



International
Trade Club



How to Calculate an Insurance Premium

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Types of Insurance Cover

- **Open Cover**
Certificate, easiest and most widely used

- **Time/Annual/Specific Policies**
Policy for a specific shipment



- Institute Cargo Clauses A Plus War & Strikes
- Clauses B & C
- Air - Institute Cargo Clause (Air) - same as A clause for Sea



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Calculation for Insurance Premium

- Ex Works Price
- + FOB/FCA Charges
- + Carriage Charges
- = **CFR or CPT**
- + Insurance Premium - round upto nearest pound (can be 0.20% to 0.70%)
- = **CIF or CIP Value**