



Marine and Aviation Insurance (War Risks) Act 1952

1952 CHAPTER 57

3 Transitional provisions for compensation in respect of goods lost or damaged in transit after discharge or before shipment

(1) Where a person satisfies the Minister with respect to any goods—

(a) that the goods, having been consigned for carriage by sea or by air from a place outside any one of the countries to which this paragraph applies to a place in that country,—

(i) were discharged in that country from the ship or aircraft before the expiration of the period of seven days beginning with such day as the Minister may declare to be the day as from which he will carry on business for the purpose mentioned in paragraph (e) of subsection (1) of the last foregoing section ;

(ii) were, after the beginning of that day and before the expiration of the appropriate period, lost or damaged in consequence of a war risk, being one which the Minister was, on that day, prepared to insure under the said paragraph (e); and

(iii) were lost or damaged while in transit between the ship or aircraft and their destination ;

or, having been consigned for carriage by sea or by air from a place in any one of the countries to which this paragraph applies to a place outside that country before the expiration of the said period of seven days, were, after the beginning of the said day, lost or damaged in consequence of such a war risk as aforesaid while in transit between the premises from which they were consigned and the ship or aircraft; and

(b) that the goods were not insured against the risk in consequence of which they were lost or damaged ; and

(c) that he and his agents exercised all due diligence for securing that no delay occurred while the goods were in such transit as aforesaid ; and

(d) that at the time when the loss or damage occurred the property in the goods was vested in him;

the Minister shall pay to him, by way of compensation for that loss or damage, an amount ascertained in accordance with the next following subsection.

- (2) The amount of compensation payable under the foregoing subsection shall be—
- (a) in the case of lost goods, an amount equal to the insurable value of the goods;
 - (b) in the case of damaged goods—
 - (i) where the goods have been delivered at their destination, an amount equal to such proportion of the insurable value of the goods as the difference between the gross sound and damaged values at the place of arrival bears to the gross sound value ;
 - (ii) where the goods have not been so delivered, an amount equal to such proportion of the insurable value of the goods as the difference between the gross sound and damaged values at the premises from which they were consigned bears to the gross sound value.
- (3) Where, at a time when the loss or damage for which compensation in respect of any goods has become payable under this section occurred, the goods were subject to a mortgage, charge or other similar obligation, the amount of the compensation shall be deemed to be comprised in that mortgage, charge or other obligation.
- (4) The countries to which paragraph (a) of subsection (1) of this section applies are the United Kingdom, the Isle of Man and any of the Channel Islands.
- (5) In this section—
- (a) the expression " the ship or aircraft", in relation to goods consigned for carriage by sea or by air to or from a country to which paragraph (a) of subsection (1) of this section applies, does not include a vessel into which the goods are discharged at a port or place in that country for the purpose of being landed at that port or place, or from which the goods are discharged for the purpose of being carried by sea or by air from that country, as the case may be ;
 - (b) the expression " the appropriate period " means—
 - (i) in a case where the destination of the goods is within the port or place at which they were discharged from the ship or aircraft, the period of fifteen days beginning with the day on which they were so discharged;
 - or
 - (ii) in a case where the destination of the goods is outside the said port or place, the period of thirty days beginning with the day on which they were so discharged; and
 - (c) the expression " insurable value " means, in relation to goods consigned for carriage by sea or by air, the prime cost of the goods plus the expenses of and incidental to the carriage thereof as aforesaid and the charges of insurance upon the whole ;

and for the purposes of this section the gross value of goods shall be taken to be the wholesale price or, if there be no such price, the estimated value, with, in either case, the expenses of and incidental to the carriage of the goods.