ICICI Lombard General Insurance Company Limited
ICICI Lombard House, 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai – 400 025

Marine Hull Insurance Policy Wordings

1/10/1983

INSTITUTE TIME CLAUSES HULLS

This insurance is subject to English Law and practice

1. NAVIGATION

1.1 The Vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 In the event of the Vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the Vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the Vessel is to be employed in such operation has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.

1.3 In the event of the Vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the Vessel occurring subsequent to such sailing shall be limited to the market value of the Vessel as scrap at the time when the loss or damage is sustained unless previous notice has been given to the Underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this clause 1.3 shall affect claims under clauses 8 and/or 11.

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. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, trade, locality, towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

4. TERMINATION

This Clause 4 shall prevail notwithstanding any provision whether written, typed or printed in this insurance inconsistent therewith.

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

4.1 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 6 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.

4.2 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, provided that, if the Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the Vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. 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 at sea or in port.

A pro rata daily net return of premium shall be made.

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. PERILS

6.1 This insurance covers loss of or damage to the subject-matter insured caused by

6.1.1 perils of the seas, rivers, lakes or other navigable waters
6.1.2 fire, lightning, explosion
6.1.3 violent theft by persons from outside the vessel
6.1.4 jettison
6.1.5 piracy
6.1.6 breakdown of or accident to nuclear installations or reactors
6.1.7 contact with aircraft or similar objects, or object falling therefrom, land conveyance, dock or harbour equipment or installation
6.1.8 earthquake volcanic eruption or lightning

6.2 This insurance covers loss of or damage to the subject matter insured caused by

6.2.1 accidents in loading, discharging or shifting cargo or fuel

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

6.2.3 negligence of Master, Officers, Crew or Pilots

6.2.4 negligence of repairers or charterers provided such repairers or charterer are not an a Assured hereunder

6.2.5 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.

6.3 Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the vessel.

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. 3/4 th COLLISION LIABILITY

8.1 The Underwriters agree to indemnify the Assured for three-fourths of 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 three-fourths of the insured value of the Vessel hereby insured in respect of any one collision.

8.3 The Underwriters will also pay three-fourths of 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. NOTICE OF CLAIM AND TENDERS

10.1 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

10.2 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

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

10.4 In the event of failure to comply with the conditions of this Clause 10, a deduction of 15% shall be made from the amount of the ascertained claim.

11. GENERAL AVERAGE AND SALVAGE

11.1 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.

11.2 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.

11.3 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 the 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.

11.4 No claim under this clause 11 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.

12. DEDUCTIBLE

12.1 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 8,11 and 13) exceeds.................................... 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 12.1 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 13 arising from the same accident or occurrence.

12.2 Claims for damage by heavy weather occuring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance, the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage. The expression "heavy weather" in this clause 12.2 shall be deemed to include contact with floating ice.

12.3 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.

12.4 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 where made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

13. DUTY OF ASSURED (SUE AND LABOUR)

13.1 In case of any loss or misfortune it is the duty of 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.

13.2 Subject to the provisions below and to Clause 12 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 13.5) and collision defence or attack costs are not recoverable under this Clause 13.

13.3 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.

13.4 When expenses are incurred pursuant to this Clause 13 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.

13.5 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 its occurence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under insurance.

13.6 The sum recoverable under this clause 13 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.

14. NEW FOR OLD

Claims payable without deduction new for old.

15. BOTTOM TREATMENT

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

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

15.2 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,

15.3 supplying and applying the first coat of primer/anti corrosive to those particular areas mentioned in 15.1 and 15.2 above.

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

16. 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 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.

17. 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.

18. UNREPAIRED DAMAGE

18.1 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.
18.2 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.
18.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

19. CONSTRUCTIVE TOTAL LOSS

19.1 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 damage or break up value of the Vessel or wreck shall be taken into account.
19.2 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.

20. 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.

21. DISBURSEMENTS WARRANTY
21.1 Additional insurances as follows are permitted.
21.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.
21.1.2 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 21.1.1.
21.1.3 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 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 21.1.2 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.

21.1.4 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 21.1.2 to be taken into account and only the excess thereof may be insured.

21.1.5 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 21.1.2 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 sum insured under 21.1.2 and 21.1.5 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.

21.1.6 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.

21.1.7 Returns of Premiums. 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.

21.1.8 Insurance irrespective of amount against any risks excluded by clauses 23, 24, 25 and 26 below.

21.2 Warranted that no insurance on any interests enumerated in the foregoing 21.1.1 to 21.1.7 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 defense to a claim by a mortgagee who has accepted this insurance without knowledge of such breach.

22. Returns for lay up and cancellation

22.1 To return as follows:

22.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.

22.1.2 For each period of 30 consecutive days the Vessel may be laid up in a port or in a lay up area provided such port or lay up area is approved by the Underwriters (with special liberties as hereinafter allowed)

(a) ---------------per cent net not under repair

(b) ---------------per cent net under repair

If the Vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (a) and (b) respectively.

22.2 Provided always that

22.2.1 a total loss of the Vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.

22.2.2 in no case shall a return be allowed when the Vessel is lying in exposed unprotected waters, or in a port or lay up area not approved by the Underwriters but, provided the Underwriters agree that such non approved lay up area is deemed to be within the vicinity of the approved port or lay up area, days during which the vessel is laid up in such non approved lay up area may be added to days in the approved port or lay up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the Vessel is actually laid up in the approved port or lay up area.

22.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of cargo or for lightering purposes

22.2.4 in the event of any amendment of the annual rate, the above rates of return shall adjusted accordingly

22.2.5 in the event of any return recoverable under this clause 22 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pra rata of the period rates 22.1.2(a) and /or (b)above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured either from the first day on which the vessel is laid up or the first day of a period of 30 consecutive days as provided under 22.1.2 (a) or (b) or 22.2.2 above.

The following clauses shall be paramount and shall override anything contained in this

insurance inconsistent therewith

23. WAR EXCLUSION

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

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

23.2 capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat.

23.3 derelict mines torpedos bombs or other derelict weapons of war.

24. STRIKES EXCLUSION

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

24.1 strikers, locked out workmen, or persons taking part in labour `
disturbances, riots or civil commotions

24.2 any terrorist or any person acting from a political motive

25. MALICIOUS ACTS EXCLUSION

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

25.1 the detonation of an explosive
25.2 any weapon of war

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

26. 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.

01/10/83

INSTITUTE TIME CLAUSES - HULLS

TOTAL LOSS, GENERAL AVERAGE AND 3/4THS COLLISION LIABILITY
(Including Salvage, Salvage Charges and Sue and Labour)
This insurance is subject to English Law and practice

1. NAVIGATION

1.1 The vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or

Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 In the event of the vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the vessel from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the vessel is to be employed in such operations has been given to the underwriters and any amended terms of cover and any additional premium required by them have been agreed.

1.3 In the event of the vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the vessel occurring subsequent to such sailing shall be limited to the market value of the vessel as scrap at the time when the loss or damage is sustained, unless previous notice has been given to the underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this clause 1.3 shall affect claims under clause 8 and/or 11.

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. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, trade, locality, towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

4. TERMINATION

This clause 4 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

4.1 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 which would be covered by an insurance of the Vessel subject to current Institute time Clauses Hulls or 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.

4.2 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, provided that, if the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. 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 at sea or in port.

A pro rata daily net return of premium shall be made.

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. PERILS

6.1 This insurance covers Total loss (Actual or Constructive) of the Subject Matter Insured Caused by

6.1.1 perils of the seas, rivers, lakes or other navigable waters
6.1.2 fire, explosion
6.1.3 violent theft by persons from outside the vessel
6.1.4 jettison
6.1.5 piracy
6.1.6 breakdown of or accident to nuclear installations or reactors
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation
6.1.8 earthquake volcanic eruption or lightning.

6.2 This insurance covers total loss (actual or constructive) of the subject matter insured caused by

6.2.1 accidents in loading, discharging or shifting cargo or fuel
6.2.2 bursting of boilers, breakage of shafts or any latent defect in the machinery or hull
6.2.3 negligence of Master, Officers, Crew or Pilots
6.2.4 negligence of repairers or charterers provided such repairers or charterer are not an a Assured hereunder
6.2.5 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.

6.3 Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the vessel.

7. POLLUTION HAZARD

This insurance covers total loss (actual or constructive) of 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 caused by a peril covered by 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. 3/4 th COLLISION LIABILITY

8.1 The Underwriters agree to indemnify the Assured for three-fourths of 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 three-fourths of the insured value of the Vessel hereby insured in respect of any one collision.

8.3 The Underwriters will also pay three-fourths of 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. NOTICE OF CLAIM AND TENDERS

10.1 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. GENERAL AVERAGE AND SALVAGE

11.1 This insurance covers the Vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under- insurance

11.2 This insurance does not cover partial loss of and/or damage to the vessel except for any proportion of general average loss or damage, which may be recoverable under clause 11.1 above.

11.3 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.

11.4 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 the 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.

11.5 No claim under this clause 11 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.

12. DEDUCTIBLE

12.1 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 and 13) exceeds.................................... in which case this sum shall be deducted. This Clause 12.1 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 13 arising from the same accident or occurrence.

12.2 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.

12.3 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 where made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

13. DUTY OF ASSURED (SUE AND LABOUR)

13.1 In case of any loss or misfortune it is the duty of 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.

13.2 Subject to the provisions below and to Clause 12 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 13.5) and collision defence or attack costs are not recoverable under this Clause 13.

13.3 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.

13.4 When expenses are incurred pursuant to this Clause 13 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.

13.5 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 occurence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under insurance.

13.6 The sum recoverable under this clause 13 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.

14. NEW FOR OLD

General Average payable without deduction new for old.

15. 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.

16. CONSTRUCTIVE TOTAL LOSS

16.1 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.

16.2 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.

17. 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.

18. DISBURSEMENTS WARRANTY

18.1 Additional insurances as follows are permitted:

18.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.

18.1.2 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 18.1.1.

18.1.3 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 18.1.2 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.

18.1.4 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 the time of insurance plus the charges of insurance. Any sum insured under 18.1.2 to be taken into account and only the excess thereof may be insured.

18.1.5 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 18.1.2 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 18.1.2 and 18.1.5 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.

18.1.6 Premiums. A sum not exceeding the actual premium 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.

18.1.7 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.

18.1.8 Insurance irrespective of amount against any risks excluded by Clauses 20, 21, 22 and 23 below.

18.2 Warranted that no insurance on any interests enumerated in the foregoing 18.1.1 to 18.1.7 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 terms, 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.

19. RETURNS FOR LAY UP AND CANCELLATION

19.1 To return as follows:

19.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.

19.1.2 For each period of 30 consecutive days the vessel may be laid up in a port or in a lay up area provided such port or lay up area is approved by the underwriters (with special liberties as hereinafter allowed)

(a) ---------------per cent net not under repair

(b) ---------------per cent net under repair

If the vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (a) and (b) respectively.

19.2 PROVIDED ALWAYS THAT

19.2.1 a total loss of the vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.

19.2.2 in no case shall a return be allowed when the vessel is lying in exposed or unprotected waters, or in a port or lay up area not approved by the underwriters but, provided the underwriters agree that such non approved lay up area is deemed to be within the vicinity of the approved port or lay up area, days during which the vessel is laid up in such non approved lay up area may be added to days in the approved port or lay up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the vessel is actually laid up in the approved port or lay up area.

19.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the vessel is being used for the storage of cargo or for lightering purposes

19.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly

19.2.5 in the event of any return recoverable under this clause 19 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 19.1.2(a) and or (b) above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured either from the first day on which the vessel is laid up or the first day of a period of 30 consecutive days as provided under 19.1.2 (a) or (b), or 19.2.2 above.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith

20. WAR EXCLUSION

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

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

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

20.3 derelict mines, torpedoes, bombs or other derelict weapons of war.

21. STRIKES EXCLUSION

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

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

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

22. MALICIOUS ACTS EXCLUSION

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

22.1 the detonation of an explosive

22.2 any weapon of war

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

23. 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.

