



Geo Underwriting Europe B.V. trading as  
Knighthood Europe

# Marine Craft Insurance

FOR PASSENGER BOAT AND MARINE SERVICE OPERATORS

## REPUBLIC OF IRELAND POLICY WORDING

**Underwriting Agent**

Geo Underwriting Europe B.V. trading as Knighthood Europe  
Weena 505, 17<sup>th</sup> Floor, 3013 AL Rotterdam, Netherlands

Tel No : +44 (0)1342 327111  
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MARINE CRAFT POLICY

In consideration of payment of the premium specified in the Schedule the Insurers agree to insure against loss, damage, liability or expenses to the extent and in the manner hereinafter provided and as specified in the Schedule.

Signed for and on behalf of the Insurers



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Geo Underwriting Europe B.V. trading as Knighthood Europe  
as Underwriting Agent for

Allianz Global Corporate and Speciality SE and/or the West of England Ship Owners Mutual Insurance Association  
(Luxembourg) as may be applicable per the policy limits.

Allianz Agreement Number : B1740MMH210022000

## IMPORTANT INFORMATION

### Policy

This is Your policy document which explains the standard cover provided by the Geo Underwriting Europe B.V. trading as Knighthood Europe, scheme for Passenger Boat and Marine Service Operators. The policy is to be read in conjunction with the Schedule which forms an integral part of the agreement between You and the Insurer. The policy may be amended by specific terms or Endorsement detailed within the Schedule.

### Underwriting Agent

Geo Underwriting Europe B.V. trading as  
Knighthood Europe

### Insurer

Allianz Global Corporate & Specialty SE  
Königinstrasse 28, 80802 München, Germany, Munich  
Commercial Register HRB 208312

Proportion of Cover Underwritten: The primary EUR 5,000,000 of any liability indemnity limit stated in the schedule or within this policy and 100% for all other covers.

And

For UK registered vessels or UK located non registered craft:

The West of England Ship Owners Mutual Insurance Association (Luxembourg)  
UK Branch registered office, One Creechurch Place,  
Creechurch Lane, London, EC3A 5AF

For non-UK registered vessels or non-UK located non registered craft:

The West of England Ship Owners Mutual Insurance Association (Luxembourg)  
31 Grand-Rue, L-1661 Luxembourg, G.D. Luxembourg

Proportion of Cover Underwritten: The balance of any liability indemnity limit stated in the schedule or within this policy in excess of the primary liability underwritten by Allianz Global Corporate & Specialty SE.

### You/Your

The Named Assured stated in the Schedule

### Complaints

Geo Underwriting Europe B.V. trading as Knighthood Europe act on behalf of the above named Insurer in this respect and the company has an internal complaints handling procedure, a copy of which is available on request.

Should you wish to register a complaint against Knighthood, we ask that you contact the Compliance

Officer, Geo Underwriting Europe B.V. trading as Knighthood Europe, Weena 505, 17<sup>th</sup> Floor, 3013 AL Rotterdam, Netherlands.

### Financial Services Compensation Scheme

The Insurer of this policy is covered by the above. If they are not able to meet their obligations you *may* be entitled to compensation from the Financial Services Compensation Scheme dependent upon the type of insurance and circumstances of any claim, inter alia.

90% of any claim (other than for compulsory insurance which is 100%) without limit, is the extent of the cover under this scheme.

Further details are available from the Financial Services Compensation Scheme.

### Policy Document

If at any time a new policy is required we will be pleased to provide this upon request.

### Statement of Price

Your annual insurance premium may include an amount for additional services and if this applies such amount will be stated separately.

### Warranties

The consequence of any breach of any part of the warranties contained in your Policy Conditions, Schedule or Endorsement or any other warranties arising by operation of law will be to suspend the Insurer's liability from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to you for any loss which occurs, or which is attributable to something happening, during the period where the Insurer's liability is suspended.

### Terms Not Relevant to the Actual Loss

Where there has been a failure to comply with a term (express or implied) of this insurance policy, other than a term that defines the risk as a whole; and compliance with such term would tend to reduce the risk of the loss of a particular kind and/or loss at a particular location and/or loss at a particular time the Insurer cannot rely on the breach of such term to exclude, limit or discharge its liability if you show that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.

## Duty of Fair Presentation

- 1) Before the inception of the relevant Period of Insurance (defined in the Policy Schedule) you must make a fair presentation of the risk to the Insurer, in accordance with section 3 of the Insurance Act 2015. In summary, you must:
  - a. disclose to the Insurer every material circumstance which you know or ought to know. Failing that, you must give the Insurer sufficient information to put a prudent Insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgment of a prudent Insurer as to whether to accept the risk, or the terms of the insurance (including premium);
  - b. make the disclosure in clause 1 (a) above in a reasonably clear and accessible way; and
  - c. ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.
- 2) For the purposes of clause 1 (a) above, you are expected to know the following:
  - a. if you are an individual, what is known to you and anybody who is responsible for arranging your insurance.
  - b. if you are not an individual, what is known to anybody who is part of the senior management of your organisation; or anybody who is responsible for arranging insurance for that organisation
  - c. whether you are an individual or not, what should reasonably have been revealed by a reasonable search of information available to you. The information may be held within your organisation, or by any third party (including but not limited to subsidiaries, affiliates, your broker, or any other person who will be covered under the insurance). If you are insuring subsidiaries, affiliates or other parties, the Insurer expects that you will have included them in your enquiries, and that you will inform the Insurer if you have not done so. The reasonable search may be conducted by making enquiries or by any other means.
- 3) If, prior to entering into this policy you breach the duty of fair presentation, the remedies available to the Insurer are set out below.
  - a. if your breach of the duty of fair presentation is deliberate or reckless:
    - i) the Insurer may avoid the contract, and refuse to pay all claims; and
    - ii) the Insurer need not return any of the premiums paid in respect of the relevant Period of Insurance.
  - b. if your breach of the duty of fair presentation is not deliberate or reckless, the Insurer's remedy shall depend upon what the Insurer would have done if you had complied with the duty of fair presentation:
    - i) if the Insurer would not have entered into the contract at all, the Insurer may avoid the contract and refuse all claims, but must return the premium paid, in respect of the relevant Period of Insurance
    - ii) If the Insurer would have entered into the insurance policy but on different terms (other than terms relating to the premium) the policy is to be treated as if it had been entered into on those different terms from the inception of the relevant Period of Insurance if the Insurer so requires.
    - iii) In addition, if the Insurer would have entered into the contract in respect of the Period of Insurance, but would have charged a higher premium, the Insurer may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims) made during the Period of Insurance. In those circumstances, the Insurer shall pay only X% of what it would otherwise have been required to pay in respect of the relevant claim(s), where  $X = (\text{premium actually charged} \div \text{higher premium}) \times 100$ .

- 4) If, prior to entering into a variation to this insurance policy, you breach the duty of fair presentation, the remedies available to the Insurer are set out below.
- a. if your breach of the duty of fair presentation is deliberate or reckless:
    - i) the Insurer may by notice to you treat the contract as having been terminated from the time when the variation was concluded; and
    - ii) the Insurer need not return any of the premiums paid in relation to the relevant Period of Insurance.
  - b. If your breach of the duty of fair presentation is not deliberate or reckless, the Insurer's remedy shall depend upon what the Insurer would have done if you had complied with the duty of fair presentation:
    - i) if the Insurer would not have agreed to the variation at all, the Insurer may treat the contract as if the variation was never made but must in that event return any premium paid in respect of the variation.
    - ii) if the Insurer would have agreed to the variation of the contract but on different terms (other than terms relating to the premium paid in respect of the variation) the variation is to be treated as if it had been entered into on those different terms if the Insurer so requires.
    - iii) if the Insurer would have increased the premium paid in respect of the Period of Insurance then the Insurer may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Insurer shall pay only X% of what it would otherwise have been required to pay in respect of the relevant claim(s), where  $X = (\text{total premium actually charged in respect of the Period of Insurance including the variation premium} \div \text{total premium the Insurer would have charged in respect of the Period of Insurance including the variation premium had it received a fair presentation of the risk}) \times 100$ .
- iv) if the Insurer would not have reduced the premium paid in respect of the Period of Insurance as much as it did or at all, then the Insurer may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Insurer shall pay only X% of what it would otherwise have been required to pay in respect of the relevant claim(s), where  $X = (\text{total premium actually charged in respect of the Period of Insurance} \div \text{total premium the Insurer would have charged in respect of the Period of Insurance had it received a fair presentation of the risk}) \times 100$
- 5) Nothing in these clauses is intended to vary the position under the Insurance Act 2015.
- 6) Where you are two or more named Assureds interested in the same risk, each named Assured shall be jointly and severally liable to discharge these duties.

