

# ICEA LION Marine Cargo Insurance



*We're Better Together*

# What is ICEA LION Marine Cargo Insurance?

ICEA LION Marine Cargo Insurance protects you against loss of or damage to your goods or cargo whilst in transit from the seller to you. The cargo will predominantly be transported via the sea, however, the policy can cover your goods or cargo to and from the sea via road, rail, air or inland waters. In other words, you are at liberty to select which leg of the transportation journey you wish your goods or cargo to be covered for, though we have the capability to cover you end to end or what is known as "warehouse to warehouse."

In general, we protect you against loss of or damage to the cargo (including any amounts paid in freight) or against any blame to a third party occurring during a sea voyage or air transit.

## What Could Go Wrong Whilst Your Marine Cargo Is In Transit?

There are a number of incidents or events that can affect the timely and intact delivery of your cargo whilst it is in transit at sea. These include:

- **Perils of the Sea:** These refer to acts or incidents that happen due to some irresistible force or natural cause or from the overwhelming power which is beyond human skill and control. These are also referred to as *Acts of God*, and includes accidents or events that do not happen due to the free will of a human being. These include storms, lightning, tsunamis, earthquake collision, grounding of the ship, sinking, disappearance, capsizing, etc. It is important to note that 'perils of the sea' do not cover every accident or casualty that arises in the sea such as wear and tear, loss by rats, wilful misconduct or mismanagement of the crew. They however include the total loss of the package, entry of sea water, vessel being stranded, grounded, sunk and or capsized.





They further include **Jettison**, which is a maritime term which refers to the intentional dropping or throwing overboard of cargo from an aircraft or ship for the common safety of the vessel and her cargo. Further, one can declare and activate the **Law of General Average** which is a principle of maritime law whereby all stakeholders in that sea venture, proportionally share any losses resulting from a voluntary sacrifice of part of the ship or cargo to save the whole in an emergency.

- Fire or explosion on a vessel.
- Collision of two vessels.
- War, terrorism, strike, and civil commotion.
- Piracy.
- Natural Perils such as earthquakes, tsunamis, volcanic eruption, lightning and so on.

- Human Factors such as incorrect packing, loading and unloading, stowage, cheap labour, as well as barratry. This refers to an act of misconduct committed by a master or crew of a vessel, which damages the vessel or its cargo.
- **Man-made Disasters:** This refers to theft by assailing thieves, violence and piracy of ships, war time events and so on.

## What Types Of Marine Cargo Insurance Are Available At ICEA LION?

Marine insurance covers are based on internationally accepted Institute Cargo Clauses (ICC). These are used the world over as a marine industry standard and specify what kind of items in the cargo are covered in case of any loss or damage to the shipment.

Mainly, there are three basic sets of Institute Cargo Clauses: A, B and C. The cover on your policy is directly related to your insurance premium. This means that the higher the marine insurance premium you pay; the more coverage you are likely to get. Here are the three institute cargo clauses as detailed below:

