

602 3 2 1 Marine insurance policies protect the interests of owners of vessels or cargo from loss caused by the perils of the seas. Marine insurance policies do not protect against every loss which may befall vessel or cargo, but only against the risks enumerated, most often in the portion of the policy known as the perils clause. A common perils clause reads as follows:

"Touching the adventures and perils which we the assurers are contented to bear and do take upon us in this voyage: they are of the seas, men-of-war, fire, enemies, pirates, rovers, thieves, jettisons, letters of mart and countermart, surprisals, takings at sea, arrests, restraints, and detainerments of all kings, princes, and people, of what nation, condition or quality soever, barratry of the master and mariners, and of all other perils, losses, and misfortunes, that have or shall come to the hurt, detriment, or damage of the said goods and merchandises, and ship, et cetera, or any part thereof."

The risks undertaken and enumerated in the perils clause may be supplemented by an INCHMAREE clause to increase coverage to additional perils. Likewise, the perils insured against and enumerated in the perils clause may be restricted by a special clause in another part of the policy eliminating one or more insured risks.

For example, the perils clause just reviewed includes many risks of warlike operation. For many years it has been common for marine insurance policies to contain what is known as a "free of capture and seizure" or FC&S clause, which eliminates such risks of warlike operation from the policy. Therefore, the perils clause in

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a policy containing the FC&S clause is read as though the war risks were omitted. Usually, a separate war risk insurance policy is written, which covers the risks eliminated from the marine insurance policy by the FC&S clause. For many years the result has been the common use of two policies, marine and war risk.

Although the most dreaded marine peril of all is not covered under the terms of the usual marine insurance policy, friends, you can rest assured that the standard form war risks policy still provides full coverage for loss occasioned by the "L.J. Wallace peril."

More next week on The Admiralty Docket. Until then, remember your rights and responsibilities may change as you approach the shore and may God Almighty grant you pleasant sailing. 602

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