#### **Fraudulent Claims**

- 1) If you make a fraudulent claim under this insurance contract, the Insurer:-
  - a. is not liable to pay the claim; and
  - b. may recover from you any sums paid by the Insurer in respect of the claim; and
  - c. may by notice to you treat the insurance policy as having been terminated with effect from the time of the fraudulent act.
- 2) If the Insurer chooses to exercise its right under clause 1 (a) above:
  - a. the Insurer shall not be liable to you in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the Insurer's liability under the insurance contract (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and
  - b. the Insurer need not return any of the premium paid in respect of the relevant Period of Insurance.

If this insurance policy provides cover for any person who is not a party to the insurance policy (“a covered person”), and a fraudulent claim is made under the contract by or on behalf of a covered person, the Insurer may exercise the rights set out in clause I (b) above as if there were an individual insurance contract between the Insurer and the covered person. However, the exercise of any of those rights shall not affect the cover provided under the contract for any other person.

Nothing in these clauses is intended to vary the position under the Insurance Act 2015

### **Non-Waiver**

Where, in certain circumstances, the Insurers decide not to exercise, either at all or to some extent, one or more of the rights which are given to them by the terms of this Insurance, such exercise in whatever form, shall not be considered to constitute a precedent binding upon the Insurers in respect of any future claims, nor may it be relied upon by the Named Assured in any dispute with the Insurers over a claim.

### **Assignment**

The Named Assured may assign benefit of the insurance to a mortgagee or similar person for a similar purpose but no such assignment shall in any way be binding upon the Insurers unless and until the Insurers have approved the assignment in writing. All such Assignments and Interests will be shown within the “Interests” section of the Schedule to this policy.

### **Mediation, Arbitration and Governing Law**

The contract of insurance between the Named Assured and the Insurers is governed by Irish Law and practice and in particular, except to the extent specifically contradicted in the policy documentation, by the Marine Insurance Act 1906 or any relevant Insurance Act.

If any dispute arises between the Insurers and the Named Assured concerning the construction of the Contract of Insurance or the validity or value of any claim on the Insurers by the Named Assured, such dispute or difference must be referred to Mediation in Dublin or elsewhere as agreed. The Mediation must be agreed upon by the parties within 14 days of one party requesting the appointment of a Mediator. Unless otherwise agreed the parties will share the cost of the Mediation equally. The use of Mediation will not be construed under any legal doctrine adversely to affect the legal rights of either party and in particular either party may seek an injunction or other preliminary or ancillary judicial relief at any time that it considers that such action is necessary to protect its interests. Should the parties fail to resolve their difference or disputes through

Mediation then it will be referred to two Arbitrators in Republic of Ireland or elsewhere as agreed (one to be appointed by the Insurer and the other by the Named Assured) and an Umpire to be appointed by the Arbitrators and the submission to Arbitration will be subject to the Arbitration Act 2010 or statutory modification or re-enactment thereof.

### **Claims Notification**

To comply with your Policy Conditions you should immediately report any incident to Knighthood Europe which **may** result in a claim regardless of whether you consider you are liable or not. Failure to give such notification and/or failure to supply requested documentation within 14 days may result in your Insurer refusing to provide indemnity under your policy.

Please follow the procedure detailed below:-

- (1) Report all possible claims immediately, to your usual contact at your local Broker/Agent. Your Broker/Agent should then report, ALL incidents immediately during business hours to Knighthood Europe by telephone or other electronic communication :-

Email: [marineclaims@knighthoodcorporate.com](mailto:marineclaims@knighthoodcorporate.com)  
Telephone: +44 1342 327111

- (2) In the event of a potential Personal Injury claim the following documentation will be required within **10 working days** following the incident:-

- i. Accident book entry or copy of entry in the vessel's log
- ii. Copy of Risk Assessment as required by statute
- iii. Copy of MCA or Department of Marine passenger vessel certificate or equivalent issued by your local authority or state
- iv. Copy of first aider report if first aid administered by staff
- v. Copy of report to Health & Safety and MAIB or Department of Marine or other authorised body as required by local law or statute
- vi. Internal enquiry report
- vii. Witness statements
- viii. Photographs of locus of accident

- (3) Please **NEVER** admit liability or answer letters from Third Parties, but pass all correspondence to Knighthood immediately.
- (4) In all cases please obtain names and addresses of any witnesses and if possible obtain a signed statement from them at the time of the incident.
- (5) In the case of damage to a vessel, no repairs may commence before the vessel has been surveyed unless Knighthood have confirmed that a surveyor is not required or such repairs are of an emergency nature, or below the policy deductible.
- (6) Surveyors **may only** be instructed by Knighthood, unless an independent report is required (fees not covered by insurance) when you are of course free to instruct a surveyor of your choice.
- (7) In the event of a claim being made for damage, estimates for the repair should be obtained as quickly as possible and forwarded to Knighthood.
- (8) **Refer to your policy schedule or local Agent's instructions for Out of Hours Emergency contact details.**

## Subject Matter Insured

As stated in the Vessel Schedule and as described in the Description of the Vessel under Special Clauses (a).

## Agreed Value

100% of the Insured Value.

## Class/Certification

It is required that all Insured Vessels are Classed or Certified in accordance with statutory regulations

## Geographical Limits

United Kingdom and European Waters within Institute Warranties 1/7/76

But

If more restricted by the operating licence issued by the appropriate authority for normal operations, then within those geographical limits regardless of the actual operating mode.

## INSTITUTE WARRANTIES (1/7/76)

1. Warranted no:
  - (a) Atlantic Coast of North America, its rivers or adjacent islands
    - (i) north of 52°10'N.Lat. and west of 50°W.Long;
    - (ii) south of 52°10'N.Lat. in the area bounded by lines drawn between Battle Harbour/ Pistolet Bay; Cape Ray/Cape North; Port Hawkesbury/Port Mulgrave and Baie Comeau/Matane, between 21st December and 30th April both days inclusive
    - (iii) west of Baie Comeau/Matane (but not west of Montreal) between 1st December and 30th April both days inclusive.
  - (b) Great Lakes or St. Lawrence Seaway west of Montreal
  - (c) Greenland Waters
  - (d) Pacific Coast of North America its rivers or adjacent islands north of 54°30'N.Lat., or west of 130°50'W.Long
2. Warranted no Baltic Sea or Adjacent waters east of 15°E.Long
  - (a) North of a line between Mo (63°24'N.Lat.) and Vasa (63°06'N.Lat) between 10th December and 25th May b.d.i.
  - (b) East of a line between Viipuri (Vyborg) (28°47'E.Long) and Narva (28°12'E.Long.) between 15th December and 15th May b.d.i.
  - (c) North of a line between Stockholm (59°20'N.Lat) and Tallinn (59°24'N.Lat.) between 8th January and 5th May b.d.i.
  - (d) East of 22°E.Long, and south of 59°N.Lat. between 28th December and 5th May b.d.i.
3. Warranted not North of 70°N.Lat. other than voyage direct to or from any port or place in Norway or Kola Bay.
4. Warranted no Behring Sea, no East Asian waters north of 46°N.Lat. and not to enter or sail from any port or place in Siberia except Nakhodka and/or Vladivostock.
5. Warranted not to proceed to Kerguelen and/or Croset Islands or south of 50° S.Lat., except to ports and/or places in Patagonia and/or Chile and/or Falkland Islands, but liberty is given to enter waters south of 50° S.Lat., if *en route* to or from ports and/or place not excluded by this warranty.
6. Warranted not to sail with Indian Coal as cargo:
  - (a) between 1st March and 30th June, b.d.i.
  - (b) between 1st July and 30th September, b.d.i., except to ports in Asia, not West of Aden or East of or beyond Singapore.

## Policy Deductibles

1. Vessels :  
0.50% of Insured Value  
  
Minimum EUR 1,250, Maximum EUR 7,500
2. Dinghy/Tenders, valued up to EUR 3,000 where specified as such in the Vessel Schedule  
  
EUR 150
3. Wines, Spirits, Beers, Minerals, Consumable Stocks and Catering Utensils where specified as such in the Vessel Schedule  
  
EUR 150
4. In respect of losses arising out of CL.294 Institute Additional Perils Clause – Hulls 1/11/95  
  
1.25% of Insured Value  
  
Minimum EUR 5,500, Maximum EUR 15,000
5. Claims in respect of Collision or Impact with Fixed or Floating Objects (Including Third Party claims):  
  
0.50% of Insured Value  
  
Minimum EUR 1,250, Maximum EUR 7,500

Applicable each and every incident other than the Total Loss of an Insured Vessel and Third Party claims where the policy shall respond in full, except where specifically provided otherwise.