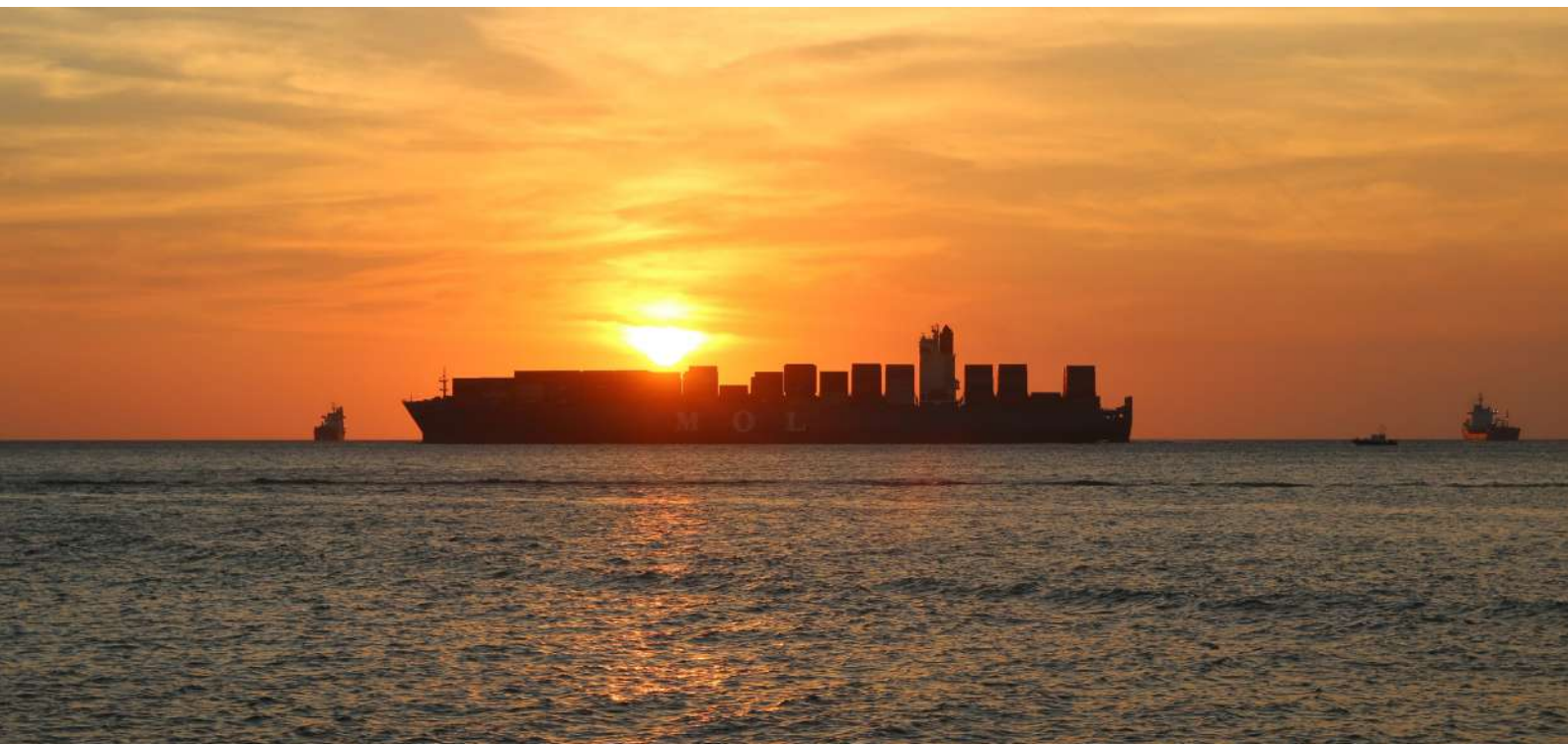
- **Institute Cargo Clause ICC (A) All Risks:** It is considered to be one of the widest marine insurance coverages. It covers all risks of loss of or damage to the cargo insured except for the specified exclusions. Therefore, a higher premium is paid as you would be getting the extensive cover. For Air Cargo, the equivalent cover is Institute Cargo Clauses Air.
- **Institute Cargo Clause ICC (B):** This is not as wide as ICC (A) above and covers specific named risks as defined in the policy. The policyholder mainly asks for the coverage for some more valuable items or only partial cargo. It is therefore considered to be basic cover and the premium is moderate.
- **Institute Cargo Clause (C):** This insurance provides limited cover for loss or damage to your cargo due to specified perils only. It is the most restrictive cover hence the premium payable will be low.



It is important to note that each of the institute cargo clauses mentioned is restricted to goods which are in transit. The items being shipped would be considered the goods in transit only if they have left from the original location and are still in transit to the destination.

## What Is Covered Under ICEA LION Marine Cargo Insurance?

- Loss of the cargo whilst in transit.
- Damage to the cargo whilst in transit.
- Pilferage which refers to theft of a few pieces or a small quantity of a relatively large shipment.
- Theft of all the goods in transit.
- Contamination of goods by water, moisture, oils or liquid chemicals.
- Non-delivery of cargo at destination.



