

Clauses applicable to the **General Conditions of Marine Insurance on Goods** **(GCMi 1988)**

Translation: The original wording in German or French shall be decisive in the case of dispute

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The clauses STV Nos. 1 b, 2b, 3b, 4b, 5b, 6b, 7b, 8b, 9b, 14b, 15b, 18b, 19b, 20b, 21 b, 23b, 33b find only application if separately and individually agreed upon.

statement, as well as goods sacrificed in general average directly caused by:

Wetting by fresh water

Clause STV 1/1988

Notwithstanding the exclusions contained in art. 3 of the GCM 1988, the insurance also covers loss and damage attributable to wetting by fresh water or ship's sweat. Rust and other forms of oxidation are excluded.

(Translation)

Rust and oxidation

Clause STV 2b/1988

Notwithstanding the exclusions contained in art. 3 of the GCM 1988, the insurance also covers loss and damage - if amounting to/in excess of ...% per package - attributable to rust or other forms of oxidation caused by outside contact with water or any other extraneous liquid. Proof must be furnished that the packing bore traces of such contact.

(Translation)

Breakage

Clause STV 3b/1988

Notwithstanding the exclusions contained in art. 3 of the GCM 1988, the insurance also covers the risk of breakage but only if amounting to/in excess of ...% per package.

(Translation)

Leakage

Clause STV 4b/1988

Notwithstanding the exclusions contained in art. 3 of the GCM 1988, the insurance also covers the risk of extraordinary leakage but only in excess of ...% (including ordinary leakage) per unit.

(Translation)

Loss and damage caused by rats, mice and other external vermin.

Clause STV 5b/1988

Notwithstanding the exclusions contained in art. 3 of the GCM 1988, the insurance also covers loss and damage caused by rats and mice or other external vermin.

(Translation)

Extraneous odours

Clause STV 6b/1988

Notwithstanding the exclusions contained in art. 3 of the GCM 1988, the insurance also covers the risk of influence of extraneous odours with the exception of those emanating from the packing material or container. (Translation)

War

Clause STV 7b/1988

1. Notwithstanding the exclusions contained in the general conditions of insurance, relating to the consequences of politically or socially motivated events, **the insurance covers:**
 - loss of and damage to the insured goods, specie or valuables
 - general average contributions chargeable to the insured goods in accordance with a legally valid

- 1.1. war
- 1.2. events similar to war (such as occupation of foreign territories, border incidents)
- 1.3. civil war, revolution, rebellion
- 1.4. preparations for or measures of war
- 1.5. explosion or other effects of mines, torpedoes, bombs or other engines of war. If an ocean-going vessel or an aircraft is lost, the cause is presumed to be such an engine of war, if the likelihood exists.
- 1.6. confiscation, requisition, sequestration, seizure or detention by a government authority of power in connection with events as per paragraphs, 1.1. - 1.4. above.
The insurer's indemnity can be claimed at the earliest 90 days after the occurrence of an event mentioned in paragraph I.

2. Excluded from the insurance are:

- 2.1. loss and damage caused with hostile intent by engines of war involving atomic fission, nuclear fusion or similar reaction or by nuclear energy or by radioactive matter
- 2.2. loss and damage according to paragraph 1.6. on the basis of ordinances and decrees in force at the commencement of the voyage
- 2.3. indirect loss and damage even if attributable to frustration or abandonment of the voyage or delay, due to the events mentioned in paragraph 1.
- 2.4. war contributions

3. Commencement and termination of the insurance

3.1. Freight consignments

- 3.1.1. The insurance **attaches** from the time the goods, specie of valuables have been loaded onto an ocean-going vessel or an aircraft. The insurance **terminates** as soon as the goods, specie or valuables leave the ocean-going vessel or aircraft at the port or airport of destination
or
after expiry of 15 days from midnight of the day of arrival of the ocean-going vessel or aircraft at the port or airport of destination, **whichever occurs first.**
- 3.1.2. If the goods, specie of valuables are **transhipped** at an intermediate port or airport, the insurance shall cease after expiry of 15 days from midnight of the day of arrival of the ocean-going vessel or aircraft at such intermediate port or airport, irrespective of whether the goods, specie or valuables are on land or afloat. The insurance shall reattach as soon as the goods, specie or valuables have been loaded onto the ocean-going vessel or aircraft for onward carriage.

