

APPENDIX Kc

INSTITUTE TIME CLAUSES, 1916

STEAMERS—FREE OF DAMAGE ABSOLUTELY

And it is further agreed that if the ship hereby insured shall come into collision with any other ship or 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 not exceeding in respect of any one such collision the value of the ship hereby insured, this company will pay the assured such proportion of three-fourths of such sum or sums so paid as its subscription hereto bears to the value of the ship hereby insured, and in cases in which the liability of the ship has been contested, or proceedings have been taken to limit liability, with the consent in writing of this company, the company will also pay a like proportion of three-fourths of the costs which the assured shall thereby incur, or be compelled to pay; but when both vessels are to blame, then unless the liability of the owners of one or both of such vessels becomes limited by law, claims under this clause shall be settled on the principle of cross-liabilities as if the owners of each vessel had been compelled to pay to the owners of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the assured in consequence of such collision.

Provided always that this clause shall in no case extend to any sum which the assured may become liable to pay, or shall pay for removal of obstructions under statutory powers, for injury to harbours, wharves, piers, stages, and similar structures, consequent on such collision, or in respect of the cargo or engagements of the insured vessel, or for loss of life or personal injury.

Should the vessel hereby insured 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 policy as they would have were the other vessel entirely the property of owners not

interested in the vessel hereby insured; 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.

In port and at sea, in docks and graving docks, and on ways, gridirons, and pontoons, at all times, in all places, and on all occasions, services and trades whatsoever and wheresoever, under steam or sail, with leave to sail with or without pilots, to tow and assist vessels or craft in all situations, and to be towed and to go on trial trips.

Should the vessel at the expiration of this policy be at sea, or in distress, or at a port of refuge or of call, she shall, provided previous notice be given to the underwriters, be held covered at a *pro rata* monthly premium, to her port of destination.

Held covered in case of any breach of warranty as to cargo, trade, locality, or date of sailing, provided notice be given, and any additional premium required be agreed immediately after receipt of advices.

Should the vessel be sold or transferred to new management, then, unless the underwriters agree in writing to such sale or transfer, this policy shall thereupon become cancelled from date of sale or transfer, unless the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, in either of which cases such cancellation shall be suspended until arrival at final port of discharge if with cargo, or at port of destination if in ballast. A *pro rata* daily return of premium shall be made.

This insurance also specially to cover (subject to the free of average warranty) loss of, or damage to hull or machinery directly caused by accidents in loading, discharging, or handling cargo, or caused through the negligence of master, mariners, engineers, or pilots, or through explosions, bursting of boilers, breakage of shafts, or through any latent defect in the machinery or hull, provided such loss or damage has not resulted from want of due diligence by the owners of the ship, or any of them, or by the manager. Masters, mates, engineers, pilots, or crew, not to be considered as part owners within the meaning of this clause should they hold shares in the steamer.

Warranted free from all claim in respect of partial loss of and/or damage to the property hereby insured.

To cover the risk of total loss absolute or constructive.

General average and salvage (including contribution on amount made good) payable 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, or if the contract of affreightment so provides, according to York-Antwerp rules, or, in the case of wood cargoes, York-Antwerp rules omitting the first word of Rule I. ("No"), but excluding in every case all partial loss of and damage to

the property hereby insured, together with expenses incidental thereto, whether included as general average or otherwise.

Refrigerating machinery and insulation not covered unless expressly included in this policy.

In ascertaining whether the vessel is a constructive total loss the insured value 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.

In the event of total or constructive total loss, no claim to be made by the underwriters for freight, whether notice of abandonment has been given or not.

Warranted free of capture, seizure, restraint, or detainment, and the consequences thereof, or any attempt thereat, piracy excepted, and also from all consequences of hostilities, or warlike operations, whether before or after declaration of war.

To return	{	per cent for each uncommenced month if it be mutually agreed to cancel this policy. per cent for each consecutive 30 days the vessel may be laid up in port.	}	and arrival.
		Provided always that in no case shall a return be allowed when the within-named vessel is lying in a roadstead or in ex- posed and unprotected waters.		