

## Transportation Floater Form - All Risks (Ocean Marine Department)

1. **Perils Insured** This Policy insures against all risks of direct physical loss or damage except as herein provided.
2. **Perils Excluded** This Policy does not insure against: -
  - (a) loss or damage resulting from infidelity or any dishonest act of the Insured's, the Insured's employees or agents or any person or persons to whom the insured property is entrusted (bailees for hire excepted);
  - (b) loss or damage resulting from inadequate packing, improper preparation for shipment or unexplained shortage, ("packing" shall be deemed to include stowage in a container, liftvan, or truck but only when such stowage is carried out by the Insured or their servants);
  - (c) rough handling unless under the care, custody and control of a common carrier;
  - (d) gradual deterioration, inherent vice or latent defect;
  - (e) loss or damage resulting from delay, loss of market, moths, rodents or vermin;
  - (f) loss or damage resulting from dampness or dryness of atmosphere, extremes or changes of temperature, shrinkage, evaporation, loss of weight, leakage of contents, breakage of glass or similar fragile materials, marring, scratching, crushing, rust or corrosion, contamination, change in flavour, colour, texture or finish unless such loss or damage is caused directly by fire, lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, impact by vehicles, sprinkler leakage, vandalism, malicious mischief, theft or attempted theft or accident to the transporting conveyance;
  - (g) loss, damage or destruction caused directly or indirectly by civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.
3. **Property Insured** This Policy insures property as described in the policy, the property of the Insured or for which the Insured is responsible or sold but not delivered.
4. **Property Excluded** This Policy does not insure:-
  - (a) the following property unless endorsed hereon;
    - (i) jewellery and furs or other similar valuables;
    - (ii) manuscripts, blueprints, plans, or other valuable papers, dies or patterns;
    - (iii) animals, and then only against death or destruction resulting from or made necessary by a peril insured against;
    - (iv) tobacco, tobacco products, alcohol or alcoholic beverages;
  - (b) paintings, statuary and other works of art and articles of virtu except against absolute total loss in specie and then only as a direct result of a peril insured against;
  - (c) stamps, accounts, bills, deeds, evidences of debt or title, money, notes, securities or shipping documents;
  - (d) shipments by mail or parcel post;
  - (e) samples while in the care, custody or control of the Insured's sales representatives;
5. **Returned Shipments** Shipments that have been refused or returned by the receiver and returned at the direction of the Insured and such shipments are declared to the Insurer for the purpose of computing premium are insured as per the following perils:
  - (i) fire, lightning, explosion, earthquake;
  - (ii) windstorm, flood (meaning the rising of navigable waters);
  - (iii) collision, derailment, upset or overturn of the transporting conveyance;
  - (iv) collapse of bridges, docks or culverts;
  - (v) stranding, sinking, burning or collision of a regular ferry, including General Average and Salvage Charges, on which the insured property is being transported;
  - (vi) theft excluding all pilferages;
  - (vii) if by aircraft including collision or accident to the carrying aircraft.
6. **Limits of Liability** The Insurer shall not be liable for more than the amounts stated in the policy including salvage charges or other expenses or all combined in any one loss or series of losses arising from the same event, in respect of property in the custody of: -
  - (a) Railroads, Railway Express and Freight Forwarders, and/or
  - (b) Public or Private Truckman, and/or
  - (c) Vehicles owned, hired, leased or operated by the Insured, and/or
  - (d) Regularly Scheduled or Operated Air Lines.
7. **Valuation** The Insured property is agreed to be valued in the event of loss or damage at the actual invoice cost including prepaid freight together with such costs and charges since shipment as may have accrued and become legally due thereon and all premiums under this policy shall be paid on this basis. In the event of there being no invoice, the valuation of the property insured shall be the cash market value of the article or articles insured at point of destination on the day of the disaster.