Aggregated deductible for a single incident :

Policy Deductibles 1 & 4 apply in accordance with the policy wording other than in respect of claims involving loss or damage to a Vessel or Vessels insured on the Vessel Schedule where the proximate cause of loss or damage giving rise to the claim or claims is a single incident or peril as defined within this policy, when all Vessels effected are accumulated together at a single location or within a geographical radius of 10 miles of a single location and within the same 12-hour time period, in which case, a maximum aggregate Deductible shall be applied at EUR 15,000

All in accordance with Clause 13 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87.

These deductibles shall apply unless specifically amended within the Policy Schedule.



## POLICY COVER AND CONDITIONS

### Insuring Clauses

1. As included in the Appendix comprising:-
  - CL.312** Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 and in respect of Clauses 8 (Collision Liability) and 10 (Protection & Indemnity) the amount of indemnity applicable is as shown in the Vessel Schedule under Liability Indemnity Limit
  - CL.281** Institute War and Strikes Clauses Hulls - Time 01/10/83 including **LPO 444** London Blocking and Trapping Addendum
  - CL.345** Institute Protection and Indemnity War Strikes Clauses Hulls – Time 20/7/87
  - CL.370** Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause 10/11/03
  - CL.380** Institute Cyber Attack Exclusion Clause 10/11/03
  - CL.358** Institute English Jurisdiction Clause 01/11/91
  - LMA5096** Several Liability Clause
  - LMA5403** Marine Cyber Endorsement
  - LMA5393** Communicable Disease Endorsement
  - LMA5395** Coronavirus Exclusion
  - JL2010/005** Sanction Limitation and Exclusion Clause
  - CL.294** Institute Additional Perils Clause – Hulls 1/11/95

Sub Clause 1.1.2 is deleted and replaced by the following:-

  - 1.1.2 any defective part which has caused loss or damage to the Vessel covered by Clause 5.2.2 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87
  
2. The provisions of Clauses 13.2 and 13.3 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 shall apply to recoveries and interest comprised in recoveries against any claim which is subject to this Clause.
  
3. Clause 10 (Protection & Indemnity) of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87, Exclusion relating to those persons employed by the Assured is amended by the deletion of the words "or others" in sub clause 10.3.1.
  
4. CL.281 Institute War and Strikes Clauses Hulls - Time 1/10/83 Clause 2, Incorporation, Paragraph 1 is deleted and replaced by :
 

"CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 are deemed to be incorporated in this insurance insofar as they do not conflict with the provisions of these clauses".
  
5. CL.345 Institute Protection & Indemnity War Strikes Clauses Hulls - Time 20/7/87, Clause 1. Protection and Indemnity Paragraph 1, is deleted and replaced by:
 

"The Underwriters agree to indemnify the Assured in the manner and to the extent provided in Clauses 8 and 10 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 and the Conditions attaching to this policy where the claim demand damages costs and/or expenses has/have been caused by"
  
6. Despite the provisions of Clauses 8.4.5 and 10.3.10 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 this policy shall include liability in respect of Pollution or Contamination by oil or hazardous substances which shall include costs and expenses incurred for the purposes of avoiding such Pollution or Contamination.
 

This extension is subject to all other exclusions and conditions of Clause 10 of the above mentioned clauses.

7. This policy shall include loss or damage caused by theft, or attempted theft of stocks of wines, spirits, cigarettes and tobacco, consumable stocks, cutlery and other catering utensils in any passenger carrying vessel specified in the Vessel Schedule, where such items are specifically mentioned, always providing there is evidence of violent or forcible entry to or exit from the Vessel and subject to a deductible of EUR 150 each and every loss.
8. The Named Assured under this policy shall mean the owners or operators of the Vessel, the employers of the Master and crew of the Vessel and the caterers for the supply of food and drink on the Vessel provided that this policy shall exclude:-
  - (i) any claims by or on behalf of any such owners or operators or employers or caterers one against another
  - (ii) injury to any person under a contract of service or apprenticeship with the Named Assured as far as it involves a claim against his employers
9. Wherever appearing within Clauses 8 and 10 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 the expression "the Assured" shall also include:-
  - (i) those manning the Vessel
  - (ii) the Port of London Authority or other Authorities when required
10. It is understood and agreed that the Vessel may be moved during any laid-up period, for survey or repair.
11. This policy includes damage to the Vessel caused by escape of fluid.
12. Clause 6 (Earthquake and Volcanic Eruption Exclusion) of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 is deleted.

## Special Clauses

### (a) Description of the Vessel

The description of the Vessel shall include hull machinery gear equipment and all items pertaining to the Vessel and its operation but it does not include:

- (i) Vessel's tender/dinghy not specified within the Vessel Schedule, unless actually on, being loaded on to or being unloaded from the vessel. This restriction shall not be deemed to apply to any tender/dinghy specified within the Vessel Schedule.
- (ii) Money, Securities, Coins, Stamps, Jewellery, Watches, Furs, Precious Metals, Precious Stones or articles composed of any of them, or Personal Effects other than Personal Effects the property of the Named Assured and pertaining to the Vessel (always excluding any personal electronic items), all unless specifically endorsed to the contrary.

Where items pertaining to the Vessel have been removed for safekeeping within the Geographical Limits, this policy shall, subject to its terms, conditions and deductible, respond in the event of a claim but only in respect of items contained in a substantial and securely locked building, or where they are under the constant surveillance and personal supervision and control of the Named Assured or his representative. No claim will be payable for theft or any attempt thereat, unless it involves forcible and violent entry or exit from a substantial & securely locked building.

### (b) Asbestos

This insurance shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of or resulting from or in consequence of asbestos in whatever form or quantity.

(c) Cancellation upon Premium Payment failure

In the event of the premium not having been paid by the Named Assured at the inception of the risk or in the case of instalments on the due date, Geo Underwriting Europe B.V. trading as Knighthood Europe (the Underwriting Agent) is hereby authorised by the Named Assured to cancel the policy at the Underwriting Agent's discretion. Such cancellation may be effected by the Underwriting Agent giving 10 days notice to the Named Assured by registered letter of intent to cancel and thereafter instructing the Insurers to cancel the policy. Such cancellation shall take effect at midnight Greenwich Mean Time on the 10th day from the date that such notice was despatched and the Underwriting Agent shall adjust the premium under the policy in accordance with a short period rate scale laid down by the Directors of the Underwriting Agent which scale may be adjusted at the discretion of the Directors in the event of any claims within the policy period. In the event of the Vessel insured becoming a total constructive arranged or compromised total loss from any cause whatsoever at any time before cancellation under this clause any premium including all future instalments unpaid by the Named Assured shall become due immediately and the Underwriting Agent shall be entitled to take credit therefor.

(d) Short Period

In the event of the Named Assured cancelling this contract the Underwriting Agent will determine the amount of any premium adjustment always subject to a laid down short period rate scale which may be amended by the Directors at their discretion.

(e) The Named Assured may terminate this policy for any reason by giving the Underwriting Agent 30 days notice in writing to that effect. In such circumstances the provisions of Clause (d) Short Period shall apply.

(f) The Underwriting Agent may terminate this policy by giving the Named Assured 30 days notice in writing to that effect. In such circumstances the provisions of Clause (d) Short Period shall apply.

(g) Date Recognition

I. This insurance does not cover any loss, damage, liability or expense directly or indirectly caused by or in any way in consequence of:

(i) the failure or anticipated failure or inability of any computer system software, hardware, integrated circuit, microchip, operating system and/or any other electronic device or component, whether or not belonging to or in possession of the Named Assured or of any third party, correctly unambiguously or completely to assign, exchange, interpret, manipulate, process, recognise, sequence or transfer any time, year, date or date-like code, data or information;

(ii) any implemented or attempted change or modification or test of any computer system, software, hardware, integrated circuit, microchip, operating system and/or any other electronic device or component, whether or not belonging to or in possession of the Named Assured or of any third party, in anticipation of or in response to any change of year, date or time, or any advice given or services performed in connection with any such change or modification;

(iii) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Named Assured or of any third party related to (i) and/or (ii) above.