3.1.3. If the contract of affreightment is terminated at a port or place **other than the destination named therein**, such port or place shall be deemed the destination for the purpose of paragraph 3.1.1.

3.1.4. - For the purpose of this clause an ocean-going vessel shall be deemed to mean a vessel carrying the goods, specie or valuables from one port or place to another where such voyage involves a sea-passage by that vessel.

- Arrival of an ocean-going vessel shall be deemed to mean that the vessel is anchored, moored or otherwise secured at a berth or place within the harbour authority area.

If such a berth or place is not available, arrival of an ocean-going vessel is deemed to have occurred when the vessel is first anchored, moored or otherwise secured either at or outside the intended port.

3.2. **Postal consignments**

The insurance attaches with the delivery to the post office and terminates with the delivery by the postal authorities to the addressee.

4. As long as the voyage has not commenced, the insurer may - at any time - cancel the cover granted by this clause provided **24 hours'** notice be given
(Translation)

Strikes, Disurbances

Clause STV 8b/1988

1. Notwithstanding the exclusions contained in the general conditions of insurance, relating to the consequences of politically or socially motivated events, **the insurance covers:**

- loss of and damage to the insured goods, specie or valuables
- general average contributions chargeable to the insured goods in accordance with a legally valid statement as well as goods sacrificed in general average

arising out of politically or socially motivated events and directly caused by

- strikers and locked-out workmen, as well as by persons taking part in disturbances of all kinds
- violent or malicious acts.

The insurance also covers loss of and damage to the insured goods, specie or valuables sustained in connection with these events resulting from the intervention of security forces of the public authorities.

2. This extension of the insurance ceases to apply when the aforesaid events assume the character of war, events similar to war (such as occupation of foreign territories, border incidents), civil war, revolution or rebellion, as well as of preparations for or measures of war.

3. **Excluded from the insurance** are indirect loss or damage even if attributable to hindrance, abandonment or delay of the voyage due to the events mentioned in paragraph 1.

4. As long as the voyage has not commenced, the insurer may - at any time - cancel the cover granted by this clause provided **24 hours'** notice be given.
(Translation)

Mines

Clause STV 9b/1988

1. Notwithstanding the exclusions contained in the general conditions of insurance, the insurance covers loss and damage directly caused by the explosion of mines or floating or submerged topedoes.

2. This extension of the insurance attaches only whilst the goods are on board a watercraft.

3. As long as the voyage has not commenced, the insurer may - at any time - cancel the cover granted by this clause provided 24 hours' notice be given.
(Translation)

Damage to labels

Clause STV 10b/1988

In the event of damage to labels, wrappers or capsules, the insurer's liability - within the terms of the cover granted - is limited to the replacement costs of this material together with the costs of re-labelling or re-packing the goods.
(Translation)

New machinery, apparatus, instruments, furniture and vehicles

Clause STV 11b/1988

1. In the event of damage - insofar as it is insured - the insurer refunds the costs of repairs; these are to be carried out at the place where, taking into account transport charges, if any, they can be effected suitably and at minimum costs. - The insurer is not liable for depreciation after repair.

2. If the replacement of damaged parts is less costly for the insurer than repairs, or if parts are missing, the insurer refunds the value of the parts to be replaced (without any increase for "expected profit" whether insured or not) as well as replacement costs, less the value, if any, of the damaged parts. Customs and excise duty on the replacement parts shall be refunded only insofar as they were included in the insurance on the damaged consignment.