8. **Report of Shipments and Premium Adjustment** (a) It is a condition of this Policy that the Insured will keep an accurate record of all shipments of the insured property made during the term of the Policy and will report in writing to the Insurer the total value of all such shipments as designated in the Policy.  
(b) The premium stated in this Policy is provisional. The premium shall be adjusted as stated in the policy.
9. **Carriers Receipts** It is agreed that the Insured may, without prejudice to this insurance, accept such bills of lading, receipts or contracts of carriage as are ordinarily issued by carriers, containing a limitation as to the value of goods and/or merchandise.
10. **Records** It is warranted by the Insured that a detailed record of all property at risk hereunder will be maintained. This record shall be open for inspection by duly authorized representatives of the Insurer at all reasonable times during the policy period and for one year thereafter.
11. **Labels** In the event of loss affecting labels, capsules or wrappers, the loss shall be adjusted on the basis of an amount sufficient to pay the cost to the Insured of new labels, capsules or wrappers, and of relabelling or rewrapping the property.
12. **Other Insurance** Where there is any other valid insurance providing indemnity for loss for which this policy provides indemnity the Insurer shall be liable only for its rateable proportion of the loss.
13. **Duration** This insurance attaches from the time the goods leave the factory, store, or warehouse at initial point of shipment and covers thereafter continuously in normal course of transportation until same are delivered at store or warehouse at destination, but in no case shall the duration of transit exceed 30 days.
14. **Institute Radioactive Contamination Exclusion Clause** This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.  
1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from  
1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel  
1.2 the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof  
1.3 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
15. **Locked Vehicle Warranty** Warranted by the Insured that any vehicle in which the property insured is carried is equipped with a fully enclosed metal body or compartment and the Insurer shall be liable in case of loss by theft from an unattended vehicle only as a direct result of forcible entry (of which there shall be visible evidence) into such body or compartment the doors and windows of which shall have been securely locked.  
**This clause does not apply to property which is under the control of a common carrier.**
16. **8:00 P.M. TO 8:00 A.M. Clause** Notwithstanding anything contained herein, it is further understood and agreed that with respect to the Insured's owned or leased vehicles, this policy shall not cover theft from unattended vehicles and/or terminals between the hours of 8:00 P.M. and 8:00 A.M., and it shall be an absolute defence hereunder against any claim for theft, that the property was contained in an unattended automobile or vehicle during said period of 8:00 P.M. and 8:00 A.M. where there is any lack of definite evidence as to the actual point of time when the theft occurred. Vehicles shall only be considered as attended if, at the time any loss occurs, said vehicle is attended by a representative of the Insured, or a permanent employee of the Insured, or by any adult whose sole duty is to attend the vehicle, and such representative, employee or adult is in or upon the vehicle at the time such loss occurs.  
**This clause does not apply to property which is under the control of a common carrier.**
17. **Co-Insurance - 100%** The liability of the Company under this policy shall not exceed the Limit of Liability stated in the Policy. If at the time of any loss, destruction or damage to the property at risk be collectively of greater value than the Limit of Liability the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable share of the loss, destruction or damage accordingly.
18. **Notice to Authorities** Where the loss is due to malicious mischief, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.
19. **No Benefit to Bailee** It is warranted by the Insured that this insurance shall in no wise enure directly or indirectly to the benefit of any carrier or other bailee.

- 20. Pair and Set** In the case of the loss of or damage to any article or articles, whether scheduled or unscheduled, which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.
- 21. Parts** In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled consisting, when complete to use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.
- 22. Sue and Labour** It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute prorata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.
- 23. Basis of Settlement** Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.
- 24. Subrogation** The Insurer, upon making any payment or assuming liability therefor under this Policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity of the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportions in which the loss or damage has been borne by them respectively.
- 25. English Text Clause** The Insured declares and covenants with the Insurer that the Policy of insurance has been drawn in the English language and to enable these coverages to be underwritten by the markets offering the requisite facilities, and to permit usage of the necessary clauses in the language of customary issuance and interpretation thereby to avoid confusion, misinterpretation and/or disparity of coverage, as could otherwise be detrimental to his interests.
- L'assuré(e) déclare et convient avec l'Assureur que la présente Police d'assurance a été rédigée dans la langue anglaise afin de permettre que ces couvertures soient souscrites par les Marchés offrant les facilités requises et afin de permettre l'usage des clauses nécessaires dans la langue de leur publication et interprétation coutumière, évitant ainsi la confusion, l'erreur d'interprétation et/ou la disparité de couverture qui pourraient autrement être préjudiciables à ses intérêts.

**Conditions**

All of the conditions set forth under the titles Statutory Conditions and Additional Conditions apply with respect to all of the perils insured by this Section except as these Conditions may be modified or supplemented by the Forms or Endorsements attached.

**Statutory Conditions**

- 1. Misrepresentation** If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.
- 2. Property of Others** Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.
- 3. Change of Interest** The Insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of law, or by death.
- 4. Material Change** Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent, and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.
- 5. Termination**

  - (1) This contract may be terminated,

    - (a) by the Insurer giving to the Insured fifteen days notice of termination by registered mail or five days' written notice of termination personally delivered;
    - (b) by the Insured at any time on request.
  - (2) Where this contract is terminated by the Insurer,

    - (a) the Insurer shall refund the excess of premium actually paid by the Insured over the prorata premium for the expired time, but, in no event, shall the prorata premium for the expired time be deemed to be less than any minimum retained premium specified; and
    - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
  - (3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
  - (4) The refund may be made by money, postal or express company money order or cheque payable at par.
  - (5) The fifteen days mentioned in clause (a) of sub-condition 1 of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
- 6. Requirements after Loss**

  - (1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of Conditions 9, 10, and 11,

    - (a) forthwith give notice thereof in writing to the Insurer;
    - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,

      - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
      - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,

- (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
- (iv) showing the amount of other insurances and the names of other Insurers,
- (v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
- (vi) showing any changes in title, use, occupation, location, possession, or exposures of the property since the issue of the contract,
- (vii) showing the place where the property insured was at the time of loss;

(c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;

(d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices, and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

(2) The evidence furnished under Clauses (c) and (d) of sub-paragraph (1) of this condition shall not be considered proofs of loss within the meaning of Conditions 12 and 13.

- 7. Fraud** Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.
- 8. Who may give Notice and Proof** Notice of loss may be given and proof of loss may be made by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.
- 9. Salvage**
- (1) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
  - (2) The Insurer shall contribute prorata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph (1) of this condition according to the respective interests of the parties.
- 10. Entry, Control, Abandonment** After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer is not entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.
- 11. Appraisal** In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.
- 12. When Loss Payable** The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.
- 13. Replacement**
- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
  - (2) In that event the Insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.
- 14. Action** Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

**15. Notice**

Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

SAMPLE