1/10/83

INSTITUTE TIME CLAUSES - HULLS
TOTAL LOSS ONLY
(Including Salvage, Salvage Charges and Sue and Labour)

This insurance is subject to English Law and practice

1. NAVIGATION

1.1 The vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 In the event of the vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the vessel from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the vessel is to be employed in such operations has been given to the underwriters and any amended terms of cover and any additional premium required by them have been agreed.

1.3 In the event of the vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the vessel occurring subsequent to such sailing shall be limited to the market value of the vessel as scrap at the time when the loss or damage is sustained, unless previous notice has been given to the underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this clause 1.3 shall affect claims under clause 9.

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. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, trade, locality, towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

4. TERMINATION

This clause 4 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

4.1 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 which would be covered by an insurance of the Vessel subject to current Institute Time Clauses Hulls or 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.

4.2 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, provided that, if the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such atomic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. However in the event of requisition for title or use without the prior execution of a written agreement by the assured, such atomic termination shall occur fifteen days after such requisition whether the vessel is at sea or in port.

A pro rata daily net return of premium shall be made.

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. PERILS

6.1 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by

6.1.1 perils of the seas, rivers, lakes or other navigable waters
6.1.2 fire, explosion
6.1.3 violent theft by persons from outside the vessel
6.1.4 jettison
6.1.5 piracy
6.1.6 breakdown of or accident to nuclear installations or reactors
6.1.7 contact with aircraft or similar objects, or object falling therefrom, land conveyance, dock or harbour equipment or installation
6.1.8 earthquake volcanic eruption or lightning.

6.2 This insurance covers total loss (actual or constructive) of the subject matter insured caused by

6.2.1 accidents in loading, discharging or shifting cargo or fuel
6.2.2 bursting of boilers, breakage of shafts or any latent defect in the machinery or hull
6.2.3 negligence of Master, Officers, Crew or Pilots
6.2.4 negligence of repairers or charterers provided such repairers or charterer are not an a Assured hereunder
6.2.5 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.

6.3 Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the vessel.

7. POLLUTION HAZARD

This insurance covers total loss (actual or constructive) of 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 caused by a peril covered by 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. NOTICE OF CLAIM

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.

9. SALVAGE

9.1 This insurance covers the vessel's proportion of salvage and salvage charges, reduced in respect of any under-insurance.

9.2 No claim under this Clause 9 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.

10. SISTERSHIP

Should the vessel hereby insured 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 amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Underwriters and the Assured.

11. DUTY OF ASSURED (SUE AND LABOUR)

11.1 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.

11.2 Subject to the provisions below the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges and collision defence or attack costs are not recoverable under this Clause 11.

11.3 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.

11.4 When expenses are incurred pursuant to this Clause 11 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.

11.5 When a claim for total loss of the Vessel is admitted under this insurance and expenses hav ebeen 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 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.

11.6 The sum recoverable under this clause 11 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.

12. CONSTRUCTIVE TOTAL LOSS

12.1 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.

12.2 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.

13. 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.

14. DISBURSEMENTS WARRANTY

14.1 Additional insurances as follows are permitted:

14.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.

14.1.2 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 14.1.1.

14.1.3 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 14.1.2 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.

14.1.4 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 the time of insurance plus the charges of insurance. Any sum insured under 14.1.2 to be taken into account and only the excess thereof may be insured.

14.1.5 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 14.1.2 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 14.1.2 and 14.1.5 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.

14.1.6 Premiums. A sum not exceeding the actual premium of all interests 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 water etc. Risk Insurance) reducing pro rata monthly.

14.1.7 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.

14.1.8 Insurance irrespective of amount against:
Any risks excluded by Clauses 16, 17, 18 and 19 below.

14.2 Warranted that no insurance on any interests enumerated in the foregoing 14.1.1 to 14.1.7 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 terms, 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.

15. RETURNS FOR LAY UP AND CANCELLATION

15.1 To return as follows:

15.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.

15.1.2 For each period of 30 consecutive days the vessel may be laid up in a port or in a lay up area provided such port or lay up area is approved by the underwriters (with special liberties as hereinafter allowed)
(a) ---------------per cent net not under repair
(b) ---------------per cent net under repair
If the vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (a) and (b) respectively.

15.2 PROVIDED ALWAYS THAT

15.2.1 a total loss of the vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.

15.2.2 in no case shall a return be allowed when the vessel is lying in exposed or unprotected waters, or in a port or lay up area not approved by the underwriters but, provided the underwriters agree that such non approved lay up area is deemed to be within the vicinity of the approved port or lay up area, days during which the vessel is laid up in such non approved lay up area may be added to days in the approved port or lay up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the vessel is actually laid up in the approved port or lay up area.

15.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the vessel is being used for the storage of cargo or for lightering purposes

15.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly

15.2.5 in the event of any return recoverable under this clause 15 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 15.1.2(a) and or (b)above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured either from the first day on which the vessel is laid up or the first day of a period of 30 consecutive days as provided under 15.1.2 (a) or (b), or 15.2.2 above.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith

16. WAR EXCLUSION

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

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

16.2 capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat
16.3 derelict mines, torpedoes, bombs or other derelict weapons of war.

17. STRIKES EXCLUSION

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

17.1 strikers, locked out workmen, or persons taking part in labour disturbances, riots or civil commotions
17.2 any terrorist or any person acting from a political motive.

18. MALICIOUS ACTS EXCLUSION

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

18.1 the detonation of an explosive
18.2 any weapon of war
and caused by any person acting maliciously or from a political motive

19. 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

INSTITUTE TIME CLAUSES HULLS
PORT RISKS
This insurance is subject to English Law and practice

1. NAVIGATION

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.

2. TERMINATION

This clause 2 shall prevail notwithstanding any provision whether written, typed or printed in this insurance inconsistent therewith.

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

2.1 change of the Classification Society of the Vessel or change, suspension, discontinuance, withdrawal or expiry of her Class therein. However where such change, suspension, discontinuance or withdrawal of her class has resulted from loss or damage covered by Clause 4 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 not operate.

2.2 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.

3. 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.

4. PERILS

4.1 This insurance covers loss of or damage to the subject-matter insured caused by
4.1.1 perils of the seas, rivers, lakes or other navigable waters
4.1.2 fire, lightning, explosion
4.1.3 violent theft by persons from outside the vessel
4.1.4 jettison
4.1.5 piracy
4.1.6 breakdown of or accident to nuclear installations or reactors
4.1.7 contact with aircraft or similar objects, or object falling therefrom, land conveyance, dock or harbour equipment or installation
4.2 This insurance covers loss of or damage to the subject matter insured caused by
4.2.1 accidents in loading, discharging or shifting cargo or fuel
4.2.2 bursting of boilers, breakage of shafts or any latent defect in the machinery or hull
4.2.3 negligence of Master, Officers, Crew or Pilots
4.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder

4.2.5 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.
4.3 Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 4 should they hold shares in the vessel.

5. 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 7, 9, 11 and 13.

6. 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 6 should they hold shares in the Vessel.

7. COLLISION LIABILITY

7.1 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

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

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

7.1.3 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.

7.2 The indemnity provided by this Clause 7 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:

7.2.1 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 7 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.

7.2.2 In no case shall the Underwriters' total liability under Clauses 7.1 and 7.2 exceed their proportionate part of the insured value of the Vessel hereby insured in respect of any one such collision.

7.3 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:

7.4 Provided always that this Clause 7 shall in no case extend to any sum which the Assured shall pay for or in respect of

7.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

7.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

7.4.3 the cargo or other property on, or the engagements of, the insured vessel

7.4.4 loss of life, personal injury or illness

7.4.5 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).

8. 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.

9. PROTECTION AND INDEMNITY

9.1 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.

9.1.1 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 7.

9.1.2 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

9.1.3 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

9.1.4 loss of life, personal injury, illness or payments made for life salvage.

9.1.5 liability under Clause 1(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.

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

9.2.1 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

9.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore

9.2.3 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

9.2.4 the expenses of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured

9.2.5 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.

EXCLUSIONS

9.3 Notwithstanding the provisions of Clauses 9.1 and 9.2 this Clause 9 does not cover any liability, cost or expense arising in respect of:

9.3.1 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 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

9.3.2 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

9.3.3 punitive or exemplary damages, however described

9.3.4 cargo or other property carried, to be carried or which has been carried on board the Vessel but this Clause 9.3.4 shall not exclude any claim in respect of the extra cost of removing cargo from the wreck of the Vessel

9.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the Vessel

9..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

9.3.7 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

9.3.8 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

9.3.9 fines or penalties arising from overloading or illegal fishing

9.3.10 pollution or contamination of any real or personal property or thing whatsoever (This Clause 9.3.10 shall not exclude any amount recoverable under Clause 9.1.5)

9.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable under clauses 7, 11 and 13 by reason of the agreed value and/or the amount insured in respect of the Vessel being inadequate.

9.4 The indemnity provided by this Clause 9 shall be in addition to the indemnity provided by the other terms and conditions of this insurances.

9.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 9 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.

9.6 In no case shall the Underwriters' liability under this Clause 9 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

9.7 PROVIDED ALWAYS THAT

9.7.1 prompt notice must be given to the Underwriters of every casualty, event or claim upon the Assured which may give rise to claim under this Clause 9 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 9.

9.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this Clause 9 without the prior written consent of the Underwriters

10. NOTICE OF CLAIM AND TENDERS

10.1 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

10.2 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

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

10.4 In the event of failure to comply with the conditions of this Clause 10, a deduction of 15% shall be made from the amount of the ascertained claim.

11. GENERAL AVERAGE AND SALVAGE

11.1 This insurance covers the Vessel's proportion of 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.

11.2 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.

11.3 No claim under this clause 11 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.

12. DEDUCTIBLE

12.1 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 7,9,11 and 13) exceeds................................... 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 12.1 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 13 arising from the same accident or occurrence.

12.2 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.

12.3 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.

13. DUTY OF ASSURED (SUE AND LABOUR)

13.1 In case of any loss or misfortune it is the duty of 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.

13.2 Subject to the provisions below and to Clause 12 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 13.5) and collision defence or attack costs and costs incurred by the Assured in avoiding, minimising or contesting liability covered by Clause 9 are not recoverable under this Clause 13.

13.3 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.

13.4 When expenses are incurred pursuant to this Clause 13 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.

13.5 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 its occurence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under insurance.

13.6 The sum recoverable under this clause 13 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.

14. NEW FOR OLD

Claims payable without deduction new for old.

15. BOTTOM TREATMENT

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

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

15.2 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,

15.3 supplying and applying the first coat of primer/anti corrosive to those particular areas mentioned in 15.1 and 15.2 above.
shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

16. 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 the 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.

17. 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.

18. UNREPAIRED DAMAGE

18.1 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.

18.2 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.

21.2 The underwriters shall not be liable in respect of unrepaired damage for more than the
insured value at the time this insurance terminates.

19. CONSTRUCTIVE TOTAL LOSS

19.1 In ascertaining whether the vessel is a constructive total loss, the insured value shall betaken as the repaired value and nothing in respect of the damage or break up value of the vessel or wreck shall be taken into account.

19.2 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.

20. DISBURSEMENTS WARRANTY

20.1 Additional insurances as follows are permitted.

20.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.

20.1.2 Earnings or Anticipated Freight, insured for time. A sum not exceeding 25% of the value as stated herein less any sum insured, however described under 20.1.1

20.1.3 Freight or Hire, under contracts for voyage. A sum not exceeding the gross freight or hire for the first passage and next succeeding cargo passage plus the charges of insurance. In the case of 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 20.1.2 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.

20.1.4 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 20.1.2 to be taken into account and only the excess thereof may be insured,
An insurance under this section may begin on the signing of the charter.

20.1.5 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.

20.1.6 Returns of Premiums. 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.

20.1.7 Insurance irrespective of amount against any risks excluded by clauses 5, 22, 23, 24, 25

20.2 Warranted that no insurance on any interests enumerated in the foregoing 20.1.1 to 20.1.6 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.