3. Unless otherwise agreed, the following are excluded from the insurance:

- a) in respect of enamelled or varnished objects: damage due to chipping, scratching, grazing or chafing:

- b) in respect of furniture and wooden parts: damage due to scratching, grazing, chafing, denting, cracking of polish as well as loosening of glued parts and veneers. (Translation)

Used machinery, apparatus, instruments and vehicles
Clause STV 12b/1988

1. Notwithstanding the terms of art. 13 of the CGMI 1988, the insurer is liable for damage to or loss of parts - insofar as it is covered - only in the proportion which the sum insured bears to the replacement value of a similar object in new condition. This provision may be modified by special agreement.
2. Repairs are to be carried out at the place where, taking into account transport charges, if any, they can be effected suitably and at minimum costs. - The insurer is not liable for depreciation after repairs
3. If the replacement of damaged parts is less costly for the insurer than repairs, or if parts are missing, the insurer refunds the value of the parts to be replaced (without any increase for "expected profit" whether insured or not) as well as replacement costs, less the value, if any, of the damaged parts. Customs and excise duty on the replacement parts shall be refunded only insofar as they were included in the insurance on the damaged consignment.
4. Unless otherwise agreed, damage to enamelled or varnished objects due to chipping, scratching, grazing or chafing is excluded. (Translation)

Used furniture, removal goods and personal effects
Clause STV 13b/1988

1. In the event of partial loss or damage - insofar as it is insured - the insurer refunds:
 - a) the cost of repairs but not the amount of depreciation, if any, after repairs;
 - b) the proportionate insurable value if objects or parts thereof are lost or beyond repair, or if the cost of repairs would exceed the insurable value of such damaged objects or parts thereof.
2. Furthermore, the insurer shall refund only the cost of repairs or the proportionate insurable value of the damaged or lost objects even if these objects form part of a unit or group consisting of different pieces (service, set, works comprising several volumes, etc.) and the remaining parts are depreciated because the group is no longer complete or is no longer uniform after repairs to the damaged parts.
3. Excluded from the insurance are: damage due to scratching, grazing, chafing, denting, cracking of polish as well as loosening of glued parts and veneers, together with damage to enamelled or varnished objects by chipping. (Translation)

Goods of artistic or collectors' value
Clause STV 14b/1988

In extension of the CGMI 1988 the insurance of objects of artistic or collectors' value is subject to the following conditions:

- a) For carriage of the goods all suitable protective measures must be taken in the manner prescribed by specialists.
- b) The agreed sum insured does not represent any proof of the insured objects. Proof has to be furnished by the claimant in the event of a loss.
- c) In the event of damage an expert appraisal in accordance with art. 23 of the GCMI 1988 shall determine whether and at what cost the object can be repaired or restored. In the affirmative, the insurer may require the repair or restoration to be carried out. If the experts ascertain that the object has depreciated in value in spite of the execution of repairs or restoration, the insurer is liable not only for the cost of repairs but also for the amount of the depreciation. Should the insurer forego the execution of repairs or restoration, he shall indemnify the assured on the basis of the difference ascertained by the experts between the sound and damaged values of the object.
- d) If an object is sold before it reaches its destination for an amount less than the sum insured, the liability of the insurer is limited to the sale price. (Translation)

Breakdown of refrigerating machinery
Clause STV 15b/1991

1. Notwithstanding the exclusion of "influence of temperature" contained in art. 6a) of the CGMI 1988, the insurance covers the deterioration of goods caused by complete stoppage of the refrigerating or thermo machinery.
2. The insurance according to paragraph 1 shall be only valid if
 - a) the breakdown of the machinery has been caused by loss or deterioration of this installation and
 - b) said breakdown results in the stoppage for a period of not less than 8 consecutive hours for land transportation and storage or 24 consecutive hours for river or sea transportation.
3. In no case shall this insurance cover loss or damage arising from freezer burn. (Translation)

Livestock**Clause STV 16b/1988**

The insurer is liable for loss arising from death, officially decreed slaughter or disappearance of animals insofar as such loss is the consequence of a specified accident or the falling of animals during loading, transshipment or unloading in accordance with art. 2 of the CGMI 1988.