II. Clause I of this Endorsement shall not however apply to exclude a claim which the Named Assured can demonstrate

(i) would be recoverable under this insurance in the absence of the exclusion in Clause I.

and

(ii) has not resulted from want of due diligence by the Named Assured, Owners, Managers or Superintendents or any of their onshore management in respect of any of the matters referred to in Clause I.

and

(iii) is proximately caused by any of the following perils:-

1. perils of the seas rivers lakes or other navigable waters
2. fire, explosion
3. violent theft by persons from outside the Vessel
4. jettison
5. piracy
6. contact with land conveyance, dock or harbour equipment in installation
7. earthquake volcanic eruption or lightning
8. accidents in loading, discharging or shifting cargo or fuel
9. bursting of boilers, breakage of shafts
10. negligence of repairers or charterers provided such repairers or charterers are not insured hereunder or Master Officers or Crew
11. contact with aircraft, helicopters or similar objects, or objects falling therefrom.

III. In no circumstances shall the cover provided in this Endorsement extend to a claim for loss, damage, liability or expense

i. in respect of any software, programming, operating system, code or data

or

ii. arising from or in any way connected, whether directly or indirectly, with any measures taken with the intention of averting or minimising any of the matters referred to in Clauses I(i) or I(ii) above or any of their possible or anticipated consequences.

IV. The cover provided in this Endorsement is subject in all other respects to all other terms, conditions, exclusions and limits contained in this insurance.

V. This Endorsement is subject to English law and practice.

(h) Outboard Motor Condition

When an Outboard Motor is specified in the Vessel Schedule cover includes theft and dropping off and falling overboard subject to the manufacturers name and horse power having been supplied to the Underwriting Agent and the Outboard being secured with a proprietary anti-theft device such as an outboard lock.

(i) Trailer Condition

It is a condition precedent to insurers liability that any trailer insured by this policy is continually protected by a suitable proprietary locking device or wheel clamp when left unattended unless the trailer and, if attached, the towing vehicle in addition is/are under the constant surveillance and personal supervision and control of the Named Assured or his representative.

## STANDARD EXTENSIONS

(j) Fast Vessel Condition

Unless specifically amended or removed by endorsement noted in the Schedule, it is a condition precedent to insurers liability in respect of any Vessel insured which has a maximum design speed capability of 18 Knots or more and is operated for the carriage of fare paying passengers, that the maximum operating speed shall not exceed 25 knots

(k) Passenger RIB Condition

In addition to the Fast Vessel Condition above, where such vessel is a Rigid Inflatable Boat (RIB), Jet Boat or similar and unless specifically amended or removed by endorsement noted in the Schedule, it is a condition precedent to insurers liability in respect of such Vessel insured that ;

- (i) all passenger and crew seating is inboard and no passengers nor crew are to be seated on the tubes at any time, whilst underway.
- (ii) all passengers and crew are to wear life jackets or similar buoyancy aids at all times.
- (iii) if fitted to the vessel, any Kill Cord device or similar must be worn and in use by the helmsman at all times when underway.

### LOSS OF USE EXTENSION (TEMPORARY)

**This Extension shall apply only to vessels licensed to carry fare paying passengers unless otherwise stated in the Schedule to this policy**

If during the currency of this policy any vessel insured hereunder becomes unfit for normal use:-

- (a) due to loss or damage directly attributed to a peril insured against

**AND**

- (b) payment is made in respect of such loss or damage in accordance with the provisions of the policy

this insurance shall in addition pay per day a sum which is **1/214** of an amount equal to **30%** of the insured hull value (including special equipment but excluding all consumables) of the vessel concerned as detailed in the Vessel Schedule.

**BUT**

- (i) No payment shall be made in respect of the first **21 days** after the occurrence of the loss or damage giving rise to a claim hereunder and no claim shall attach hereto in respect of the booking(s) during which the casualty occurred.
- (ii) In the event of vessels being hired to meet commitments the hire cost or the cost of necessary temporary repairs to the insured vessel shall be recoverable hereunder in lieu of and not exceeding the amount of the daily loss of use payment.
- (iii) In the event of a suitable alternative vessel being available within the Named Assured's own fleet then that vessel shall, as far as possible, be substituted for the damaged vessel. In such circumstances the Insurer agrees to pay the difference (if any) between the Named Assured's published scale of charges for the alternative vessel and the Named Assured's published scale of charges for the damaged vessel in lieu of and not exceeding the amount of the daily loss of use payment.
- (iv) No claim shall attach hereto for any period when this insurance does not remain in force for any reason whatsoever.

- (v) No claim shall attach hereto in the event of the Actual Total Loss of the vessel or where the vessel is agreed to be a Constructive Total Loss in accordance with Clause 20 of CL.312 Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87.
- (vi) Any payment made under this clause shall be limited to **90 days or EUR 65,000** whichever is the less.
- (vii) It is the duty of the Named Assured to take such measures as may be reasonable for the purpose of averting or minimising a loss recoverable hereunder and shall as soon as possible arrange replacement and/or repairs, such repairs to be monitored by a surveyor appointed by Insurers and/or Knighthood Corporate Assurance Services Limited.

### **LOSS OF USE EXTENSION (PERMANENT)**

In the event of a claim being agreed for total loss **of a navigable vessel** stated in the Vessel Schedule Insurers will pay an additional **10%** of the Insured Value for Loss of Profits.

### **TOWING EXTENSION**

Cover is extended to allow an Insured Vessel to be used for contract towing/pushing of third party craft and other equipment under terms no more onerous than either those of the UK Standard Towing Conditions or other unamended standard towing or charter conditions issued on a knock-for-knock basis. This condition does not affect any cover provided in respect of the emergency towing or provision of assistance to craft in distress.

### **BUNKER OIL EXTENSION**

Insofar as cover under this policy would otherwise respond to satisfy the requirements of the International Convention on Civil Liability for Bunker Oil Pollution Damage 2001 but for the provisions of CL.370 Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause 10/11/03 and CL.380 Institute Cyber Attack Exclusion Clause 10/11/03, in such circumstances those Clauses are deleted in respect of those risks relative to Liability for Pollution Damage only.

### **DEFENCE AND PURSUIT EXTENSION**

Costs and expenses duly authorised in advance by the Insurers and incurred for the purpose of ascertaining or protecting a Named Assured's legal position or in pursuing or resisting claims or for representation at legal or other proceedings in respect of the following:

- (i) claims arising in connection with the building, purchase, sale or mortgage of an insured vessel or other property except that where a claim arises in respect of the building or purchase of an insured vessel or other property the Insurer shall not be liable hereunder unless the insurance of the vessel or other property by the Insurer was effective from the date of delivery to the Named Assured or where the Insurers agree in writing that claims, disputes or proceedings arising from the particular contract will be covered.
- (ii) supply of inferior or unsatisfactory or unsuitable equipment, fuel or other necessities, or negligent repair of or alteration to the insured vessel or other property.
- (iii) overcharging in accounts, howsoever arising.
- (iv) recovering damages due to the detention of an insured vessel or other uninsured losses including loss of earnings suffered by a Named Assured during the period of insurance.
- (v) interference, neglect, default or any other cause whatsoever involving improper action or omission by any person or Governmental, Local or other Lawful Authority whatsoever, or testing how far such interference is warranted.
- (vi) salvage and/or towage services rendered by an insured vessel.
- (vii) representation of the Named Assured at official investigations, coroner's inquests, or other enquiries whatsoever in relation to an insured vessel or other property provided always that in no case shall a Named Assured recover any costs where he has been convicted of any illegal fishing activities.
- (viii) claims or proceedings by or against passenger, Skippers, Masters, crews or other persons on or about the insured vessel or other property.
- (ix) improper loading, stowage or discharge of stores and/or equipment.

- (x) the procuring and supplying of information and advice as to all matters affecting a Named Assured with respect to their rights and liabilities either towards any Government or any Department thereof or any public body charged with the control of any Mercantile Marine, and also by co-operation with any of the above authorities in all matters affecting the interests of Named Assureds.
- (xi) procuring the alteration and improvement of existing law, usages and customs at home or abroad which are prejudicial to a Named Assured, and delaying and preventing the enactment of such laws or the establishment of such usages and customs.
- (xii) Charterparty disputes, General and Particular Average.
- (xiii) any other claims, disputes, actions or matters in respect of which a Named Assured should in the opinion of the Directors be supported by the Insurer.