21. 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 2 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.

22. WAR EXCLUSION

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

22.1 war civil war revolution rebellion insurrection, or civil strike arising therefrom, or any hostile act by or against a belligerent power
22.2 capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat.
22.3 derelict mines, torpedos, bombs or other derelict weapons of war.

23. STRIKES EXCLUSION

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

23.1 strikers, locked out workmen, or persons taking part in labour disturbances, riots or civil commotions
23.2 any terrorist or any person acting from a political motive

24. MALICIOUS ACTS EXCLUSION

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

24.1 the detonation of an explosive
24.2 any weapon of war
and caused by any person acting maliciously or from a political motive

25. 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.

1.10.83

INSTITUTE ADDITIONAL PERILS CLAUSES – HULLS
(For Use Only With The Institute Time Clauses – Hulls 1.10.83)

1 In consideration of an additional premium this insurance is extended to cover
1.1 the cost repairing or replacing
21.2.3 any boiler which bursts or shaft which breaks
21.2.4 any defective part which has caused loss or damage to the Vessel covered by clause 6.2.2 of the Institute Time Clauses – Hulls 1.10.83

21.3 Loss of or damage to the vessel caused by any accident or by negligence, incompetence or error of judgement of any person whatsoever.

22 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 losss of or damage to the Vessel.

23 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 or Managers. Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause should they hold shares in the Vessel.

20.7.87

INSTITUTE FISHING VESSEL CLAUSES

(This insurance is subject to English Law and practice)

1. NAVIGATION AND REMOVALS ASHORE

1.1 The Vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that with the exception of catch the Vessel shall not carry cargo or containers for the carriage of cargo and shall not be towed, except as is customary or to the first safe port or place when in need of assistance or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 Any part or parts of the subject-matter insured are covered subject to the provisions of this insurance whilst ashore for the purpose of repair, overhaul or refitting, including transit from and to the Vessel.

1.3 In the event of the Vessel sailing with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the Vessel occurring subsequent to such sailing, shall be limited to the market value of the Vessel as scrap at the time when the loss or damage is sustained, unless previous notice has been given to the Underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this Clause 1.3 shall affect claims under Clauses 8, 18 or 20.

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. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to locality, towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

4. TERMINATION

This Clause 4 shall prevail notwithstanding any provisions 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

4.1 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 or until the expiry of fifteen days, whichever shall first occur. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage covered by Clause 6 of this insurance or which would be covered by an insurance of the Vessel subject to the 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.

4.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, provided that if the vessel is at sea such automatic termination shall, if required, be deferred until arrival at her next port or until the expiry of fifteen days, whichever shall first occur.

4.3 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 at sea or in port.

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. PERILS

6.1 This insurance covers loss of or damage to the subject-matter insured caused by
6.1.1 perils of the seas rivers lakes or other navigable waters
6.1.2 fire, explosion
6.1.3 violent theft by persons from outside the vessel
6.1.4 jettison
6.1.5 piracy
6.1.6 breakdown of or accident to nuclear installations or reactors
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation
6.1.8 earthquake volcanic eruption or lightning

6.2 This insurance covers loss of or damage to the subject-matter insured caused by
6.2.1 accidents in loading discharging or shifting catch fuel or stores
6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
6.2.3 negligence of Master Officers Crew or Pilots
6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
6.2.5 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.

6.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the Vessel.

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. GENERAL AVERAGE AND SALVAGE

8.1 Any claim for general average and salvage to be on the basis of an adjustment according to the York-Antwerp Rules 1974 if so required by the Underwriters but the insured value of Hull and Machinery to be taken as the contributory value without deduction.
8.2 No claim under this clause 8 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.

9. WAGES AND MAINTENANCE

The Underwriters to pay the cost of wages and maintenance of members of crew necessarily retained whilst the Vessel is undergoing repairs for which the Underwriters are liable under this insurance.

10. DUTY OF ASSURED (SUE AND LABOUR)

10.1 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

10.2 Subject to the provisions below and to clause 12 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 10.5) and collision defence or attack costs and costs incurred by the assured in avoiding minimising or contesting liability covered by Clause 20 are not recoverable under this clause 10.

10.3 Measure 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.

10.4 When expenses are incurred pursuant to this clause 10 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.

10.5 Where 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 exceeds the proceeds , then the Underwriters shall pay the expenses, or the expenses in excess of the proceeds, as the case may be.

10.6 The sum recoverable under this clause 10 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.

11. NEW FOR OLD

Claims payable without deduction new for old.

12. DEDUCTIBLE

12.1 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, 10,18 and 20) exceeds..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 12.1 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 10 arising from the same accident or occurrence.

12.2 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.

12.3 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.

13. MACHINERY DAMAGE

Notwithstanding any provision to the contrary in this insurance a claim for loss of or damage to any machinery, shaft, electrical equipment or wiring, boiler condenser heating coil or associated pipework, arising from any of the perils enumerated in Clauses 6.2.2 to 6.2.5 inclusive above or from fire or explosion when either has originated in a machinery space, shall be subject to a deductible of ....Any balance remaining, after application of this deductible, with any other claim arising from the same accident or occurrence, shall then be subject to the deductible in Clause 12.1.

The provisions of Clauses 12.2 and 12.3 shall apply to recoveries and interest comprised in recoveries against any claim which is subject to this clause.

This clause shall not apply to a claim for total or constructive total loss of the vessel.

14. 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

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

14.2 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,

14.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 14.1 and 14.2 above,

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

15. FISHING GEAR

No claim to attach hereto for loss of or damage to fishing gear unless

15.1 caused by fire lightning or violent theft by persons from outside the Vessel
15.2 totally lost as a result of the total loss of the Vessel by insured perils.

16. UNREPAIRED DAMAGE

16.1 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.
16.2 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.
16.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

17. CONSTRUCTIVE TOTAL LOSS

17.1 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.
17.2 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.

18. COLLISION LIABILITY

18.1 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
18.1.1 loss of or damage to any other vessel or property on any other vessel
18.1.2 delay to or loss of use of any such other vessel or property thereon
18.1.3 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.

18.2 The indemnity provided by this clause 18 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:
18.2.1 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 18 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.
18.2.2 In no case shall the Underwriters' total liability under Clause 18.1 and 18.2 exceed their proportionate part of the insured value of the vessel hereby insured in respect of any one such collision.

18.3 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

18.4 Provided always that this clause 18 shall in no case extend to any sum which the assured shall pay for or in respect of

18.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

18.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

18.4.3 the cargo or other property on, or the engagements of, the insured Vessel

18.4.4 loss of life, personal injury or illness

18.4.5 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).

19. 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.

20. PROTECTION AND INDEMNITY

20.1 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:

20.1.1 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 18.

20.1.2 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

20.1.3 liability assumed by the Assured under contracts of customary towage for the purpose of entering or leaving port or manoeuvering within the port during the ordinary course of trading

20.1.4 loss of life, personal injury, illness or payments made for life salvage

20.1.5 (a) hospital medical and burial expenses of Master Officers or Crew

(b) repatriation expenses of Master Officers or Crew (other than wages, remuneration in the nature of wages, or any expenses which ensue from the termination of an agreement, sale of the vessel or any other act of the Assured).

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

20.2.1 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

20.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore

20.2.3 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

20.2.4 the expenses of the removal of the wreck of the Vessel from any place owned, leased or occupied by the assured

20.2.5 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.

EXCLUSIONS

20.3 Notwithstanding the provisions of Clauses 20.1 and 20.2 this clause 20 does not cover any liability cost or expense arising in respect of:

20.3.1 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 employed in any capacity whatsoever by the Assured or others in on or about or in connection with the Vessel or her catch, materials or repairs

20.3.2 liability assumed by the assured under agreement expressed or implied in respect of death or illness of or injury to any persons employed under a contract of service or apprenticeship by the other party to such agreement

20.3.3 punitive or exemplary damages, however described

20.3.4 passengers

20.3.5 catch, fishing gear or other things or interests whatsoever on board the insured Vessel or the engagements of the insured Vessel but this clause 20.3.5 shall not exclude any claim in respect of the extra cost of removing catch or property from the wreck of the vessel

20.3.6 property, owned by builders or repairers or for which they are responsible, which is on board the vessel

20.3.7 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

20.3.8 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

20.3.9 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

20.3.10 fines or penalties arising from overloading or illegal fishing

20.3.11 pollution or contamination of any real or personal property or thing whatsoever

20.3.12 general average, sue and labour and salvage charges, salvage and/or collision liability to any extent that they are not recoverable under Clauses 8, 10 and 18 by reason of the agreed value and/or the amount insured in respect of the Vessel being inadequate.

20.4 The indemnity provided by this Clause 20 shall be in addition to the indemnity provided by the other terms and conditions of this insurance.

20.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this clause 20 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.

20.6 In no case shall the Underwriters' liability under this Clause 20 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.

20.7 PROVIDED ALWAYS THAT

20.7.1 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 20 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 20.

20.7.2 the assured shall not admit liability for or settle any claim for which he may be insured under this Clause 20 without the prior written consent of the Underwriters.

21. NOTICE OF CLAIM AND TENDERS

21.1 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.

21.2 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.

21.3 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 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.

21.4 In the event of failure to comply with the conditions of this Clause 21 a deduction of 15% shall be made from the amount of the ascertained claim.

22. DISBURSEMENTS WARRANTY

Warranted that no insurance is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees on:

22.1 disbursements, commissions or similar interests, P.P.I., F.I.A. or subject to any other like term,
22.2 excess or increased value of hull and machinery however described.

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 LAY-UP AND CANCELLATION

23.1 To return as follows

23.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement or by the operation of Clause 4.

23.1.2 For each period of 30 consecutive days the Vessel may be laid up in a port or in a lay-up area provided such port or lay up area is approved by the Underwriters (with special liberties as hereinafter allowed)

(1)..per cent net not under repair

(2)..per cent net under repair

If the vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (1) and (2) respectively.

23.2 PROVIDED ALWAYS THAT

23.2.1 a total loss of the Vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof

23.2.2 in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters or in a port or lay up area not approved by the Underwriters but, provided the Underwriters agree that such non approved lay up area is deemed to be within the vicinity of the approved port or lay up area, days during which the Vessel is laid up in such non-approved lay up area may be added to days in the approved port or lay up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the Vessel is actually laid up in the approved port or lay up area.

23.2.3 loading or discharging operations or the presence of catch on board shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of catch or for lightering purposes.

23.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly

23.2.5 in the event of any return recoverable under this Clause 23 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 23..1.2 (1) and/or (2) above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured, either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days as provided under 23.1.2(1), (2) or 23.2.2 above.

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 detainment (barratry and piracy excepted), and 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

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

1/8/89

**INSTITUTE TIME CLAUSES
FREIGHT**

This insurance is subject to English Law and practice

1. NAVIGATION

The Vessel has leave to dock and undock, to go into graving dock, to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1 shall not exclude customary towage in connection with loading and discharging.

2. CRAFT RISK

Including risk of craft and/or lighter to and from the Vessel.

3. 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, the subject matter insured shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium to her port of destination.

4. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, trade, locality, towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

5. TERMINATION

This clause 5 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.

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

5.1 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 7 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.

23.1 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, provided that, if the Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. 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 at sea or in port.

A pro rata daily net return of premium shall be made.

6. 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.

7. PERILS

7.1 This insurance covers loss of or damage to the subject-matter insured caused by

7.1.1 perils of the seas, rivers, lakes or other navigable waters

7.1.2 fire, explosion

7.1.3 violent theft by persons from outside the vessel

7.1.4 jettison

7.1.5 piracy

7.1.6 breakdown of or accident to nuclear installations or reactors

7.1.7 contact with aircraft or similar objects, or object falling therefrom, land conveyance, dock or harbour equipment or installation

7.1.8 earthquake volcanic eruption or lightning.

7.2 This insurance covers loss of or damage to the subject matter insured caused by

7.2.1 accidents in loading, discharging or shifting cargo or fuel

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

7.2.3 negligence of Master Officers Crew or Pilots

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

7.2.5 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.