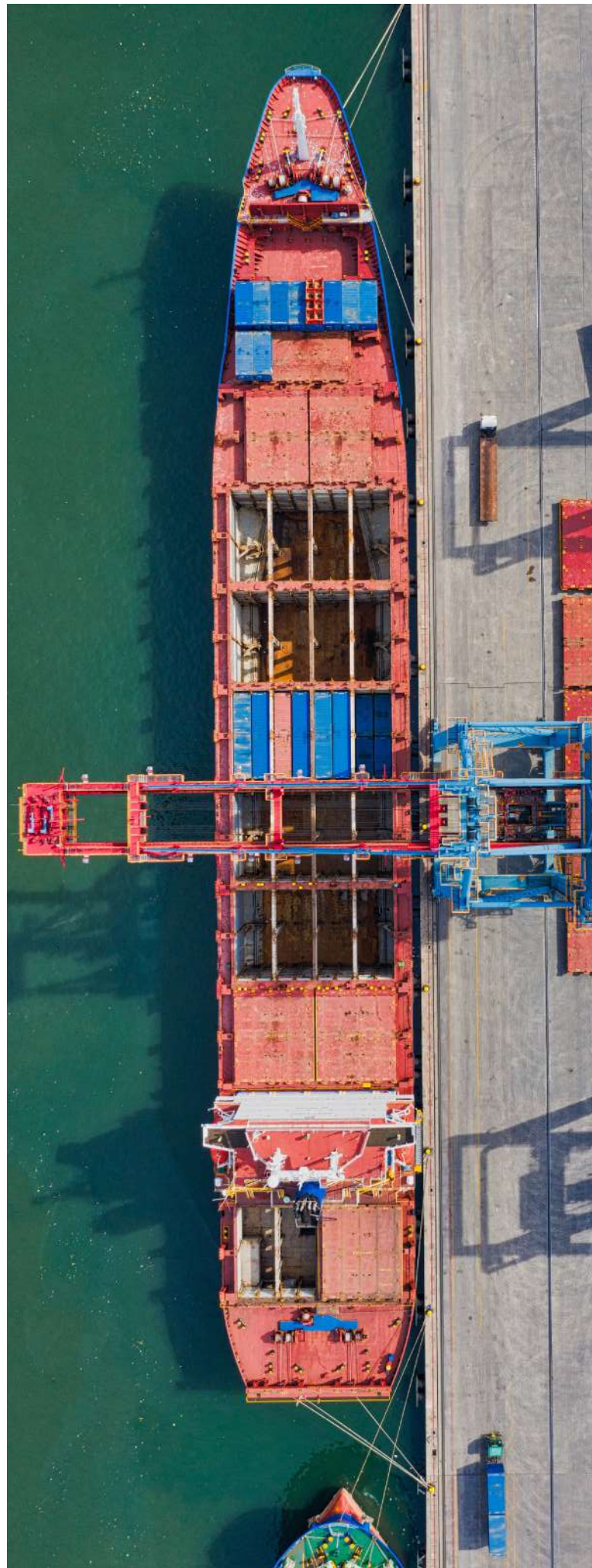
We also offer another form of marine insurance known as Marine Hull Insurance. A hull is the main body of a ship or other vessel, including the bottom, sides and deck but excluding the masts, superstructure, rigging, engines and other fittings. Marine Hull Insurance therefore covers the hull and machinery of ocean-going vessels and smaller vessels also known as sundry hull vessels.





# What Is NOT Covered Under ICEA LION Marine Cargo Insurance?

- Loss, damage or expenses that occur as a result of one's wilful misconduct or if one does not provide full disclosure of what is being covered, the age and condition of the vessel and so on. This also includes any stage managed claims that are intended to defraud the insurer.
- Ordinary leakage, loss in weight or volume or wear and tear of the cargo.
- Loss, damage or expenses due to insufficient or unsuitable packaging or preparation of the cargo to enable it withstand the logistics of loading, unloading and general handling of the package.
- Unseaworthiness or unfitness of the container or ship/vessel/craft/vehicle/train of which one is aware.
- Loss, damage or expenses which one can foresee is bound to occur during any normal transit and which arises solely because of the nature or condition of the cargo. This is known as inherent vice of the subject matter. For example, if you are transporting avocados (which have a known shelf life after a particular period) and there is a delay and they begin ripening along the journey, then the insurance will not cover the same.
- Loss, damage or expenses due to delay as well as the other consequences of the goods being delayed in transit.
- War and strikes. That said, you can pay an additional premium to cover this.
- Risks relating to war (including loss or damage caused by weapons such as mines left over from previous hostilities) as well as risks relating to damage caused by strikers, terrorists and riots are excluded. However, it is usual for these risks to be added back into the insurance cover by the inclusion of the applicable Institute War and Strikes Clauses mentioned above.
- Other exclusions as specified in the purchased type of policy.





# What Information Is Required When Obtaining Marine Cargo Insurance?

Name and address of the individual or business taking on the cover	Description of goods, number and nature of packages	Value of the goods, also known as the Sum Insured	Details of the carrying vessel
Description of voyage	Bill of Lading which lists the individual items in your cargo delivery	Type of Cover e.g. ICC (A), (B), (C)	Commercial Invoice

At ICEA LION, our mission is to protect and create your wealth. Should you have any inquiries about our ICEA LION Marine Cargo Insurance or would like to set it up, you can call us on **+254 719 071 999** or email us at [contactcentre@icealion.com](mailto:contactcentre@icealion.com).



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