Provided that cover under this clause is subject to the following conditions:-

- a Named Assured desiring the support of the Insurer in any matter shall:-
  - (i) Give notice to the Insurer as soon as possible and in any event not later than three months from the date the Named Assured became aware of the incident or matter giving rise to the claim.
  - (iii) Furnish to the Underwriting Agent/Insurer without charge, all such information, statements, plans, documents and other evidence in his custody or control which is relevant to the matter as the Insurer or its lawyers or other persons appointed may require.
- any Named Assured who withholds any evidence which he ought to disclose under this cover or knowingly conceals evidence or makes any false statement with a view to obtaining the Insurer's support hereunder shall be deprived of all further support in relation to the matter proposed to be undertaken and shall forthwith repay to the Insurer any costs and expenses which the Insurer has incurred.
- **the Insurer shall have entire discretion as to what matters they authorise hereunder**, and shall have unlimited control over any matter undertaken. The

Insurer may at any time direct the Named Assured concerned to take whatever course they may consider expedient, including abandonment or settlement of a claim. If the Named Assured disobeys such a direction he will lose his right to reimbursement of the costs and expenses incurred or payable by him in respect of such matter.

- where a Named Assured has made a successful claim against another party and has become entitled to judgement, award, settlement or otherwise to recover costs, but has been unable to recover the full amount of the claim and costs to which he has become entitled, the Insurer may, if the Insurer so decides, require the Named Assured to pay to the Insurer such proportion of the total sum actually recovered by him as the costs would have borne to the claim, if the Named Assured had recovered his entitlement in full.
- there shall be no cover in respect of matters the costs and expenses in relation to which are recoverable under any other insurance with the Insurer.

Limit .....EUR 100,000

Institute Time Clauses Hulls Port Risks including Limited Navigation 20/7/87 is deleted insofar as it applies to the Crew insured hereunder.

## OPTIONAL POLICY EXTENSIONS

The following shall apply only where indicated as such within the Schedule:-

### **A. Loss of Use Extension - Enhanced Benefits**

The standard policy benefit has been amended to provide benefits which differ from normal upon payment of an additional premium. Please refer to Other Endorsements within the Schedule to this policy for the full benefit details.

### **B. Crew Liability**

Liability to any crew member in respect of loss of life, personal injury, or illness arising out of negligent navigation operation or management of an insured vessel or other property provided always that the Insurers shall not be liable hereunder if the liability (of the Named Assured) arises under contract unless such contract has previously been approved in writing by the Insurers.

Expenses necessarily incurred in repatriating any Skipper/Master or Crew on board an insured vessel who shall have died or been left behind in consequence of illness, injury or desertion.

Expenses necessarily incurred in sending substitutes or in securing, engaging or repatriating a substitute engaged to replace any Skipper/Master or Crew on board an insured vessel who shall have died or been left behind in consequence of illness, injury or desertion, or in any other case where, at the discretion of the Insurers, liability for such expenses could not reasonably have been avoided.

Expenses necessarily incurred in repatriating any Skipper/Master or Crew on board an insured vessel arising under the 2006 Maritime Labour Convention or any Legislation giving effect or equivalent to the 2006 Maritime Labour Convention.

Statutory liability for the relief of distressed Skipper/Master or Crew and/or to pay compensation to any Skipper/Master or Crew of an insured vessel caused in consequence of the actual or constructive total loss of the vessel.

In respect of CL.345 Institute Protection and Indemnity War Strikes Clauses Hulls – Time 20/7/87 (as amended) Clause 10.3.1 of CL.312

Limit of Indemnity:-

- i. In respect of expenses necessarily incurred in repatriating any Skipper/Master or Crew as a consequence of the insolvency of the owner of the vessel  
.....EUR 1,000,000
- ii. In respect of all other expenses covered by this Extension  
.....EUR 10,000,000

**Number of Crew: as shown within the Schedule.**

### **C. Cargo Liability Extension**

Cover is extended to include:-

Liability for loss, shortage, damage or other responsibility arising out of any breach by the Named Assured of his obligations as a carrier of goods on an insured vessel.

Costs and expenses (other than those which would normally have been incurred under the Contract of Carriage) incurred by the Named Assured in disposing of:-

- (i) cargo not collected by a consignee at the place of delivery
- (ii) damaged or worthless cargo

provided that the Named Assured is liable for them and is not entitled to recover them from anyone else.

There is no cover:-

- (a) where the Named Assured has become liable as the result of a deviation unless approved by the Underwriting Agent or Insurers.
- (b) where cargo has been discharged at a port other than that provided in the Contract of Carriage.
- (c) where the Named Assured has failed to load cargo, or loaded it late.



(d) for rare and valuable cargo, being specie, bullion, precious or rare metals or stones, plate or other objects of a rare or precious nature, bank notes or other forms of currency, bonds or other negotiable instruments, except to the extent agreed with the Underwriting Agent or Insurers.

(e) Consequential Loss.

(f) For vehicles of any description mechanically propelled or otherwise whilst being driven or moved by the Named Assured or his employees, agents or representatives.

A deductible of EUR 850 per incident will apply.

#### LIMITS OF INDEMNITY

Vehicles up to.....EUR 5,000,000

Other Cargo up to .....EUR 1,000,000

#### **D. Transit Extension**

This policy is extended to include all risks of physical loss of or damage to the vessels shown within the Vessel Schedule whilst in transit by road and during loading and unloading of the conveying vehicle including the trailers insured by this policy.

This extension does not apply to any liability to any Third Party however arising when Vessels are actually on the carrying conveyance/attached trailer nor arising out of the conveyance itself nor arising out of a trailer which is attached to a vehicle.

#### **E. Specialist Operations Extension**

The policy is extended to include Specialist Operations carried out by vessels shown within the Vessel Schedule, including dredging, pile driving, core sampling and cable or pipe laying.

#### **F. European Inland Navigation – Obstruction of Waterways Extension**

##### 1. Cover : Cover is extended to include:

1.1 Financial losses incurred by the Named Assured as a direct consequence of the Vessel Insured being prevented from proceeding to the port of loading or discharge as agreed with shippers or charterers following:

1.1.2 an obstruction of any navigable waterway with a CEMT class IV or higher, lock or port as a direct result of:

- (1) an accident to a bridge, lock, dike or similar structure and/or
- (2) sinking of another Vessel and/or cargo or part thereof and/or
- (3) a collision between other Vessels and/or
- (4) pollution by any substance from any source.

1.1.3 a strike at the agreed port of loading or discharge only.

##### 2. Conditions

2.1 Provided always that in relation to paragraph 1.1.2 and, where logical, paragraph 1.1.3:

2.1.1 the Insured Vessel was laden with cargo at the time when the Insured Vessel was so prevented (or, if in ballast, the Insured Vessel was en-route to the agreed port of loading); and

2.1.2 the lawful authority prohibited all Vessels of the same type and size as the Insured Vessel to pass the obstruction; and cover hereunder shall only take effect during the time and date of such prohibition (or, in respect of paragraph 1.1.3, the time and date of the strike); and

2.1.3 the Insured Vessel could not proceed to the port of loading or discharge as agreed with shippers or charterers by using alternative waterways not affected by the obstruction; and

2.1.4 the Insured Vessel has not contributed to the obstruction (or, in respect of paragraph 1.1.3, contributed to the strike) in any way whatsoever, or howsoever, directly or indirectly.

2.1.5 the Insurers liability is limited to a maximum daily limit of EUR 0.30 per cargo ton laden on board (or, if in ballast and en-route to the agreed loading port, limited to a maximum of EUR 0.30 per cargo ton so nominated by shippers or charterers), per Insured Vessel, per day, or pro rata thereof.

### 3. Deductible and limit of cover

The Named Assured is to bear the following deductibles:

3.1 The Named Assured retains the first 72 hours, any one event, per Insured Vessel and this cover operates in excess of such retention.

3.2 A limit of 20 days applies any one event and an aggregate limit of 30 days applies per Insured Vessel, per policy year. Such limit(s) shall apply in the aggregate in respect of the Named Assured and all other insured parties entitled to make a claim under the contract of insurance.

3.3 There is a total aggregate claims limit for all Insured Vessels of US\$5,000,000 (or EUR equivalent) per event, and per policy year.