7.3 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. POLLUTION HAZARD

This insurance covers loss of the subject matter 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 a peril covered by 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 8 should they hold shares in the Vessel.

9. FREIGHT COLLISION

9.1 It is further agreed that if the Vessel shall come into collision with any other vessel and the Assured shall in consequence thereof become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of the amount of freight taken into account in calculating the measure of the liability of the Assured for

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

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

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

the Underwriters will pay the Assured such proportion of three-fourths of such sum or sums so paid applying to freight as their respective subscription hereto bear to the total amount insured on freight, or to the gross freight earned on the voyage during which the collision occurred if this be greater .

9.2 Provided always that

9.2.1 liability of the Underwriters in respect of any one such collision shall not exceed their proportionate part of three-fourths of the total amount insured hereon on freight, and in cases in which, with the prior consent in writing of the Underwriters, the liability of the Vessel has been contested or proceedings have been taken to limit liability, they will also pay a like proportion of three-fourths of the costs, appertaining proportionately to the freight portion of damages, which the eassured shall thereby incur or be compelled to pay;

9.2.2 no claim shall attach to this insurance:

9.2.2.1 which attaches to any other insurances covering collision liabilities

9.2.2.2 which is, or would be, recoverable in the terms of the Institute 3/4ths Collision Liability Clause if the vessel were insured in terms of such Institute 3/4ths Collision Liability Clause for a value per ton of her gross tonnage (calculated in accordance with the tonnage measurement rules contained in Annex 1 of the International Convention of Tonnage Measurement of ships 1969) not less than the equivalent in pounds sterling, at the time of commencement of this insurance, of the Vessel's limit of liability calculated in accordance with article 6.1 (b) of the 1976 Limitation Convention.

9.2.3 this Clause 9 shall in no case extend or be deemed to extend to any sum which the assured may become liable to pay or shall pay for or in respect of:

9.2.3.1 removal or disposal, under statutory powers or otherwise, of obstructions, wrecks, cargoes or any other thing whatsoever

9..2.3.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

9.2.3.3 pollution or contamination of any real or personal or thing whatsoever (except other vessels with which the insured Vessel is in collision or property on such other vessels)

9.2.3.4 the cargo or other property on or the engagements of the Vessel

9.2.3.5 loss of life, personal injury or illness

10. 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.

11. GENERAL AVERAGE AND SALVAGE

11.1 This insurance covers the proportion of general average salvage and/or salvage charges attaching to freight at the risk of the assured, reduced in respect of any under- insurance.

11.2 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.

11.4 No claim under this clause 11 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.

12. FRANCHISE

This insurance does not cover partial loss, other than general average loss, under 3% unless caused by fire, sinking, stranding or collision with another vessel. Each craft and/or lighter to be deemed a separate insurance if required by the assured.

13. MEASURE OF INDEMNITY

13.1 The amount recoverable under this insurance for any claim for loss of freight shall not exceed the gross freight actually lost.

13.2 Where insurances on freight other than this insurance are current at the time of the loss, all such insurances shall be taken into consideration in

calculating the liability under this insurance and the amount recoverable hereunder shall not exceed the rateable proportion of the gross freight lost, notwithstanding any valuation in this or any other insurance.
13.3 In calculating the liability under clause 11 all insurances on freight shall likewise be taken into consideration.
13.4 Nothing in this Clause 13 shall apply to any claim arising under Clause 15.

14. LOSS OF TIME

This insurance does not cover any claim consequent on loss of time whether arising from a peril of the sea or otherwise.

15. TOTAL LOSS

15.1 In the event of the total loss (actual or constructive) of the Vessel named herein the amount insured shall be paid in full, whether the Vessel be partly or fully loaded or in ballast, chartered or unchartered.
15.2 In ascertaining whether the Vessel is a constructive total loss, the insured value in the insurances on hull and machinery 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.
15.3 Should the Vessel be constructive total loss but the claim on the insurances on hull and machinery be settled as a claim for partial loss, no payment shall be due under this clause 15.

16. RETURNS FOR LAY UP AND CANCELLATION

16.1 To return as follows:

16.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.

16.1.2 For each period of 30 consecutive days the vessel may be laid up in a port or in a lay up area provided such port or lay up area is approved by the Underwriters (with special liberties as hereinafter allowed)

(a) ---------------per cent net not under repair
(b) ---------------per cent net under repair

If the Vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (a) and (b) respectively.

16.2 PROVIDED ALWAYS THAT

16.2.1 a total loss of the Vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.

16.2.2 in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters, or in a port or lay up area not approved by the Underwriters but, provided the Underwriters agree that such non approved lay up area is deemed to be within the vicinity of the approved port or lay up area, days during which the Vessel is laid up in such non approved lay up area may be added to days in the approved port or lay up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the vessel is actually laid up in the approved port or lay up area.

16.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of cargo or for lightering purposes

4.2.6 In the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly

16.2.5 in the event of any return recoverable under this clause 16 being based on 30 consecutive days which fall on successive insurances effected for the same assured this insurance shall only be liable for an amount calculated at pro rata of the period rates 16.1.2(a) and/ or (b)above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days as provided under 16.1.2 (a) or (b) or 16.2.2 above.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith

17. WAR EXCLUSION

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

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

17.2 capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat.

17.3 derelict mines, torpedos, bombs or other derelict weapons of war.

18. STRIKES EXCLUSION

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

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

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

19. MALICIOUS ACTS EXCLUSION

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

19.1 the detonation of an explosive

19.2 any weapon of war

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

20. 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.

CL.287

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INSTITUTE VOYAGE CLAUSES - HULLS
TOTAL LOSS, GENERAL AVERAGE AND 3/4THS COLLISION LIABILITY
(Including Salvage, Salvage Charges and Sue and Labour)

(This insurance is subject to English Law and practice)

1. NAVIGATION

1.1 The vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 In the event of the vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.

2. CHANGE OF VOYAGE

Held covered in case of deviation or change of voyage or any breach of warranty as to towage or salvage services, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

3. 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.

4. PERILS

4.1 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by

4.1.1 perils of the seas rivers lakes or other navigable waters

4.1.2 fire, explosion

4.1.3 violent theft by persons from outside the vessel

4.1.4 jettison

4.1.5 piracy

4.1.6 breakdown of or accident to nuclear installations or reactors

4.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation

4.1.8 earthquake volcanic eruption or lightning.

4.2 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by

4.2.1 accidents in loading discharging or shifting cargo or fuel
4.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
4.2.3 negligence of Master Officers Crew or Pilots
4.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
4.2.5 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.

4.3 Master officers Crew or pilots not to be considered Owners within the meaning of this Clause 4 should they hold shares in the vessel.

5. POLLUTION HAZARD

This insurance covers total loss (actual or constructive) of 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 caused by a peril covered by 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 5 should they hold shares in the vessel.

6. 3/4 THS COLLISION LIABILITY

6.1 The Underwriters agree to indemnify the Assured for three- fourths of 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

6.1.1 loss of or damage to any other vessel or property on any other vessel
6.1.2 delay to or loss of use of any such other vessel or property thereon
6.1.3 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.

6.2 The indemnity provided by this clause 6 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:

6.2.1 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 6 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.

6.2.2 In no case shall the Underwriters' total liability under Clause 6.1 and 6.2 exceed their proportionate part of three-fourths of the insured value of the vessel hereby insured in respect of any one collision.

6.3 The Underwriters will also pay three-fourths of 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

6.4 Provided always that this clause 6 shall in no case extend to any sum which the assured shall pay for or in respect of

6.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

6.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

6.4.3 the cargo or other property on, or the engagements of, the insured vessel

6.4.4 loss of life, personal injury or illness

6.4.5 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).

7. 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.

8. NOTICE OF CLAIM

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.

9. GENERAL AVERAGE AND SALVAGE

9.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance.

9.2 This insurance does not cover partial loss of and/or damage to the vessel, except for any proportion of general average loss or damage which may be recoverable under Clause 9.1 above.

9.3 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.

9.4 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.

9.5 No claim under this clause 9 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.

10. DEDUCTIBLE

10.1 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 6 and 11) exceeds..in which case this sum shall be deducted. This Clause 10.1 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 11 arising from the same accident or occurrence.

10.2 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.

10.3 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.

11. DUTY OF ASSURED (SUE AND LABOUR)

11.1 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

11.2 Subject to the provisions below and to clause 10 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 11.5) and collision defence or attack costs are not recoverable under this clause 11.

11.3 Measure 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.

11.4 When expenses are incurred pursuant to this clause 11 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.

11.5 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 exceeds 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.

11.6 The sum recoverable under this clause 11 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.

12. NEW FOR OLD

General average payable without deduction new for old.

13. 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.

14. CONSTRUCTIVE TOTAL LOSS

14.1 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.

14.2 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.

15. 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.

16. DISBURSEMENTS WARRANTY

16.1 Additional insurances as follows are permitted:

16.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.

16.1.2 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 16.1.1.

16.1.3 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 16.1.2 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.

16.1.4 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 16.1.2 to be taken into account and only the excess thereof may be insured.

16.1.5 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 16.1.2 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 16.1.2 and 16.1.5 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.

16.1.6 Premiums. A sum not exceeding the actual premium of all interests 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 water etc. Risk Insurance) reducing pro rata monthly.

16.1.7 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.

16.1.8 Insurance irrespective of amount against:
Any risks excluded by Clauses 17, 18, 19 and 20 below.

16.2 Warranted that no insurance on any interests enumerated in the foregoing 16.1.1 to 16.1.7 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 terms, 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.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith

17. WAR EXCLUSION
In no case shall this insurance cover loss damage liability or expense caused by

17.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
17.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and consequences thereof or any attempt thereat
17.3 derelict mines torpedoes bombs or other derelict weapons of war.

18. STRIKES EXCLUSION

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

18.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
18.2 any terrorist or any person acting from a political motive.

19. MALICIOUS ACTS EXCLUSION

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

19.1 the detonation of an explosive
19.2 any weapon of war
and caused by any person acting maliciously or from a political motive.

20. 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.

CL.286

1.8.89

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE VOYAGE CLAUSES
FREIGHT

(This insurance is subject to English Law and practice)

1. NAVIGATION

The vessel has leave to dock and undock , to go into graving dock, to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the vessel shall not be towed, except as is customary or when in need of assistance or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

2. CRAFT RISK

Including risk of craft and/or lighter to and from the vessel.

3. CHANGE OF VOYAGE

Held covered in case of deviation or change of voyage or any breach of warranty as to towage or salvage services, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

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 the subject-matter insured caused by
5.1.1 perils of the seas rivers lakes or other navigable waters
5.1.2 fire, 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
5.1.8 earthquake volcanic eruption or lightning.

5.2 This insurance covers loss of 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. POLLUTION HAZARD

This insurance covers loss of the subject matter insured 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 a peril covered by 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 6 should they hold shares in the vessel.

7. FREIGHT COLLISION

7.1 It is further agreed that if the vessel shall come into collision with any other vessel and the assured shall in consequence thereof become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of the amount of freight taken into accountin calculating the measure of the liability of the assured for

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

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

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

the Underwriters will pay the assured such proportion of three-fourths of such sum or sums so paid applying to freight as their respective subscriptions hereto bear to the total amount insured on freight, or to the gross freight earned on the voyage during which the collision occurred if this be greater.

7.2 Provided always that:

7.2.1 liability of the Underwriters in respect of any one such collision shall not exceed their proportionate part of three-fourths of the total amount insured hereon on freight, and in cases in which, with the prior consent in writing of the Underwriters, the liability of the vessel has been contested or proceedings have been taken to limit liability, they will also pay a like proportion of three-fourths of the costs, appertaining proportionately to the freight portion of damages, which the assured shall thereby incur or be compelled to pay;

7.2.2 no claim shall attach to this insurance:

7.2.2.1 which attaches to any other insurance covering collision liabilities

7.2.2.2which is, or would be, recoverable in the terms of the Institute 3/4ths Collision Liability Clause if the vessel were insured in the terms of such Institute 3/4ths Collision Liability Clause for a value per ton of her gross tonnage (calculated in accordance with the Tonnage measurement rules contained in Annex I of the International Convention of Tonnage Measurement of Ships 1969) not less than the equivalent in pounds sterling, at the time of commencement of this insurance, of the vessel's limit of liability calculated in accordance with Article 6.1(b) of the 1976 Limitation Convention.

