

DESPATCHES FROM THE SECRETARY OF STATE.

No. 517.

CIRCULAR.

DOWNING STREET,  
22nd September, 1914.

SIR,—With reference to my Circular despatch of the 12th August last, I have the honour to transmit to you, for your information, the accompanying copies of an explanatory memorandum which has been issued by the War Risks Insurance Office with regard to cargo insurances only.

2. I also enclose copy of a letter from the Board of Trade indicating the current rates of insurance for cargo and ships under the Government War Risks Insurance Scheme.

I have, &c.,

L. HARCOURT.

*The Officer Administering the Government of*  
HONGKONG.

ENCLOSURE 1.

WAR RISKS INSURANCE OFFICE,  
CANNON STREET HOTEL,  
LONDON, E.C.

CARGO INSURANCES ONLY.

EXPLANATORY MEMORANDUM.

*As revised 25th August, 1914.*

1. The only risks which are covered by the Government War Risks Insurance Office are King's Enemy War Risks, in terms of Clause 2 in the policy, of which the following is a copy :—

“This insurance is only to cover the risks of capture, seizure and detainment by the King's enemies and the consequences thereof, or any attempt thereat, and all consequences of hostilities or warlike operations by or against the King's enemies, whether before or after declaration of war.”

2. Cargo only is insured. The insurance is undertaken subject more particularly to the following conditions :—

- (a.) That any cargo may be insured which is not enemy property, or goods the transport of which is prohibited by proclamation or otherwise restricted ;
- (b.) That the cargo is carried on a British steamer which is entered in one of the undermentioned War Risks Associations approved by the Government, and that a war risks policy has been taken out on the vessel covering the voyage in question under the Government Scheme for the re-insurance of hulls ; and
- (c.) That the voyage is not one which is prohibited by the Admiralty.

3. It rests with the applicant to satisfy himself that the conditions mentioned in paragraph 2 are complied with ; the warranties in the policy which deal with these and other points should be carefully considered.

4. The approved War Risks Associations above referred to are :—

- (1.) The North of England Protecting and Indemnity Association, Collingwood Buildings, Newcastle-on-Tyne.
- (2.) The Liverpool and London War Risks Insurance Association, Limited, 10, Water Street, Liverpool.
- (3.) The London group of War Risks Associations, 24, St. Mary Axe, E.C.

This group comprises the following :—

- Britannia Steam Ship Insurance Association, Limited; Tindall, Riley & Co. (Managers), 17, Gracechurch Street, E.C.
- London Steam Ship Owners' Mutual Insurance Association, Limited; A. Bilbrough & Co. (Managers), 23, Rood Lane, E.C.
- Newcastle War Risks Indemnity Association, Limited; E. S. Scorfield & James Ferguson (Managers), 4, Queen's Street, Newcastle-on-Tyne.
- Standard Steamship Owners' Mutual War Risks Association, Limited; Charles Taylor & Co. (Managers), 45, Fenchurch Avenue, E.C.
- Sunderland Steamship Mutual War Risks Association, Limited; J. Rutherford & Son (Managers), 45, West Sunnyside, Sunderland.
- United Kingdom Mutual War Risks Association, Limited; T. R. Miller & Son (Managers), 24, St. Mary Axe, E.C.
- West of England Mutual War Risks Association, Limited; John Holman & Sons (Managers), 1, Lloyd's Avenue, E.C.

The great majority of British steamers are entered in one or other of these Associations.

5. As a general rule, cargo carried on a vessel which has already sailed cannot be insured under the Government Scheme, but the War Risks Insurance Office is, notwithstanding, authorised to consider applications for the insurance of cargo on a vessel which has already sailed or can be warranted safe at a port of call or at some point on her voyage.

6. The premium is charged at a flat rate irrespective of the voyage or of the character of the cargo insured. Any alteration in the rate will be announced in the Press.

7. If, for any reason which the Committee consider sufficient, the goods or any portion of them are not shipped by the vessel by which they were insured, the insurance effected may be cancelled so far as short interest is concerned.

8. All applications for cancelment or return of premium must be made on the forms specially provided for that purpose. Such applications should be accompanied by a statement of reasons and supporting evidence, together with the stamped slip and policy.

In the case of claim for partial cancelment the marine policy should be produced.

Where the application for cancelment or return is consequent on war risk insurance previously effected elsewhere, the slip and policy relating to the other insurance must be produced.

9. Cargo insured against King's Enemy War Risks under the Government Scheme must also be covered by approved marine insurance policies as defined in paragraph 10. These marine policies must be produced at the War Risks Insurance Office when required, in proof of values, but this will possibly not be necessary except in the event of a loss or claim. In the case of cargoes insured against marine risks by policies issued on or after the 5th August, 1914, the insurance will, in the absence of any special agreement otherwise, be deemed sufficient for the purposes of the Government Scheme, so long as not less than 70 per cent. of the value be covered under approved marine insurance policies. This rule does not apply to policies issued before the outbreak of war, so long as such policies shall afford sufficient proof of values.