## APPENDIX

### Insuring Clauses

As listed in the Schedule, Policy Cover and Conditions and as follows:-

**CL.312  
INSTITUTE TIME CLAUSES HULLS  
PORT RISKS including LIMITED NAVIGATION**

This insurance is subject to English law and practice

#### 1. NAVIGATION

- 1.1 The vessel has leave to proceed to and from any wet or dry docks harbours ways cradles and pontoons, within the limits specified in this insurance.
- 1.2 The vessel is held covered in case of deviation or change of voyage, provided notice be given immediately after receipt of advices and any amended terms of cover and any additional premium required be agreed.

#### 2. CONTINUATION

Should the vessel at the expiration of this insurance be at sea or in distress or at a port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium to her port of destination.

#### 3. TERMINATION

**This Clause 3 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.**

Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of

- 3.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, provided that if the vessel is at sea such automatic termination shall be deferred until arrival at her next port. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage covered by Clause 5 of this insurance or which would be covered by an insurance of the vessel

subject to current Institute War and Strikes Clauses Hulls-Time such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society,

- 3.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is in port or at sea.

#### 4. ASSIGNMENT

No assignment of or interest in this insurance or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Underwriters unless a dated notice of such assignment or interest signed by the Assured, and by the assignor in the case of subsequent assignment, is endorsed on the policy and the policy with such endorsement is produced before payment of any claim or return of premium thereunder.

#### 5. PERILS

- 5.1 This insurance covers loss of or damage to the subject-matter insured caused by
  - 5.1.1 perils of the seas rivers lakes or other navigable waters
  - 5.1.2 fire lightning explosion
  - 5.1.3 violent theft by persons from outside the vessel
  - 5.1.4 jettison
  - 5.1.5 piracy
  - 5.1.6 breakdown of or accident to nuclear installations or reactors
  - 5.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation.
- 5.2 This insurance covers loss of or damage to the subject-matter insured caused by

5.2.1 accidents in loading discharging or shifting cargo or fuel

5.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull

5.2.3 negligence of Master Officers Crew or Pilots

5.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder

5.2.5 barratry of Master Officers or Crew, provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.

5.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 5 should they hold shares in the vessel.

## 6. EARTHQUAKE AND VOLCANIC ERUPTION EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by earthquake or volcanic eruption. This exclusion applies to all claims including claims under Clauses 8, 10, 12 and 14.

## 7. POLLUTION HAZARD

This insurance covers loss of or damage to the vessel caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the vessel for which the Underwriters are liable under this insurance, provided such act of governmental authority has not resulted from want of due diligence by the Assured, the Owners, or Managers of the vessel or any of them to prevent or mitigate such hazard or threat. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 7 should they hold shares in the vessel.

## 8. COLLISION LIABILITY

8.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by

reason of the Assured becoming legally liable by way of damages for

8.1.1 loss of or damage to any other vessel or property on any other vessel

8.1.2 delay to or loss of use of any such other vessel or property thereon

8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,

where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.

8.2 The indemnity provided by this Clause 8 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:

8.2.1 Where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 8 shall be calculated on the principle of cross-liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision.

8.2.2 In no case shall the Underwriters' total liability under Clauses 8.1 and 8.2 exceed their proportionate part of the insured value of the vessel hereby insured in respect of any one such collision.

- 8.3 The Underwriters will also pay the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

- 8.4 Provided always that this Clause 8 shall in no case extend to any sum which the Assured shall pay for or in respect of

- 8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
- 8.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
- 8.4.3 the cargo or other property on, or the engagements of, the insured vessel
- 8.4.4 loss of life, personal injury or illness
- 8.4.5 pollution or contamination of any real or personal property or thing whatsoever (except other vessels with which the insured vessel is in collision or property on such other vessels).

## 9. SISTERSHIP

Should the vessel hereby insured come into collision with or receive salvage services from another vessel belonging wholly or in part to the same Owners or under the same management, the Assured shall have the same rights under this insurance as they would have were the other vessel entirely the property of Owners not interested in the vessel hereby insured; but in such cases the liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Underwriters and the Assured.

## 10. PROTECTION AND INDEMNITY

- 10.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable, as owner of the vessel, for any claim,

demand, damages and/or expenses, where such liability is in consequence of any of the following matters or things and arises from an accident or occurrence during the period of this insurance:

- 10.1.1 loss of or damage to any fixed or movable object or property or other thing or interest whatsoever, other than the vessel, arising from any cause whatsoever in so far as such loss or damage is not covered by Clause 8
- 10.1.2 any attempted or actual raising, removal or destruction of any fixed or movable object or property or other thing, including the wreck of the vessel, or any neglect or failure to raise, remove, or destroy the same
- 10.1.3 liability assumed by the Assured under contracts of customary towage for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading
- 10.1.4 loss of life, personal injury, illness or payments made for life salvage
- 10.1.5 liability under Clause I(a) of the current Lloyd's Standard Form of Salvage Agreement in respect of unsuccessful, partially successful, or uncompleted services if and to the extent that the salvor's expenses plus the increment exceed any amount otherwise recoverable under the Agreement.

- 10.2 The Underwriters agree to indemnify the Assured for any of the following arising from an accident or occurrence during the period of this insurance:

- |  |  |
|--|--|
| <p>10.2.1 the additional cost of fuel, insurance, wages, stores, provisions and port charges reasonably incurred solely for the purpose of landing from the vessel sick or injured persons or stowaways, refugees, or persons saved at sea</p> <p>10.2.2 additional expenses brought about by the outbreak of infectious disease on board the vessel or ashore</p> <p>10.2.3 fines imposed on the vessel, on the Assured, or on any Master Officer crew member or agent of the vessel who is reimbursed by the Assured, for any act or neglect or breach of any statute or regulation relating to the operation of the vessel, provided that the Underwriters shall not be liable to indemnify the Assured for any fines which result from any act neglect failure or default of the Assured their agents or servants other than Master Officer or crew member</p> <p>10.2.4 the expenses of the removal of the wreck of the vessel from any place owned, leased or occupied by the Assured</p> <p>10.2.5 legal costs incurred by the Assured, or which the Assured may be compelled to pay, in avoiding, minimising or contesting liability with the prior written consent of the Underwriters.</p> | <p>employed in any capacity whatsoever by the Assured or others in on or about or in connection with the vessel or her cargo, materials or repairs</p> <p>10.3.2 liability assumed by the Assured under agreement expressed or implied in respect of death or illness of or injury to any person employed under a contract of service or apprenticeship by the other party to such agreement</p> <p>10.3.3 punitive or exemplary damages, however described</p> <p>10.3.4 cargo or other property carried, to be carried or which has been carried on board the vessel but this Clause 10.3.4 shall not exclude any claim in respect of the extra cost of removing cargo from the wreck of the vessel</p> <p>10.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the vessel</p> <p>10.3.6 liability arising under a contract or indemnity in respect of containers, equipment, fuel or other property on board the vessel and which is owned or leased by the Assured</p> <p>10.3.7 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, belonging to persons on board the vessel, or non-essential personal effects of any Master, Officer or crew member</p> |
|--|--|

## EXCLUSIONS

- |  |  |
|--|--|
| <p>10.3 Notwithstanding the provisions of Clauses 10.1 and 10.2 this Clause 10 does not cover any liability cost or expense arising in respect of:</p> <p>10.3.1 any direct or indirect payment by the Assured under workmen's compensation or employers' liability acts and any other statutory or common law, general maritime law or other liability whatsoever in respect of accidents to or illness of workmen or any other persons</p> | <p>10.3.8 fuel, insurance, wages, stores, provisions and port charges arising from delay to the vessel while awaiting a substitute for any Master, Officer or crew member</p> <p>10.3.9 fines or penalties arising from overloading or illegal fishing</p> <p>10.3.10 pollution or contamination of any real or personal property or thing whatsoever (This Clause 10.3.10</p> |
|--|--|

shall not exclude any amount recoverable under Clause 10.1.5)

- 10.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable under Clauses 8, 12 and 14 by reason of the agreed value and/or the amount insured in respect of the vessel being inadequate.
- 10.4 The indemnity provided by this Clause 10 shall be in addition to the indemnity provided by the other terms and conditions of this insurance.
- 10.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 10 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.
- 10.6 In no case shall the Underwriters' liability under this Clause 10 in respect of each separate accident or occurrence or series of accidents arising out of the same event, exceed their proportionate part of the insured value of the vessel.
- 10.7 PROVIDED ALWAYS THAT
- 10.7.1 prompt notice must be given to the Underwriters of every casualty event or claim upon the Assured which may give rise to a claim under this Clause 10 and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured under this Clause 10.
- 10.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this Clause 10 without the prior written consent of the Underwriters.