(Translation)

Watches, jewelry, accessories and spare parts**Clause STV 17b/1991**

1. The insurance covers all risks in accordance with art. 4 of the CGMI 1988.
2. During the time the goods - within the terms of art. 10 of the CGMI 1988 - are in the custody of the assured, consignor or consignee, except in those cases where they are acting in the capacity of a carrier, the insurer is liable for loss only if it is the direct consequence of one of the following events:
 - violence threatened or used against the persons charged with effecting the carriage or inability of those persons to offer resistance as a result of accident or death;
 - specified accident in accordance with art. 2 of the CGMI 1988 and
 - during intermediate stops: burglary occurring in locked rooms of massive buildings.
3. If, for any reason whatever goods not delivered to the consignee are returned to the consignor, cover remains in force for the return journey subject to payment of the premium applicable at the time the goods are returned, provided that the intervening period has been insured and that the assured gives notice of the return journey as soon as he becomes aware of it.
4. The assured may insure goods dispatched to an official control bureau for the outward and return journeys as well as for the intervening period provided that the relative declarations are made at the same time.
5. The regulations communicated to the assured concerning dispatch, storage, declared value and maximum value per package form an integral part of the policy. All right to indemnification is forfeited in the event of non-compliance with these regulations.
6. The insurer is also released from any liability if the assured has taken or tolerated fraudulent measures in order to avoid compliance with regulations relating to transport, customs or taxes, imports, exports or transit.

Exports protection clause**Clause STV 18b/1988**

1. This exports protection insurance is a subsidiary insurance for consignments which to buyer, according to the sale contract, must insure.
2. No claim is recoverable under the export protection insurance unless, in case of loss or damage covered under the conditions of the policy, the assured is unable to obtain payment of that part of his selling price corresponding to the loss or damage, or the reimbursement of a general average contribution paid by him.
3. Notwithstanding anything to the contrary contained in art. 12 of the GCMI 1988, the invoice value is deemed to be the insured value.
4. The assured alone may claim under this insurance. He is not allowed to surrender his rights to any third party except the bank which may have advanced money on the goods. In this case, the bank has to fulfil the same obligations as the assured himself.
5. The insurer is no longer liable, and any indemnity already paid by him is to be reimbursed, if the assured and/or the lending bank
 - waive an indemnity due by the buyer, by the buyer's insurer or by a third party
 - omit to assert their rights, or stop recovery steps
 - fail to comply with the insurer's instructions.
6. All rights against the buyer, the buyer's insurer or a third party are surrendered to the insurer at the time an indemnity is paid. The assured and/or his lending bank must assert their rights in their own name, but in accordance with the instructions of, and at the cost of, the insurer. Recovery proceeds are to be made over to the insurer up to the amount paid as indemnity.
7. The insurer accepts survey reports which may be issued by surveyors other than his own, provided they are professional surveyors or experts recognized by the buyer's insurer.
8. The assured and his lending bank pledge themselves to disclose neither to the buyer, nor to the buyer's insurer nor to a third party, the existence of this exports protection insurance. If this stipulation is not adhered to, the insurer is relieved of all liability.

(Translation)

Subsidiary insurance on Swiss imports

Clause STV 19b/1988

1. The subsidiary insurance is designed solely for the protection of the Swiss importer or the Swiss domiciled bank which has advanced funds on the insured goods.
2. The subsidiary insurance shall not attach unless the foreign seller is under obligation, according to the sale contract or to any other agreement, to insure the goods in accordance with trade practice (principal insurance). The Swiss importer or the Swiss domiciled bank shall not accept or have accepted the documents relating to the delivery of the goods (letter of credit) unless such documents include the principal insurer's certificate or policy.
3. The subsidiary insurer is liable within the terms of the general and special conditions of the assured's open cover but,
 - a) only for the actual financial loss which the Swiss buyer or the Swiss domiciled bank having advanced funds on the goods would sustain in the absence of this subsidiary insurance;
 - b) only insofar as such financial loss is sustained because
 - the principal insurer is insolvent or
 - the assured cannot - by reason of currency restrictions or other official regulations - dispose of the principal insurer's indemnity or can do so only with a currency loss;
 - c) in no case for financial loss which can be covered by a credit or other insurance.
4. The subsidiary insurance attaches and terminates at the same time as the principal insurance.
5. The insurable value is equivalent to the CIF-price at the place where the principal insurance terminates but shall not exceed the amount covered by the principal insurance.
6. No claim shall be recoverable on the subsidiary insurance until six months have elapsed from the time of survey of the loss or damage by the surveyor or until conclusive proof is furnished that no compensation is obtainable either from the seller, the principal insurer or from third parties.
7. The subsidiary insurer also acknowledges survey reports of surveyors other than his own provided they are professional surveyors or experts recognized by the principal insurer. If the loss or damage is ascertained in Switzerland, the assured is bound to notify the subsidiary insurer forthwith of the name of the surveyor called in on the instructions of the principal insurer.

