



"All Risk" Insuring Conditions

Most new merchandise that has been properly packed for export and is not unusually susceptible to loss may be insured "All Risk." Typical "All Risk" terms provide coverage against all risks of physical loss or damage from any external cause unless the risk of loss is specifically excluded. Note that the loss must be a *physical* loss and the result of an *external* cause and so not all risks are actually covered. The table below lists the most common "All Risk" exclusions.

Most Common Exclusions under "All Risk" Terms

- ❖ Improper or inadequate packing
 - Packing should be sufficient to:
 - Withstand frequent handling, jarring and jostling
 - Withstand extremes of weather and temperature
 - Discourage or complicate pilferage and tampering
- ❖ Abandonment of cargo
- ❖ Rejection by Customs or other governmental authorities
- ❖ Failure to pay or collect
- ❖ Inherent vice
 - Infestation, failure of product to perform intended functions and latent defects
- ❖ Loss caused by delay or loss of use and/or market
 - Seasonal merchandise such as calendars and holiday cards
- ❖ Nuclear
- ❖ Radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons
- ❖ Cyber attack
- ❖ Losses when goods are not in the ordinary course of transit
- ❖ Losses due to Strikes, Riots & Civil Commotions (generally covered by a SR&CC Endorsement)
- ❖ Acts of War (certain limited Acts of War, but not while on land, are generally covered separately by endorsement or by a stand-alone war policy)

Note: Always check your actual policy for its specific exclusions.