10. Marine insurance policies will be accepted by the War Risks Insurance Office as evidence of values under the foregoing paragraph, if issued by Members of Lloyd's, British Insurance Companies, or other approved Underwriters or Insurance Companies, as follows :—

- (a.) All policies (whether enemy or other) issued previous to the outbreak of war, *i.e.*, signed and dated prior to and including the 4th August, will be accepted; and

- (b.) All policies of recognised British or alien Companies or Underwriters (other than enemy) issued on or after the outbreak of war will be accepted. This does not authorise the acceptance of policies, whether British or alien, issued by trading or other firms not coming within the general scope of recognised Underwriting Associations.

Applicants for insurance of cargo under the Government Scheme, if in doubt as to the admissibility of their marine insurance policies under the foregoing rules, should, when submitting their proposals for insurance, produce the marine policies for consideration, and, in case of need, endorsement, if approved.

11. Where the insurance is described on the slip as "Provisional," this refers to the amount insured only, and not to the insurance as a whole.

The premium on the whole amount must in all cases be paid in the first instance, subject to any such refund as may be subsequently substantiated.

12. The Committee are prepared, in certain circumstances, to consider applications for the issue of open policies.

13. No interior or land risks are taken by the War Risks Insurance Office.

14. The brokerage to be deducted should be calculated at the rate of one shilling per guinea of premium. No discount is allowed.

15. It rests on applicants to see that the information and calculations appearing on the application slip shall be in all respects correct.

16. The reference to "stamp" printed on the slip may be disregarded; the policy will be stamped by the Inland Revenue authorities without further charge.

17. Cheques must be made payable to the "War Risks Office," and crossed "Bank of England."

18. Applicants desiring to retain at their own risk a portion of the war risk, insuring the remainder under the Government Scheme, may so retain up to, but not exceeding, 50 per cent. of the declared value, but with the reservation that whatever be the proportion so retained at the inception of the risk it shall be retained at the risk of the assured until its termination. In such cases the total value of the interest at risk must be declared on the application slip for insertion in the policy.

The foregoing does not preclude the assured from insuring with approved Underwriters or Insurance Companies any portion of the war risk not placed with the War Risks Insurance Office, provided that such insurance be effected not later than the insurance with the War Risks Insurance Office.

19. The value for the purpose of insurance against war risks must not exceed the value for insurance against sea risks.

20. The premium in force at the time the insurance was effected cannot, unless in the case provided for in Clause 1 of the policy, be afterwards reduced or increased.

21. Payment of admitted claims will be made promptly by cheque on the Bank of England.

22. Application slips for insurance must be filled up in duplicate, one copy to be marked "Duplicate" for retention by the War Risks Insurance Office.

The premium must be paid at the time the application is handed in.

23. Copies of this Memorandum, application slips for insurance, and specimen policies are obtainable at the War Risks Insurance Office, where all applications for the insurance of cargo under the Government War Risks Insurance Scheme must be made personally by the applicant or his representative. Postal or telegraphic applications cannot be accepted.

Application slips can also be obtained at Lloyd's, or at the Institute of London Underwriters, 1, St. Michael's House, Cornhill, E.C.

24. The War Risks Insurance Office is open for public business from 11 to 4 o'clock ; on Saturdays from 11 to 1 o'clock.

By order of the Committee.

DOUGLAS OWEN,  
*Chairman.*

CANNON STREET HOTEL,  
LONDON, E.C.,  
25th August, 1914.

ENCLOSURE 2.

BOARD OF TRADE,  
(MARINE DEPARTMENT),  
7, WHITEHALL GARDENS,  
LONDON, S.W.,  
1st September, 1914.

SIR,—With reference to previous correspondence respecting the Government War Risks Insurance Scheme, I am directed by the Board of Trade to state, for the information of Mr. Secretary Harcourt, that the insurance rates both for cargo and for ships have to-day been altered as follows:—The rate for cargo has been reduced from three guineas per cent. to two guineas per cent. In the case of ships the rate for a voyage has been reduced from  $1\frac{1}{4}$  per cent. to 1 per cent., the rate for a round voyage has been reduced from  $2\frac{1}{2}$  per cent. to 2 per cent., and the rate for a time policy for three months has been reduced from  $2\frac{1}{2}$  per cent. to 2 per cent. In addition it has been decided that a ballast voyage not exceeding 800 miles in length may be treated as forming part of the following voyage without additional premium.

I have, &c.,

C. HIPWOOD.

*The Under-Secretary of State,  
Colonial Office.*

No. 518.

CIRCULAR.

DOWNING STREET,  
10th November, 1914.

SIR,—I have the honour to transmit, for your information, copies of two notices which have been issued by the Foreign Office: (a) in regard to the arrangements which have been made for the reciprocal exchange of British and Austro-Hungarian civilian subjects detained in Austria-Hungary and the United Kingdom respectively; (b) in regard to the transmission of money and letters to individuals abroad.

I have, &c.,

L. HARCOURT.

*The Officer Administering the Government of  
HONGKONG.*

#### BRITISH SUBJECTS IN AUSTRIA-HUNGARY.

##### *Arrangements for Exchange.*

Arrangements have been made for the reciprocal exchange of British and Austro-Hungarian subjects (civilians) at present detained in Austria-Hungary and the United Kingdom respectively.