8. The subsidiary insurer is released from liability and any indemnity already paid by him must be refunded if the holder of title to claim
 - foregoes any indemnity due from the seller, the principal insurer or a third party,
 - neglects or waives to enforcement of his rights against such parties or
 - fails to comply strictly with the subsidiary insurer's instructions.
9. Upon payment of the indemnity the holder of title to claim shall cede to the subsidiary insurer all rights against the seller, the principal insurer or third parties. The holder of title to claim shall - on the subsidiary insurer's instructions - render every assistance in the exercise of the recovery or enforce the recovery himself. The recovery proceeds shall be surrendered to the subsidiary insurer up to the amount of the indemnity paid by him.
10. It is the duty of the Swiss importer and his bank not to disclose the existence of this subsidiary insurance either to the seller or to third parties. The subsidiary insurer is released from any liability in the event of non-compliance with this obligation.

(Translation)

Customs and excise duty

Clause STV 20b/1988

1. Customs and excise duty are covered in addition to the insurable value. The sum insured is to be declared separately.
2. The insurer is liable only for customs and excise duty paid on goods lost or damaged as a result of an event insured against. The calculation of indemnity in respect of this supplementary insurance is the proportion which the amount of the loss or damage (not including costs) bears to the insurable value of the goods under the principal insurance.
3. Any refund of customs and excise duty is to be surrendered to the insurer.
4. In order to avoid payment of customs and excise duty the insurer may require the assured to destroy or forfeit the damaged goods on payment of the sum insured thereon under the principal insurance.

(Translation)

Accompanied consignments

Clause STV 21b/1991

A consignment is deemed to be accompanied if it is effected for the entire journey or for part of the journey by persons not acting in the capacity of a carrier.

Cover is only granted if the consignment is conveyed under permanent personal supervision or - during intermediate stops - deposited in locked rooms of massive buildings. In amendment of Section A „Scope of Insurance“ of the CGMI 1988 the insurer is liable for loss only if it is the direct consequence of one of the following events:

- violence threatened or used against the persons charged with effecting the carriage or inability of those persons to offer resistance as a result of accident or death;
- specified accident in accordance with art. 2 of the CGMI 1988 and
- during intermediate stops: burglary occurring in locked rooms of massive buildings.

The insurance attaches as soon as the consignment is handed over for immediate transportation to the persons charged with effecting the carriage, and ends as soon as it is delivered at destination to the place specified by the consignor or the consignee. (Translation)

Influence of temperature

Clause STV 23b/1991

1. Notwithstanding the exclusion of „influence of temperature“ contained in article 6a) of the CGMI 1988, the insurance covers the deterioration of goods caused by influence of temperature.
2. This insurance is granted subject always to
 - a) the goods being in sound condition at the time of attachment of this insurance cover and having been suitably prepared, frozen or refrigerated, and
 - b) the assured taking all precautions to ensure that the prescribed temperature is kept whilst the insurance is in force.
3. In no way shall this insurance cover loss or damage arising from freezer burn.
4. Claims arising under this extension of cover shall be recoverable in excess of 3 % applicable to entire lots. If the consignment is loaded on several means of conveyance every part of the consignment loaded into each conveyance shall be deemed a „lot“ as far as the deductible is concerned. (Translation)

Exclusion of Damages caused by Nuclear Energy

Clause STV 33b/1991

Notwithstanding all conditions, clauses and agreements to the contrary, damage caused by nuclear energy is excluded from this insurance.

(Translation)