## 11. NOTICE OF CLAIM AND TENDERS

- 11.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the vessel is abroad, to the nearest Lloyd's

Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.

- 11.2 The Underwriters shall be entitled to decide the port to which the vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.
- 11.3 The Underwriters may also take tenders or may require further tenders to be taken for the repair of the vessel. Where such a tender has been taken and a tender is accepted with the approval of the Underwriters, an allowance shall be made at the rate of 30% per annum on the insured value for time lost between the despatch of the invitations to tender required by Underwriters and the acceptance of a tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.

Due credit shall be given against the allowance as above for any amounts recovered in respect of fuel and stores and wages and maintenance of the Master Officers and Crew or any member thereof, including amounts allowed in general average, and for any amounts recovered from third parties in respect of damages for detention and/or loss of profit and/or running expenses, for the period covered by the tender allowance or any part thereof.

Where a part of the cost of the repair of damage other than a fixed deductible is not recoverable from the Underwriters the allowance shall be reduced by a similar proportion.

- 11.4 In the event of failure to comply with the conditions of this Clause 11, a deduction of 15% shall be made from the amount of the ascertained claim.

## 12. GENERAL AVERAGE AND SALVAGE

- 12.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.

- 12.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.

- 12.3 When the vessel sails in ballast, not under charter, the provisions of the York-Antwerp Rules, 1974 (excluding Rules XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until the arrival of the vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.

- 12.4 No claim under this Clause 12 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 13. DEDUCTIBLE

- 13.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence

(including claims under Clauses 8, 10, 12 and 14) exceeds {Response} in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found. This Clause 13.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 14 arising from the same accident or occurrence.

- 13.2 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.

- 13.3 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

## 14. DUTY OF ASSURED (SUE AND LABOUR)

- 14.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.

- 14.2 Subject to the provisions below and to Clause 13 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 14.5) collision defence or attack costs and costs incurred by the Assured in avoiding, minimising or contesting liability covered by Clause 10 are not recoverable under this Clause 14.



14.3 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

14.4 When expenses are incurred pursuant to this Clause 14 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.

14.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel; but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.

14.6 The sum recoverable under this Clause 14 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.

## 15. NEW FOR OLD

Claims payable without deduction new for old.

## 16. BOTTOM TREATMENT

In no case shall a claim be allowed in respect of scraping gritblasting and/or other surface preparation or painting of the vessel's bottom except that

16.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,

16.2 gritblasting and/or other surface preparation of:

the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,

areas of plating damaged during the course of fairing, either in place or ashore,

16.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 16.1 and 16.2 above,

shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

## 17. WAGES AND MAINTENANCE

No claim shall be allowed, other than in general average, for wages and maintenance of the Master, Officers and Crew, or any member thereof, except when incurred solely for the necessary removal of the vessel, with the agreement of the Underwriters, from one port to another for the repair of damage covered by the Underwriters, or for trial trips for such repairs, and then only for such wages and maintenance as are incurred whilst the vessel is under way.

## 18. AGENCY COMMISSION

In no case shall any sum be allowed under this insurance either by way of remuneration of the Assured for time and trouble taken to obtain and supply information or documents or in respect of the commission or charges of any manager, agent, managing or agency company or the like, appointed by or on behalf of the Assured to perform such services.

## 19. UNREPAIRED DAMAGE

- 19.1 The measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the vessel at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.
- 19.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.
- 19.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

## 20. CONSTRUCTIVE TOTAL LOSS

- 20.1 In ascertaining whether the vessel is a constructive total loss, the insured value shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the vessel or wreck shall be taken into account.
- 20.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

## 21. FREIGHT WAIVER

In the event of total or constructive total loss no claim to be made by the Underwriters for freight whether notice of abandonment has been given or not.

## 22. DISBURSEMENTS WARRANTY

- 22.1 Additional insurances as follows are permitted
- 22.1.1 *Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.* A sum not exceeding 25% of the value stated herein.

22.1.2 *Freight, Chartered Freight or Anticipated Freight, insured for time.* A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 22.1.1.

22.1.3 *Freight or Hire, under contracts for voyage.* A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.

22.1.4 *Anticipated Freight if the vessel sails in ballast and not under Charter.* A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured.

22.1.5 *Time Charter Hire or Charter Hire for Series of Voyages.* A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the sums insured under 22.1.2 and 22.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

22.1.6 *Premiums.* A sum not exceeding the actual premiums of all interests insured for a period not exceeding 12 months (excluding premiums insured under the foregoing sections but including, if required, the premium or estimated calls on any Club or War etc. Risk insurance) reducing pro rata monthly.

22.1.7 *Returns of Premium.* A sum not exceeding the actual returns which are allowable under any insurance but which would not be recoverable thereunder in the event of a total loss of the vessel whether by insured perils or otherwise.

22.1.8 *Insurance irrespective of amount against:*

Any risks excluded by Clauses 6, 24, 25, 26 and 27.

22.2 Warranted that no insurance on any interests enumerated in the foregoing 22.1.1 to 22.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the

Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 23. RETURNS FOR CANCELLATION

To return pro rata monthly net for each uncommenced month if this insurance be cancelled either by agreement or by the operation of Clause 3 provided that a total loss of the vessel, whether by insured perils or otherwise, has not occurred during the period of this insurance or any extension thereof. **The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.**

## 24. WAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by

24.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

24.2 capture seizure arrest restraint or detention (barratry and piracy excepted), and the consequences thereof or any attempt thereat

24.3 derelict mines torpedoes bombs or other derelict weapons of war.

## 25. STRIKES EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by

25.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions

25.2 any terrorist or any person acting from a political motive.

## 26. MALICIOUS ACTS EXCLUSION

In no case shall this insurance cover loss damage liability or expense arising from

26.1 the detonation of an explosive

26.2 any weapon of war

and caused by any person acting maliciously or from a political motive.

## 27. NUCLEAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

20.7.87

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### CL.281

#### INSTITUTE WAR AND STRIKES CLAUSES Hulls-Time

This insurance is subject to English law and practice

### 1 PERILS

Subject always to the exclusions hereinafter referred to, this insurance covers loss of or damage to the Vessel caused by

- 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 1.2 capture seizure arrest restraint or detention, and the consequences thereof or any attempt thereat
- 1.3 derelict mines torpedoes bombs or other derelict weapons of war
- 1.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 1.5 any terrorist or any person acting maliciously or from a political motive
- 1.6 confiscation or expropriation.

### 2 INCORPORATION

The Institute Time Clauses-Hulls 1/10/83 (including 4/4ths Collision Clause) except Clauses 1.2, 2, 3, 4, 6,12, 21.1.8, 22, 23, 24, 25 and 26 are deemed to be incorporated in this insurance in so far as they do not conflict with the provisions of these clauses.

Held covered in case of breach of warranty as to towage or salvage services provided notice be given

to the Underwriters immediately after receipt of advices and any additional premium required by them be agreed.

### 3 DETAINMENT

In the event that the Vessel shall have been the subject of capture seizure arrest restraint detention confiscation or expropriation, and the Assured shall thereby have lost the free use and disposal of the Vessel for a continuous period of 12 months then for the purpose of ascertaining whether the Vessel is a constructive total loss the Assured shall be deemed to have been deprived of the possession of the Vessel without any likelihood of recovery.

### 4 EXCLUSIONS

This insurance excludes

- 4.1 loss damage liability or expense arising from
  - 4.1.1 any detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, hereinafter called a nuclear weapon of war
  - 4.1.2 the outbreak of war (whether there be a declaration of war or not) between any of the following countries:
    - United Kingdom, United States of America, France,
    - the Union of Soviet Socialist Republics,
    - the People's Republic of China
  - 4.1.3 requisition or pre-emption
  - 4.1.4 capture seizure arrest restraint detention confiscation or expropriation by or under the order of the government or any public or local authority of the country in which the Vessel is owned or registered
  - 4.1.5 arrest restraint detention confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations

- 4.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
- 4.1.7 piracy (but this exclusion shall not affect cover under Clause 1.4),
- 4.2 loss damage liability or expense covered by the Institute Time Clauses-Hulls 1/10/83 (including 4/4ths Collision Clause) or which would be recoverable thereunder but for Clause 12 thereof,
- 4.3 any claim for any sum recoverable under any other insurance on the Vessel or which would be recoverable under such insurance but for the existence of this insurance,
- 4.4 any claim for expenses arising from delay except such expenses as would be recoverable in principle in English law and practice under the York-Antwerp Rules 1974.

the Union of Soviet Socialist Republics,  
  
the People's Republic of China

- 5.2.3 in the event of the Vessel being requisitioned, either for title or use.