7.2.3 this clause 7 shall in no case extend or be deemed to extend to any sum which the assured may become liable to pay or shall pay for or in respect of:

7.2.3.1removal or disposal, under statutory powers or otherwise, of obstructions, wrecks, cargoes or any other thing whatsoever

7.2.3.2any real or personal property or thing whatsoever except other vessels or property on other vessels

7.2.3.3pollution 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)

7.2.3.4the cargo or other property on or the engagements of the vessel

7.2.3.5loss of life, personal injury or illness.

8. SISTERSHIP

Should the vessel named herein 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 named herein; 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.

9. GENERAL AVERAGE AND SALVAGE

9.1 This insurance covers the proportion of general average salvage and/or salvage charges attaching to freight at risk of the Assured, reduced in respect of any under-insurance.
9.2 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.
9.3 No claim under this clause 9 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.

10. FRANCHISE

This insurance does not cover partial loss, other than general average loss, under 3% unless caused by fire, sinking, stranding or collision with another vessel. Each craft and/or lighter to be deemed a separate insurance if required by the Assured.

11. MEASURE OF INDEMNITY

11.1 The amount recoverable under this insurance for any claim for loss of freight shall not exceed the gross freight actually lost.
11.2 Where insurances on freight other than this insurance are current at the time of the loss, all such insurances shall be taken into consideration in calculating the liability under this insurance and the amount recoverable hereunder shall not exceed the rateable proportion of the gross freight lost, notwithstanding any valuation in this or any other insurance.
11.3 In calculating the liability under Clause 9 all insurances on freight shall likewise be taken into consideration.
11.4 Nothing in this Clause 11 shall apply to any claim arising under Clause 13.

12. LOSS OF TIME

This insurance does not cover any claim consequent on loss of time whether arising from a peril of the sea or otherwise.

13. TOTAL LOSS

13.1 In the event loss (actual or constructive) of the vessel named herein the amount insured shall be paid in full, whether the vessel be fully or partly loaded or in ballast, chartered or unchartered.
13.2 In ascertaining whether the vessel is a constructive total loss, the insured value in the insurances on hull and machinery 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.
13.3 Should the vessel be a constructive total loss but the claim on the insurances on hull and machinery be settled as a claim for partial loss, no payment shall be due under this clause 13.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith

14. WAR EXCLUSION

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

14.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
14.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
14.3 derelict mines torpedoes bombs or other derelict weapons of war.

15. STRIKES EXCLUSION

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

15.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
15.2 any terrorist or any person acting from a political motive.

16. MALICIOUS ACTS EXCLUSION

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

16.1 the detonation of an explosive
16.2 any weapon of war
and caused by any person acting maliciously or from a political motive.

17. 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.

CL.288

1/10/83

INSTITUTE TIME CLAUSES HULLS DISBURSEMENT AND INCREASED VALUE (Total Loss only, including Excess Liabilities)

This insurance is subject to English Law and practice

1. NAVIGATION

1.1 The subject matter insured is covered subject to the provisions of this insurance at all times and the Vessel has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 In the event of the Vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance in respect of loss of or damage to the subject matter insured or for liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the Vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.

1.3 In the event of the Vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, no claim shall be recoverable under this insurance in respect of loss or damage to the Vessel occurring subsequent to such sailing unless previous notice has been given to the Underwriters and any amendments to the terms of cover, amount insured and premium required by them have been 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, the subject matter insured shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium to her port of destination.

3. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, locality, trade , towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

4. TERMINATION

This clause 4 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

4.1 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 which would be covered by an insurance of the Vessel subject to current Institute Time Clauses Hulls or 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.

4.2 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, provided that, if the Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the Vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. 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 at sea or in port.

A pro rata daily net return of premium shall be made.

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. PERILS

6.1 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by

6.1.1 perils of the seas, rivers, lakes or other navigable waters
6.1.2 fire, explosion
6.1.3 violent theft by persons from outside the vessel
6.1.4 jettison
6.1.5 piracy
6.1.6 breakdown of or accident to nuclear installations or reactors
6.1.7 contact with aircraft or similar objects, or object falling therefrom, land conveyance, dock or harbour equipment or installation
6.1.8 earthquake volcanic eruption or lightning

6.2 This insurance covers total loss (actual or constructive) of the subject matter insured caused by

6.2.1 accidents in loading, discharging or shifting cargo or fuel
6.2.2 bursting of boilers, breakage of shafts or any latent defect in the machinery or hull
6.2.3 negligence of Master, Officers, Crew or Pilots
6.2.4 negligence of repairers or charterers provided such repairers or charterer are not an Assured hereunder
6.2.5 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.

6.3 Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the vessel.

6.4 This insurance covers:

6.4.1 **General Average, Salvage and Salvage Charges** not recoverable in full under the insurances on hull and machinery by reason of the difference between the insured value of the vessel as stated therein (or any reduced value arising from the deduction therefrom in process of adjustment of any claim which law or practice or the terms of the insurances covering hull and machinery may have required) and the value of the Vessel adopted for the purpose of contribution to general average, salvage or salvage charges, the liability under this insurance being for such proportion of the amount not recoverable as the amount insured hereunder bears to the said difference or to the total sum insured against excess liabilities if it exceed such difference.

6.4.2 **Sue and Labour Charges** not recoverable in full under the insurances on hull and machinery by reason of the difference between the insured value of the Vessel as stated therein and the value of the Vessel adopted for the purpose of ascertaining the amount recoverable under the insurances on hull and machinery, the liability under this insurance being for such proportion of the amount not recoverable as the amount insured hereunder bears to the said difference or to the total sum insured against excess liabilities if it exceed such difference.

6.4.3 **Collision Liability (three-fourths)** not recoverable in full under the Institute 3/4ths Collision Liability and Sistership Clauses in the insurances on hull and machinery by reason of such three-fourth's liability exceeding three-fourths of the insured value of the vessel as stated therein, in which case the amount recoverable under this insurance shall be such proportion of the difference so arising as the amount insured hereunder bears to the total sum insured against excess liabilities.

6.5 The underwriters' liability under 6.4.1, 6.4.2 and 6.4.3 separately, in respect of any one claim, shall not exceed the amount insured hereunder.

7. POLLUTION HAZARD

This insurance covers total loss (actual or constructive) of 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 caused by a peril covered by 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. NOTICE OF CLAIM

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.

9. CONSTRUCTIVE TOTAL LOSS

9.1 In ascertaining whether the Vessel is a constructive total loss, the insured value in the insurances on hull and machinery 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.

9.2 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 the insurances on hull and machinery. 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.

9.3 Provided that the Constructive Total Loss Clause in the current Institute Time clauses Hulls or a clause having a similar effect is contained in the insurances on hull and machinery, the settlement of a claim for constructive total loss thereunder shall be accepted as proof of the constructive total loss of the Vessel.

9.4 Should the Vessel be a constructive total loss but the claim on the insurances on hull and machinery be settled as a claim for partial loss, no payment shall be due under this Clause 9.

10. COMPROMISED TOTAL LOSS

In the event of a claim for total loss or constructive total loss being settled on the insurances on hull and machinery as a compromised total loss the amount payable hereunder shall be the same percentage of the amount insured as is paid on the said insurances.

11. RETURNS FOR LAY UP AND CANCELLATION

11.1 To return as follows:

11.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.

11.1.2 For each period of 30 consecutive days the Vessel may be laid up in a port or in a lay up area provided such port or lay up area is approved by the Underwriters (with special liberties as hereinafter allowed)

(a) ---------------per cent net not under repair

(b) ---------------per cent net under repair

If the Vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (a) and (b) respectively.

11.2 PROVIDED ALWAYS THAT

11.2.1 a total loss of the Vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.

11.2.2 in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters, or in a port or lay up area not approved by the Underwriters but, provided the Underwriters agree that such non approved lay up area is deemed to be within the vicinity of the approved port or lay up area, days during which the vessel is laid up in such non approved lay up area may be added to days in the approved port or lay up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the vessel is actually laid up in the approved port or lay up area.

11.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of cargo or for lightering purposes

11.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly

11.2.5 in the event of any return recoverable under this clause 11 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 11.1.2(a) and or (b) above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days as provided under 11.1.2 (a) or (b) or 11.2.2 above.

The following clauses shall be paramount and shall override anything contained in this

insurance inconsistent therewith

12. WAR EXCLUSION

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

12.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
12.2 capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat
12.3 derelict mines, torpedos, bombs or other derelict weapons of war.

13. STRIKES EXCLUSION

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

13.1 strikers, locked out workmen, or persons taking part in labour disturbances, riots or civil commotions
13.2 any terrorist or any person acting from a political motive

14. MALICIOUS ACTS EXCLUSION

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

14.1 the detonation of an explosive
14.2 any weapon of war
and caused by any person acting maliciously or from a political motive

15. 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.

CL.290

1.11.85

INSTITUTE YACHT CLAUSES

This insurance is subject to English law and practice

1. VESSEL

Vessel means the hull, machinery, boat(s), gear and equipment, such as would normally be sold with her if she changed hands.

2. IN COMMISSION AND LAID UP

2.1 The vessel is covered subject to the provisions of this insurance.

2.1.1 while in commission at sea or on inland waters or in ports, docks, marinas, on ways, gridirons, pontoons, or on the hard or mud or at place of storage ashore, including lifting or hauling out and launching, with leave to sail or navigate with or without pilots, to go on trial trips and to assist and to tow vessels or craft in distress, or as is customary, but it is warranted that the vessel shall not be towed except as is customary or when in need of assistance, or undertake towage or salvage services under a contract previously arranged by Owners, Masters, Managers or Charteters.

2.1.2 while laid up out of commission as provided for in clause 4 below, including lifting or hauling out and launching, while being moved in shipyard or marina, dismantling, fitting out, overhauling, normal maintenance or while under survey, (also to include docking and undocking and periods laid up afloat incidental to laying up or fitting out and with leave to shift in tow or otherwise to or from her lay-up berth but not outside the limits of the port or place in which the vessel is laid up) but excluding, unless notice be given to the Underwriters and any additional premium required by them agreed, any period for which the vessel is used as a houseboat or is under major repair or undergoing alteration.

2.2 Notwithstanding clause 2.1 above the gear and equipment, including outboard motors, are covered subject to the provisions of this insurance while in place of storage or repair ashore.

3. NAVIGATION AND CHARTER HIRE WARRANTIES

3.1 Warranted not navigating outside the limits stated in the schedule to the policy or, provided previous notice be given to the underwriters, held covered on terms to be agreed.

3.2 Warranted to be used solely for private pleasure purposes and not for hire charter or reward, unless specially agreed by the Underwriters.

4. LAID UP WARRANTY

Warranted laid up out of commission as stated in the Schedule to the policy, or held covered on terms to be agreed provided previous notice be given to the Underwriters.

5. SPEED WARRANTY

5.1 Warranted that the maximum designed speed of the vessel, or the parent vessel in the case of a vessel with boat(s), does not exceed 17 knots.

5.2 Where the Underwriters have agreed to delete this warranty, the conditions of the speedboat clause 19 below shall also apply.

6. CONTINUATION

Should the vessel at the expiration of this insurance be at sea or in distress or at a port or place of refuge or of call, she shall, provided prompt notice be given to the Underwriters, be held covered at a premium to be agreed until anchored or moored at her next port of call in good safety.

7. 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 with such endorsement is produced before payment of any claim or return of premium thereunder.

8. CHANGE OF OWNERSHIP

This clause 8 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent herewith.

