held covered at a premium to be arranged in case of change of voyage or of any omission or error in the description of the interest, towing vessel or voyage. Change of voyage  
Clause

(6) This insurance is against all risks of: Perils Clause

(a) Total loss of an entire boom or log barge shipment

(b) Total loss of part of a boom or barge shipment or of logs in storage. Each claim to Total loss of part shall be subject to a deductible of

\$ each Boom  
\$ each Barge  
\$ any one Storage Location

and in addition thereto Hemlock and Balsam logs are subject to a deduction of six percent (6%) of the insured value of all of such logs contained in the boom or storage ground, excluding Boomsticks and Swifters.

In no case shall this insurance extend to cover loss, damage or expense proximately caused by sinking of the insured interest, delay, inherent vice or nature of the subject matter insured, or arising through depreciation.

(7) To pay General Average, Salvage and/or Special Charges if properly incurred. All such charges incurred are limited to the actual cost to the Insured or their agents. G.A. Clause

(8) Warranted no claim for services rendered by towing vessel for first twenty-four (24) hours after occurrence of accident. Salvage Clause

(9) The seaworthiness of the towing vessel as between the Insured and Insurers is hereby admitted. Seaworthiness Admitted  
Clause  
In the event of loss the Insured's right of recovery hereunder shall not be prejudiced by the fact that the loss may have been attributable to the wrongful act or misconduct of the operators of the towing vessel or their servants, committed without the privity of the Insured.

(10) It is the duty of the Insured and their Agents, in all cases, to take such measures as may be reasonable for the purpose of averting or minimizing a loss and to ensure that all rights against the operators of the towing vessel, bailees or other third parties are properly preserved and exercised. Bailee Clause

(11) This insurance shall not inure to the benefit of the operator of the towing vessel or other bailee. Not to insure Clause

(12) Warranted free of capture, seizure, arrest, restraint or detainment, and the consequences thereof or of any attempt thereat, also from the consequences of hostilities or warlike operations, whether there be a declaration of war or not; but this warranty shall not exclude collision, contact with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned, or in the case of a collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this warranty "power" includes any authority maintaining naval, military or air forces in association with a power. F.C. & S Clause  
Further warranted free from the consequences of civil war, revolution, rebellion, insurrection, or civil strife arising therefrom or piracy.  
Should Clause No.12 be deleted, the relevant current Institute War Clauses (Cargo) shall be deemed to form part of this insurance.

(13) Warranted free of loss F.S.R. & C.C. Clause

(a) Caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots, or civil commotions:

(b) Resulting from strikes, lock-outs, labour disturbances, riots, or civil commotions:

Should Clause No.13 be deleted, the relevant current Institute Strikes Clauses (Cargo) shall be deemed to form part of this insurance.

(14) It is a condition of this insurance that the Insured shall act with reasonable despatch in all circumstances within their control. Reasonable Despatch  
Clause