- 5.3 In the event either of cancellation by notice or of automatic termination of this insurance by reason of the operation of this Clause 5, or of the sale of the Vessel, pro rata net return of premium shall be payable to the Assured.

**This insurance shall not become effective if, subsequent to its acceptance by the Underwriters and prior to the intended time of its attachment, there has occurred any event which would have automatically terminated this insurance under the provisions of Clause 5 above.**

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**LONDON BLOCKING AND TRAPPING ADDENDUM  
(For use with Institute War and Strikes Clauses Hulls-1/10/83)**

It is hereby agreed that the inability of the vessel to sail from any port, canal, waterway or other place to the high seas for a continuous period of 12 months as a result of the closure of the connecting channel to all vessels of such size or draft is within the term "restraint" appearing in Clause 3 of the Institute War and Strikes Clauses - Hulls 1/10/83 provided that such closure has arisen through the blockage of the waterway by a warlike act, or act of national defence.

3/84  
LPO 444

**CL.345**

**INSTITUTE PROTECTION AND INDEMNITY WAR AND STRIKES CLAUSES  
HULLS - TIME**

This insurance is subject to English law and practice

**1. PROTECTION AND INDEMNITY**

The Underwriters agree to indemnify the Assured in the manner and to the extent provided in Clause 1 of the Institute Protection and Indemnity Clauses Hulls-Time 20/7/87 (excluding Clause 1.3.10) where the claim, demand, damages, costs and/or expenses has/have been caused by

**5 TERMINATION**

- 5.1 This insurance may be cancelled by either the Underwriters or the Assured giving 7 days notice (such cancellation becoming effective on the expiry of 7 days from midnight of the day on which notice of cancellation is issued by or to the Underwriters). The Underwriters agree however to reinstate this insurance subject to agreement between the Underwriters and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.
- 5.2 Whether or not such notice of cancellation has been given this insurance shall TERMINATE AUTOMATICALLY
  - 5.2.1 upon the occurrence of any hostile detonation of any nuclear weapon of war as defined in Clause 4.1.1 wheresoever or whensoever such detonation may occur and whether or not the Vessel may be involved
  - 5.2.2 upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries:
    - United Kingdom, United States of America, France,

- 1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 1.2 capture seizure arrest restraint or detention, and the consequences thereof or any attempt thereat
- 1.3 derelict mines torpedoes bombs or other derelict weapons of war
- 1.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 1.5 any terrorist or any person acting maliciously or from a political motive
- 1.6 confiscation or expropriation.

## 2. EXCLUSIONS

Subject always to the exclusion of any claim arising from

- 2.1 any detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, hereinafter called a nuclear weapon of war
- 2.2 the outbreak of war (whether there be a declaration of war or not) between any of the following countries:  
  
United Kingdom, United States of America, France, the Union of Soviet Socialist Republics, the People's Republic of China
- 2.3 requisition or pre-emption
- 2.4 capture seizure arrest restraint detention confiscation or expropriation by or under the order of the government or any public or local authority of the country in which the vessel is owned or registered
- 2.5 arrest restraint detention confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations
- 2.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
- 2.7 piracy (but this exclusion shall not affect cover under Clause 1.4).

## 3. NON-CONTRIBUTION

This insurance excludes any claim for any sum recoverable

- 3.1 by the Assured under any other insurance or which would be recoverable under such insurance but for the existence of this insurance
- 3.2 under the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 or which would be recoverable thereunder but for Clauses 2 or 3 thereof
- 3.3 under an insurance of the vessel subject to the Institute War and Strikes Clauses Hulls - Time 1/10/83.

## 4. LIMIT

The Underwriters' liability under this insurance shall not exceed their proportionate part of the amount insured hereunder in respect of each separate accident or occurrence or series of accidents arising out of the same event.

## 5. ASSIGNMENT

No assignment of or interest in this insurance or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Underwriters unless a dated notice of such assignment or interest signed by the Assured, and by the assignor in the case of subsequent assignment, is endorsed on the Policy and the Policy with such endorsement is produced before payment of any claim or return of premium thereunder.

## 6. DUTY OF ASSURED

It is a condition of this insurance that the Assured and their servants and agents take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.

## 7. TERMINATION

- 7.1 This insurance may be cancelled by either the Underwriters or the Assured giving 7 days notice (such cancellation becoming effective on the expiry of 7 days from midnight of the day on which notice of cancellation is issued by or to the Underwriters). The Underwriters agree however to reinstate this insurance subject to agreement between the Underwriters and the Assured prior to the expiry of such notice of cancellation as to

new rate of premium and/or conditions and/or warranties.

7.2 Whether or not such notice of cancellation has been given this insurance shall **TERMINATE AUTOMATICALLY**

7.2.1 upon the occurrence of any hostile detonation of any nuclear weapon of war as defined in Clause 2.1 wheresoever or whensoever such detonation may occur and whether or not the vessel may be involved

7.2.2 upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries:

United Kingdom, United States of America, France, the Union of Soviet Socialist Republics, the People's Republic of China

7.2.3 in the event of the vessel being requisitioned, either for title or use.

7.3 In the event either of cancellation by notice or of automatic termination of this insurance by reason of the operation of this Clause 7, or of the sale of the vessel, pro rata net return of premium shall be payable to the Assured.

**This insurance shall not become effective if, subsequent to its acceptance by the Underwriters and prior to the intended time of its attachment, there has occurred any event which would have automatically terminated this insurance under the provisions of Clause 7 above.**

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## CL.370

### **INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

**This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith**

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
  - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
  - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

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## CL.380

### INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 11 Subject only to clause 12 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 12 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

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## CL.294

### INSTITUTE ADDITIONAL PERILS CLAUSES - HULLS

(For use only with the Institute Time Clauses-Hulls 1/11/95)

1. In consideration of an additional premium this insurance is extended to cover
- 1.1 the cost of repairing or replacing
- 1.1.1 any boiler which bursts or shaft which breaks
- 1.1.2 any defective part which has caused loss of or damage to the vessel covered by Clause 6.2.1 of the Institute Time Clauses-Hulls 1/11/95.
- 1.2 loss of or damage to the vessel caused by any accident or by negligence, incompetence or error of judgement of any person whatsoever.
2. Except as provided in 1.1.1 and 1.1.2, nothing in these Additional Perils Clauses shall allow any claim for the cost of repairing or replacing any part found to be defective as a result of a fault or error in design or construction and which has not caused loss of or

damage to the vessel.

3. The cover provided in Clause 1 is subject to all other terms, conditions and exclusions contained in this insurance and subject to the proviso that the loss or damage has not resulted from want of due diligence by the Assured, Owners, Managers or Superintendents or any of their onshore management. Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause should they hold shares in the vessel.

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## CL.358

### INSTITUTE ENGLISH JURISDICTION CLAUSE

This insurance shall be subject to the exclusive jurisdiction of the English Courts, except as may be expressly provided herein to the contrary.

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## LMA5096

### SEVERAL LIABILITY CLAUSE 07/03/08

#### SUBSCRIPTION POLICIES (Requirements)

The clause below shall apply where Subscription Policies are being issued:

#### PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract. In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of



the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

11/11/19 LMA5403

### **LMA5403 MARINE CYBER ENDORSEMENT 11/11/19**

1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.
2. Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
3. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

11/11/19 LMA5403

### **LMA5393 COMMUNICABLE DISEASE ENDORSEMENT 25/03/20**

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purpose of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:-
  - 2.1. for a Communicable Disease, or
  - 2.2. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent for any organism to another organism where:-
  - 3.1. The substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2. The method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3. The disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

25/03/20 LMA5393

**LMA5395**  
**CORONAVIRUS EXCLUSION**

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

This insurance excludes coverage for:

1. Any loss, damage, liability, cost, or expense directly arising from the transmission or alleged transmission of
  - a) Coronavirus disease (Covid-19);
  - b) Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2); or
  - c) any mutation or variation of SARS-CoV-2;
2. any liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for a), b) or c) above;
3. any liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay, or any indirect financial loss, howsoever described, as a result of any of a), b) or c) above or the fear or the threat thereof.

All other terms, conditions and limitations of the insurance remain the same.

09/04/21 LMA5395

**JL2010/005**  
**SANCTION LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

15/09/10 JL2010/005



# KNIGHTHOOD EUROPE

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