8.1 Should the vessel be sold or transferred to new ownership, or, where the vessel is owned by a company, should there be a change in the controlling interest(s) of the company, then, unless the Underwriters agree in writing to continue the insurance, this insurance shall become cancelled from the time of such sale transfer or change and a pro rata daily net return of premium be made calculated on the premium charged for the in commission and/or laid up period.

8.2 If however the vessel shall have left her moorings or be at sea at the time of sale or transfer such cancellation shall if required by the Assured be suspended until arrival at port or place of destination .

9. PERILS

Subject always to the exclusion in this insurance

9.1 this insurance covers loss of or damage to the subject-matter insured caused by
9.1.1 perils of the seas rivers lakes or other navigable waters
9.1.2 fire
9.1.3 jettison
9.1.4 piracy
9.1.5 contact with dock or harbour equipment or installation, land conveyance, aircraft or similar objects or objects falling therefrom.
9.1.6 earthquake volcanic eruption or lightning

9.2 and provided such loss or damage has not resulted from want of due diligence by the Assured Owners or Managers, this insurance covers
9.2.1 loss of or damage to the subject-matter insured caused by
9.2.1.1 accidents in loading, discharging or moving stores, gear, equipment, machinery of fuel
9.2.1.2 explosions
9.2.1.3 malicious acts
9.2.1.4 theft of the entire vessel or her boat(s), or outboard motor(s) provided it is securely locked to the vessel or her boat(s) by an anti-theft device in addition to its normal method of attachment, or, following upon forcible entry into the vessel or place of storage or repair, theft of machinery including outboard motor(s), gear or equipment.

9.2.2 loss of or damage to the subject-matter insured, excepting motor and connections (but not strut shaft or propeller) electrical equipment and batteries and connections, caused by
9.2.2.1 latent defects in hull or machinery, breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the defective part broken shaft or burst boiler)
9.2.2.2 the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract in

respect of any repair or alteration work carried out for the account of the Assured and/or the Owners or in respect of the maintenance of the vessel.

9.3 this insurance covers the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, even if no damage be found.

10. EXCLUSIONS

No claim shall be allowed in respect of any

10.1 outboard motor dropping off or falling overboard

10.2 ship's boat having a maximum designed speed exceeding 17 knots, unless such boat is specially covered herein and subject also to the conditions of the Speedboat Clause 19 below, or is on the parent vessel or laid up ashore

10.3 ship's boat not permanently marked with the name of the parent vessel

10.4 sails and protective covers split by the wind or blown away while set, unless in consequence of damage to the spars to which sails are bent, or occasioned by the vessel being stranded or in collision or contact with any external substance (ice included) other than water

10.5 sails, masts, spars or standing and running rigging while the vessel is racing, unless the loss or damage is caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water

10.6 personal effects

10.7 consumable stores, fishing gear or moorings

10.8 sheathing, or repairs thereto, unless the loss or damage has been caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water

10.9 loss or expenditure incurred in remedying a fault in design or construction or any cost or expense incurred by reason of betterment or alteration in design or construction.

10.10 motor and connections (but not strut shaft or propeller) electrical equipment and batteries and connections, where the loss or damage has been caused by heavy weather, unless the loss or damage has been caused by the vessel being immersed, but this clause 10.10 shall not exclude loss or damage caused by the vessel being stranded or in collision or contact with another vessel, pier or jetty.

11. LIABILITIES TO THIRD PARTIES

This Clause only to apply when a sum is stated for this purpose in the schedule to the policy.

11.1 The Underwriters agree to indemnify the Assured for any sum or sums which the Assured shall become legally liable to pay and shall pay, by reason of interest in the insured vessel and arising out of accidents occurring during the currency of this insurance, in respect of

11.1.1 loss of or damage to any other vessel or property whatsoever

11.1.2 loss of life, personal injury or illness, including payments made for life salvage, caused on or near the vessel or any other vessel

11.1.3 any attempted or actual raising, removal or destruction of the wreck of the insured vessel or the cargo thereof or any neglect or failure to raise, remove or destroy the same.

11.2 LEGAL COSTS

The underwriters will also pay, provided their prior written consent has been obtained,

11.2.1 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

11.2.2 the costs of representation at any coroner's inquest or fatal accident enquiry.

11.3 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.

11.4 NAVIGATION BY OTHER PERSONS

The provisions of this clause 11 shall extent to any person navigating or in charge of the insured vessel with the permission of the Assured named in this insurance (other than a person operating, or employed by the operator of, a shipyard, marina, repair yard, slipway, yacht club, sales agency or similar organisation) and who while so navigating or in charge of the vessel shall in consequence of any occurrence covered by this clause 11 become liable to pay and shall pay any sum or sums to any person or persons, other than to the Assured named in this insurance, but indemnity under this clause shall inure to the benefit of the Assured and only to a person navigating or in charge of the vessel as described above, at the written request of and through the agency of the Assured. Nothing in this extension shall increase the Underwriters' liability beyond the limitation of liability imposed by clause 11.8 below and this extension shall be subject to all other terms conditions and warranties of this insurance.

Nothing in this clause 11.4 shall be deemed to override the provisions of clause 3.2 above.

11.5 REMOVAL OF WRECK EXTENSION

This insurance also to pay the expenses, after deduction of the proceeds of the salvage, of the removal of the wreck of the insured vessel from any place owned, leased or occupied by the Assured.

11.6 LIABILITIES SECTION EXCLUSIONS

Notwithstanding the provisions of this clause 11 this insurance does not cover any liability cost or expense arising in respect of

11.6.1 any direct or indirect payment by the assured under workmen's compensation or employers liability acts and any other statutory or common law liability in respect of accidents to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured or by any person to whom the protection of this insurance is afforded by reason of the provisions of clause 11.4 above, in on or about or in connection with the vessel hereby insured or her cargo, materials or repairs.

11.6.2 any boat belonging to the vessel and having a maximum designed speed exceeding 17 knots, unless such boat is specially covered herein and subject also to the conditions of the speedboat clause 19 below, or is on the parent vessel or laid up ashore.

11.6.3 any liability to or incurred by any person engaged in water skiing or aquaplaning, while being towed by the vessel or preparing to be towed or after being towed until safely on board or ashore.

11.6.4 any liability to or incurred by any person engaged in a sport or activity other than water skiing or aquaplanning, while being towed by the vessel or preparing to be towed or after being towed until safely on board or ashore.

11.6.5 punitive or exemplary damages, however described.

11.7 WATER-SKIERS LIABILITIES

Should clause 11.6.3 and/or clause 11.6.4 above be deleted, the liabilities mentioned in such clause(s) shall be covered hereunder, subject always to the warranties, conditions and limits of this insurance.

11.8 LIMIT OF LIABILITY

The liability of the Underwriters under this clause 11, in respect of any one accident or series of accidents arising out of the same events, shall in no case exceed the sum stated for this purpose in the schedule to the policy, but when the liability of the assured has been contested with the consent in writing of the Underwriters, the Underwriters will also pay a like proportion of the costs which the Assured shall thereby incur or be compelled to pay.

12. EXCESS AND DEDUCTIBLE

12.1 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 11, 14 and 15) exceeds the amount stated for this purpose in the schedule to the policy, in which case this sum shall be deducted. This clause 12.1 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 15 arising from the same accident or occurrence.

12.2 Prior to the application of clause 12.1 above and in addition thereto, deductions new for old not exceeding one-third may be made at the Underwriters' discretion in respect of loss of or damage to

12.2.1 protective covers, sails and running rigging

12.2.2 outboard motors whether or not insured by separate valuation under this insurance.

13. NOTICE OF CLAIMS AND TENDERS

13.1 Prompt notice shall be given to the Underwriters in the event of any occurrence which may give rise to a claim under this insurance, and any theft or malicious damage shall also be reported promptly to the police.

13.2 Where loss or damage has occurred, notice shall be given to the Underwriters prior to survey and, if the vessel is abroad, also to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.

13.3 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 Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.

13.4 The Underwriters may also take tenders or may require tenders to be taken for the repair of the vessel.

14. SALVAGE CHARGES

Subject to any express provisions in this insurance, salvage charges incurred in preventing a loss of perils insured against may be recovered as a loss by those perils.

15. DUTY OF ASSURED

15.1 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.

15.2 Subject to the provisions below and to clause 12 the underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges, collision defence or attack costs and costs incurred by the assured in contesting liability covered by clause 11.2 are not recoverable under this clause 15.

15.3 The assured shall render to the Underwriters all possible aid in obtaining information and evidence should the Underwriters desire to take proceedings at their own expense and for their own benefit in the name of the assured to recover compensation or to secure an indemnity from any third party in respect of anything covered by this insurance.

15.4 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.

15.5 The sum recoverable under this Clause 15 shall be in addition to the loss otherwise recoverable under this insurance but in no circumstances shall amounts recoverable under clause 15.2 exceed the sum insured under this insurance in respect of the vessel.

16. UNREPAIRED DAMAGE

16.1 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.

16.2 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.

16.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

17. CONSTRUCTIVE TOTAL LOSS

17.1 In ascertaining whether the vessel is 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.

17.2 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.

18. DISBURSEMENTS WARRANTY

Warranted that no amount shall be insured policy proof of interest or full interest admitted for account of the Assured. Mortgagees or Owners on disbursements, commission, profits or other interests or excess or increased value of hull or machinery however described unless the insured value of the vessel is over £ 50,000 and then not to exceed 10 per cent of the total amount insured in respect of the vessel as stated in the schedule to the policy.
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.

19. SPEEDBOAT CLAUSE
WHERE THIS CLAUSE 19 APPLIES IT SHALL OVERRIDE ANY CONFLICTING PROVISIONS IN THE CLAUSES ABOVE.

19.1 **It is a condition of this insurance that when the vessel concerned is under way the assured named in the schedule to the policy or other competent person(s) shall be on board and in control of the vessel.**

19.2 No claim shall be allowed in respect of loss of or damage to the vessel or liability to any third party or any salvage services.

19.2.1 caused by or arising from the vessel being stranded sunk swamped immersed or breaking adrift, while left moored or anchored unattended off an exposed beach or shore

19.2.2 arising while the vessel is participating in racing or speed tests, or any trials in connection therewith.

19.3 No claim shall be allowed in respect of rudder strut shaft or propeller

19.3.1 under Clauses 9.2.2.1 and 9.2.2.2

19.3.2 for any loss or damage caused by heavy weather, water or contact other than with another vessel pier or jetty, but this clause 19.3.2 shall not exclude damage caused by the vessel being immersed as a result of heavy weather.

19.4 If the vessel is fitted with inboard machinery no liability shall attach to this insurance in respect of any claim caused by or arising through fire or explosion unless the vessel is equipped in the engine room (or engine space) tank space and galley, with a fire extinguishing system automatically operated or having controls at the steering position and properly installed and maintained in efficient working order.

20. CANCELLATION AND RETURN OF PREMIUM

This insurance may be cancelled by the Underwriters at any time subject to 30 days notice to the Assured or by mutual agreement, when a pro rata daily net return of premium shall be made calculated on the premium charged for the in commission and/or laid up period.

THE FOLLOWING CLAUSES SHALL BE PARAMOUNT AND SHALL OVERRIDE ANYTHING CONTAINED IN THIS INSURANCE INCONSISTENT THEREWITH.

21. WAR EXCLUSION

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

21.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
21.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
21.3 derelict mines torpedoes bombs or other derelict weapons of war.

22. STRIKES AND POLITICAL ACTS EXCLUSION

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

22.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
22.2 any terrorist or any person acting from a political motive.

23. NUCLEAR EXCLUSION

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

23.1 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
23.2 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
23.3 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

CL. 328

1.11.85

INSTITUTE YACHT CLAUSES
RACING RISK EXTENSION CLAUSE

(for use only with the Institute Yacht Clauses 1/11/85)

1. In consideration of the payment of an additional premium as stated in the schedule to the policy it is agreed that, notwithstanding the provisions of Clauses 10.4 and 10.5 of the Institute Yacht Clauses 1/11/85:

1.1 The cost of replacing or repairing sails, masts, spars, standing and running rigging lost or damaged by an insured peril whilst the vessel hereby insured is racing shall be recoverable hereunder, to the extent only of 2/3rds of such cost (without application of Clause 12 Excess and Deductible of the Institute Yacht Clauses 1/11/85 in this insurance), unless the loss or damage be caused by the vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water, when the cost of replacement or repair shall be recoverable in full, subject only to the deduction new for old and to the excess or deductible in the said Clause 12 in this insurance.

Warranted that no additional insurance is or shall be placed covering any part of the cost of replacement or repair not recoverable under the foregoing Clause 1.1.

1.2 The Underwriters' liability under Clause 1.1 above arising out of any one occurrence whilst racing shall be calculated upon the basis that the full replacement cost of all sails carried whether set or not, masts, spars, standing and running rigging shall not exceed the sum stated for this purpose in the Schedule to the policy.

CL. 330

1.10.83

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 detainment, 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 detainment 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 detainment 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 detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations

21 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause

4.1. 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.

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,
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.

ICICI Lombard General Insurance Company Limited
ICICI Lombard House, 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai – 400 025

JWLA-027
29th April 2021

JWC Hull War, Piracy, Terrorism and Related Perils Listed Areas
Africa
Benin
Cabo Delgado, waters as defined overleaf
Eritrea, but only South of 15° N
Gulf of Guinea, waters as defined overleaf
Libya
Nigeria
Somalia
Togo
Indian Ocean , Gulf of Aden and Southern Red Sea
Waters as defined overleaf
Asia
Pakistan
Middle East
Iran
Iraq, including all Iraqi offshore oil terminals
Israel
Lebanon
Oman (Musandam Governorate)
Persian or Arabian Gulf and adjacent waters as defined overleaf
Saudi Arabia (Gulf coast)
Saudi Arabia (Red Sea coast) excluding transits
Syria
United Arab Emirates
Yemen
South America
Venezuela, including all offshore installations in the Venezuelan EEZ

Defined Waters

Cabo Delgado

The waters within 50 nautical miles of Mozambique and Tanzania enclosed by the following boundaries:

a) To the north, from Mnazi Bay at 10°19.6'S, 40°18.9'E to high seas point at 9°50.7'S, 41°7.6'E.

b) To the south, from Baía do Lúrio at 13°30'S, 40°31.6'E to high seas point 13°30'S, **41°28.8'E.**

Gulf of Guinea

The waters enclosed by the following boundaries:

a) On the west, from the coast of Togo 6° 06′ 45″ N, 1°12′E, south to

b) high seas point 0° 40′ S, 3° 00′ E

c) and then east to Cape Lopez Peninsula, Gabon 0°40′S, 8° 42′E.

Indian Ocean, Gulf of Aden and Southern Red Sea

The waters enclosed by the following boundaries:

a) On the northwest, by the Red Sea, south of Latitude 15° N

b) on the northeast, from the Yemen border at 16°38.5′N, 53°6.5′E to high seas point 14°55′N, 53°50′E

c) on the east, by a line from high seas point 14°55′N, 53°50′E to high seas point 10°48′N, 60°15′E, thence to high seas point 6°45′S, 48°45′E

d) and on the southwest, by the Somalia border at 1°40′S, 41°34′E, to high seas point 6°45′S, 48°45′E

excepting coastal waters of adjoining territories up to 12 nautical miles offshore unless otherwise provided.

Persian or Arabian Gulf

Persian or Arabian Gulf and adjacent waters including the Gulf of Oman and waters west of the line from Oman's territorial limit off Cape al-Ḥadd at 22°42.5'N, 59°54.5'E northeast to the Iran-Pakistan border at 25°10.5'N, 61°37.5'E

excepting coastal waters of adjoining territories up to 12 nautical miles offshore unless otherwise provided.

Definitions:

Named Countries shall include their coastal waters up to 12 nautical miles offshore, unless specifically varied above.

Named Ports shall include all facilities/terminals within areas controlled by the relevant port authority/ies (or as may be more precisely defined by Insurers) including offshore terminals/facilities, and all waters within 12 nautical miles of such but not exceeding 12 nautical miles offshore unless specifically stated.

1.10.83

INSTITUTE NOTICE OF CANCELLATION AND WAR AUTOMATIC TERMINATION OF COVER CLAUSE - HULLS ETC.

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

CANCELLATION:

Cover hereunder in respect of the risks of war, etc. may be cancelled by either the underwriters or the Assured giving 7 days notice 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 cover subject to agreement between the Underwriters and Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

Whether or not such notice of cancellation has been given cover hereunder in respect of the risks of war, etc. shall TERMINATE AUTOMATICALLY

i) upon the occurrence of any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur, whether or not the insured vessel(s) may be involved and this insurance excludes loss damage liability or expense arising from such occurrence

ii) 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 Republicsl, the People's Republic of China

And this insurance excludes loss damage liability or expense arising from such outbreak of war

iii) in respect of any vessel, in connection with which cover is granted hereunder, in the event of such vessel being requisitioned either for title or use and this insurance excludes loss damage liability or expense arising from such requisition.

Cover in respect of the risks of war, etc. shall not become effective if, subsequent to acceptance by the Underwriters and prior to the intended time of attachment of risk, there has occurred any event which would have automatically terminated cover under the provisions of this clause.

CL.201

STRIKES CLAUSE - HULLS (TIME)

1. Subject always to the exclusion hereinafter referred to, this Insurance covers only:

   (a) Loss of or damage to the property hereby insured caused by Strikers, Locked out workmen or persons taking part in labour disturbances, riots or civil commotions;

   (b) Destruction of or damage to the property hereby insured caused by any Terrorist or any person acting maliciously or from a political motive

2. All claims hereunder shall be paid as would be under Marine Clauses as attached to the Policy.

3. **This insurance excludes -**

   (a) Loss, damage or expenses arising from

   (i) requisition or pre-emption;
   (ii) capture, seizure, arrest, restraint, detainment or confiscation by the Government of the country in which the Vessel is owned or registered;
   (iii) arrest, restraint or detainment under Quarantine Regulations or by reason of infringement of any Customs Regulations;

   (b) Any claim for any sum, recoverable under any other insurances on the property hereby insured or which would be recoverable under such insurances but for the existence of this insurance.

4. Notice of Cancellation of Cover Clause:

   This insurance cover may be cancelled by either the Underwriters or the Assured giving 48 hours notice. 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.

1/10/83

INSTITUTE WAR AND STRIKES CLAUSES
FREIGHT - TIME

This insurance is subject to English Law and practice

1. PERILS

Subject always to the exclusions hereinafter referred to, this insurance covers

1.1 loss (total or partial) of the subject-matter insured caused by

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

1.1.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat

1.1.3 derelict mines torpedoes bombs or other derelict weapons of war,

1.2 loss (total or partial) of the subject-matter insured arising from loss of or damage to the vessel caused by

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

1.2.2 any terrorist or any person acting maliciously or from a political motive

1.2.3 confiscation or expropriation.

2. INCORPORATION

The Institute Time clauses - Freight 1/10/83 except Clauses 2,3,4,5,12,16,17,18,19 and 20 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 a claim for a constructive total loss of the vessel is paid on the war risks insurance of the vessel under clause 3 (detainment) of the Institute War and Strikes Clauses - Hulls-Time 1/10/83 or the Institute War and Strikes Clauses - Hulls - Voyage 1/10/83 as a result of the loss of the free use and disposal of the vessel for a continuous period of 12 months due to capture , seizure, restraint, detainment, confiscation or expropriation whilst this insurance is in force, the amount insured hereunder shall be paid in full less any claims otherwise arising during the said period of 12 months which have been paid or are recoverable hereunder or under insurance subject to the Institute Time Clauses - Freight 1/10/83 and/or the Institute Voyage Clauses - freight 1/10/83 and any recoveries made in respect of the said period.

4. EXCLUSIONS

This insurance excludes

4.1 loss (total or partial) 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 detainment 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 detainment 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 1.2.1),

4.2 loss (total or partial) or expense covered by the Institute Time Clauses - Freight 1/10/83 or which would be recoverable thereunder but for clause 12 thereof,

4.3 any claim (not being a claim recoverable under the Institute War and Strikes Clauses Freight - Voyage 1/10/83) for any sum recoverable under any other insurance on the subject-matter insured or which would be recoverable under such insurances but for the existence of this insurance,

4.4 loss proximately caused by delay or 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,

4.5 any claim based upon loss of or frustration of any voyage or adventure.

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

5.2.3 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.

1/10/83

INSTITUTE WAR AND STRIKES CLAUSES
FREIGHT - VOYAGE

This insurance is subject to English Law and practice

1. PERILS

Subject always to the exclusions hereinafter referred to, this insurance covers

1.1 loss (total or partial) of the subject-matter insured caused by

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

1.1.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat

1.1.3 derelict mines torpedoes bombs or other derelict weapons of war,

1.2 loss (total or partial) of the subject-matter insured arising from loss of or damage to the vessel caused by

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

1.2.2 any terrorist or any person acting maliciously or from a political motive

1.2.3 confiscation or expropriation.

2. INCORPORATION

The Institute Voyage clauses - Freight 1/10/83 except Clauses 2,10,14,15,16 and 17 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 a claim for a constructive total loss of the vessel is paid on the war risks insurance of the vessel under clause 3 (detainment) of the Institute War and Strikes Clauses - Hulls-Time 1/10/83 or the Institute War and Strikes Clauses - Hulls - Voyage 1/10/83 as a result of the loss of the free use and disposal of the vessel for a continuous period of 12 months due to capture , seizure, restraint, detainment, confiscation or expropriation whilst this insurance is in force, the amount insured hereunder shall be paid in full less any claims otherwise arising during the said period of 12 months which have been paid or are recoverable hereunder or under insurance subject to the Institute Time Clauses - Freight 1/10/83 and/or the Institute Voyage Clauses - freight 1/10/83 and any recoveries made in respect of the said period.

4. EXCLUSIONS

This insurance excludes

4.1 loss (total or partial) 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 detainment 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 detainment 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 1.2.1),

4.2 loss (total or partial) or expense covered by the Institute Voyage Clauses - Freight 1/10/83 or which would be recoverable thereunder but for clause 10 thereof,

4.3 any claim (not being a claim recoverable under the Institute War and Strikes Clauses Freight - Voyage 1/10/83) for any sum recoverable under any other insurance on the vessel or which would be recoverable under such insurances but for the existence of this insurance,

4.4 loss proximately caused by delay or 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,

4.5 any claim based upon loss of or frustration of any voyage or adventure.

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,
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

5.2.3 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.

This scheme provides for insurance of marine hulls against War Risks by the Indian Insurance companies on the understanding that such insurance as satisfy the following conditions may be wholly reinsured by the companies with the Central Government on payment to the central Government of the entire premium received by the companies, subject to such deductions for administrative expenses as may be mutually agreed to between the Central Government and the companies.

(1) This scheme applies to all ships registered or deemed to have been registered under Part V of the Merchant Shipping Act, 1958. It shall also apply to ships otherwise qualifying for registration as above, which are under construction or are purchased from foreign owners, from the time of launching or from the time the ships are at risk of Indian owners as appropriate. It shall also apply to mechansied sailing vessels and vessels not falling within the scope of Emergency Risks (Undertakings Insurance Act, 1971).

(2) It is a voluntary scheme so that it is left to each ship owner to decide whether he chooses to come into the scheme.

(3) The cover will be granted by any of the Indian Insurers, viz. National Insurance Company Limited, The New India Assurance Company Limited. The Oriental Insurance Company Limited and United India Insurance Company Limited, against war and other allied risks mentioned herein and each risk will be fully reinsured with the Government at the original rate of premium. The reinsurance with the Central Government shall be automatic without the need to execute specific document.

(4) The cover will be issued for one year period commencing from 1st July to 30 th June. When a cover is to be issued as from a date other than 1st July, it will be issued so as to expire on the following 30th June.

(5) (i) The annual rate of premium charged by the companies for the insurance under this scheme shall be such as is fixed by the Central Government from time to time. The premium shall be collected by the companies quarterly in advance on1st July, 1st October, 1st January and 1st April. Any increase of premium within a quarter for which premium has already been collected shall be given effect to by invoking the provisions for cancellation contained in this scheme. Similarly, a reduction in the premium decided by the Government shall be given effect to by the companies by pro rata refund of the premium for the outstanding period of the quarter. Where the risk attaches on any date other than the dates specified above, premium for the part of the calendar quarter shall be calculated pro rata for each month or part thereof. The same basis shall be adopted for alterations in sum insured. Government will, however, have the power:

a) to direct cancellation of the policy by the insurer of any time on giving 14 days notice:
b) to revise the premium at any time even during the course of the year: and
c) to decide such higher rate of premium as may be considered appropriate, to be applied for insurance vessels which, although eligible for insurance under the scheme were not so insured but are proposed for insurance effective from a later date

(ii) Notwithstanding the direction by the government referred to in sub-paragraph (I) (a) above, the insurer may maintain the insurance in case the assured agrees prior to the expiry of the said period of 14 days, at the new rate of premium and/or condition and/or warranties.

(6) The entered value of a ship for war risks Insurance under any policy of Insurance at all times shall be equivalent to the aggregate Hull and Machinery, Freight, Disbursements or increased Value Insurance for marine risks:
Provided that the Central Government reserve the right to revalue a ship and insurance and reinsurance will be acceptable only if the ship is so revalued to the satisfaction of the insurer and the Central Government.

(7) (i) All Sums received by the Central Government for purposes of reinsurance under this scheme shall be transferred and credited to a head of Account which may be called 'war Risks (Marine Hulls) Reinsurance Fund' hereafter referred to as 'The Fund'

5 All sums required for the discharge by the Central Government of its liabilities under this scheme, or for reimbursement of the expenses incurred by the companies, or for other expenses connected therewith, shall be paid out of the Fund.

6 If at any time the balances in the Fund are insufficient to meet the payments there form, the Central Government shall, after due appropriation made by parliament, make advances to the Fund from the Consolidated Fund of India.

7 If at any time the balances in the Fund exceed the sum which in the opinion of the Central Government is likely to be required for making payments there from, the excess shall be disposed of in such manner as the Central Government may think fit.

(8) The Central Government shall publish annual accounts of the Fund, but such publication may be postponed or waived, If in the interest of the defence of the country or efficient prosecution of war or other hostilities in which the Government of India is engaged, it is inexpedient that the copies of the account for any period should be published.

(9) This scheme shall come into force on 1st July, 1993

(10) The cover granted under this scheme will be as under:-

(A) HULL & MACHINERY

Loss of damage to the insured ship caused by any of the following risks (which are usually excluded by the War Exclusion Clause or Strikes Clause of Institute Time Clauses
(Hulls):-

(i) War, civil war, revolution, rebellion, insurrection or civil strife arising thereform, or any hostile act by or against a belligerent power:
(ii) Capture, seizure, arrest, restraint or detainment and the consequences thereof, or any attempt thereat;
(iii) Mines, torpedoes, bombs or other weapons of war, including derelict mines, torpedoes, bomb or other derelict weapons of war;
(iv) Strikers, locked out workmen or persons taking part in labour disturbances, riots or civil commotions;
(v) Any terrorist or any person acting maliciously or from a political motive;
(vi) Confiscation or expropriation otherwise than:
  (a) 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
  (b) under quarantine regulations or by reason of infringement of any customs or trading regulations.

(B) DETENTION & DIVERSION EXPENSES

(I) The loss sustained/expenses incurred by the Assured in consequence of detention or diversion of the insured ship

(a) caused by war, civil war, warlike operation, revolution, rebellion, insurrection civil strife, any hostile act by or against a belligerent power or by conditions brought about as a result of any of the foregoing
(b) caused as a result of compliance with orders, prohibitions, directions or recommendations by the Government of India in order to avoid loss or damage to the ship by any of the risks referred to in (10) (A) above
(c) which is considered by the Government of India to have been caused, instigated, incited or encouraged by foreign government in furtherance of its political aims
(d) caused by terrorists
(e) In order to avoid loss of or damage to the ship by any of the risks referred to in (10) (A) above but only where and to the extent the Government determines that loss is recoverable under the scheme

PROVIDED ALWAYS THAT NO SUM SHALL BE PAYABLE

(1) for a loss caused by strikers, locked out workmen or persons taking part in labour disturbances or in order to avoid loss of or damage to the ship by any of the said risks
(2) where the insured owner did already intend to detain or divert the entered ship before commencing of loading cargo or passenger for the voyage during which the

detention or diversion shall have occurred.

(3) when the orders, prohibition, direction or recommendation were given after the commencement of the voyage

(ii) The sum recoverable under this clause shall be –

(a) In the case of detention of the entered ship, the daily running expenses of the ship during the period of detention:

(b) In the case of diversion of the entered ship, the net extra running expenses of the entered ship incurred by the Assured in consequence of the diversion over and above those which would have been incurred but for the same

PROVIDE ALWAYS THAT

(1) no sum shall be recoverable under this clause in respect of loss of profit or in respect of amortization of the capital cost of the ship or in respect of depreciation thereof or in respect of any payment of principle or interest made under any mortgage or other financial arrangement concluded in connection with the entered ship

(2) from each claim a sum equivalent to seven days running expenses of the entered ship or in case of a claim for net extra expenses, a sum equivalent to seven days net extra expenses shall be deducted

(3) no expenses shall be recoverable under this clause to the extent that they have either been paid or are recoverable in law from the assured or the ship

(iii) In the event of the detention of the entered ship by any of the causes referred to at (a), (c), (d) of paragraph (10) (B) (i) above and lasting for a continuous period exceeding 90 days, the assured shall be entitled to recover in respect of such detention (in addition to the sum recoverable under paragraph (10) (B) (ii) above) a sum calculated at the rate of 10% of the insured value of the entered ship per annum and applied pro-rata to the whole of the detention.

PROVIDED ALWAYS THAT

(1) assured shall give credit against the said amount for any claim paid or payable by the Company for damage received by the entered ship during such period

(2) the assured shall give credit for any sum recoverable under this clause for detention

(3) In the event of the entered ship becoming a total loss, either actual or constructive by any of the risks insured a sum equivalent to one-half of the compensation so paid shall be deducted from the sum payable in respect of such total loss, either under this insurance or any previous insurance.

(iv) The sums recoverable by the assured under para (10) (B) (ii)&(iii) above shall be limited as follows:

(a) no sum shall be payable in respect of detention of the ship during the period of repairs as a result of damage caused to the ship by any of the risk insured

(b) If the assured shall have received any hire or other reward payable on a time basis for the period in respect of which a claim is made hereunder, he shall give credit for such hire or reward in making his claim

(c) unless the company otherwise agrees, no sum shall be recoverable under this clause in respect of any period after the entered ship has become or has been accepted as an actual or constructive total loss.

(C) PROTECTION & INDEMNITY RISK-LOSS OF LIFE AND PERSONAL INJURY

Liabilities and expenses of the Assured in respect of the entered ship for:

24 Life salvage, loss of life, personal injury and illness and hospital, medical, funeral and other expenses resulting thereform maintenance and repatriation, putting into part to land sick or injured persons, securing, engaging, sending abroad, repatriating and deporting substitutes, wages during unemployment consequent on shipwreck loss of crews effects when the liability or expenses arise from capture, seizure arrest restraint or detainment or any attempt thereat, hostilities or warlike operations whether there be a declaration of war or not, civilwar revolution, rebellion insurrection or civil strife arising therefrom, strikes, lock-outs and labour disturbances,riots,civil commotions military or usurped power or malicious act but excepting strikes,lock-outs and labour disturbances which result from the assured's breach of a statutory or contractual obligation or of the terms and condition of a collective agreement. Wages shall only be recoverable as expressly mentioned above or when incurred in connection with the repatriation of substitute engaged abroad.

25 Payment under National Maritime Board and Maritime Union of India agreements in respect of members of the crew who are captured or detained

26 Payments to dependents of the members of the crew detained in circumstances which the Company in its absolute discretion considers would have been caused instigated incited or encouraged by foreign government in furtherance of its political aims

27 Breach of outstanding contracts of carriage resulting from compliance with orders direction or recommendations of the Government of India

(D) PROTECTION & INDEMNITY RISK- WRECK REMOVAL

Costs and expenses of or incidental to the raising, removal destruction lighting or marking of the wreck of an entered ship or cargo carried thereon, when such raising, removal, destruction lighting or marking is compulsory by law, or the costs thereof are legally recoverable from the Assured arising out of perils insured against provided always that

(i) the value of all stores and materials saved as well as of the wreck itself shall first be deducted from such costs charges and expenses and only the balances thereof if any shall be recoverable

(ii) nothing shall be recoverable under this clause if the assured shall without the consent of the authority, have transferred his interest in the wreck, otherwise than by abandonment prior to the raising, removal, destruction, lighting or marking of the wreck.

(E) SUE & LABOUR

Costs and expenses incurred by the assured, his servants or agents to sue labour and travel for in and about the defence, safeguard and recovery of the entered ship or any part thereof without prejudice to this insurance as also the expenses incurred by the assured with the approval of the company for purpose of averting or diminishing a loss which is insured. No acts of the company or the assured in recovering saving or preserving the properly insured shall be considered as a waiver or acceptance of abandonment

PROVIDED ALWAYS THAT

the sum recoverable under this clause shall not include

(1) any fines, penalties or other impositions

(2) any other sum of money paid in consideration of the release of an entered ship from any capture, seizure, arrest, detainment, confiscation or expropriation

Note: The Indemnity provided by clause (10) (C), (D) and (E) shall be in addition to the Indemnity provided under (10) (A) and (B) above and in no case shall the Company's total liability under clause (10) (C), (D) and (E) exceed Rs.10crores or the sum insured under this scheme whichever is less, in respect of any one event.

(F) PROTECTION & INDEMNITY RISK-COLLISION

(I) Liability arising out of collision of the entered ship with any other ship in respect of the following

a) loss of or damage to such other ship or properly on any other ship

b) delay to or loss of use of such other ship or property thereon or

c) general average, or salvage of or salvage under contract of such other ship or property thereon

d) removal or disposal or obstructions, wreck, cargoes, or any other thing whatsoever

e) any real or personal property or anything whatsoever (expect other ships or property on other ships)

f) the cargo or other property on the entered ship, or general average contributions, special charges or salvage paid by the owners of that cargo or property

g) loss of life, personal injury or illness
h) pollution or contamination of any real or personal property or thing whatsoever (except other ships with which the entered ships is in collision or property on such other ship)

PROVIDED ALWAYS THAT

liability under this clause shall be only for such collision liability which falls under one or more of the following heads namely

1. It would have been recoverable under clause 8 of institute Time Clause (Hulls) 1.10.83 had the entered ship been insured on such terms, but for the provisions of clause 23, 24 and 25 inserted therein or

2. It would have been recoverable under the rules of the P & I class of the Association had the entered ship been entered therein but for the rule relating to Collision liability of the Rules of such Association

Claims under this clause shall be settled on the principle of cross liabilities as if the owners of each ship had been compelled to pay to the owners of the other or such ships such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of such collision. Should the ship hereby insured come to collision with or receive salvage services from another ship belonging wholly or in part to the same owners or under the same management, the assured shall be in the same position under this scheme as if the other ship were entirely the property of owners not interested in the ship hereby insured and in such cases, the liability for the collision or amount payable for the services rendered as the case may be, shall be referred to sole arbitrator to be agreed upon between the company and the assured

(ii) Liability of the assured for loss of or damage to any harbour, dock, pier, jetty, land, water or any fixed or movable thing whatsoever (not being another ship or any property therein) and including liability for oil or other pollution caused by oil or other matter escaping from an entered ship, provided always that in the event that the liability arises under an indemnity or contract, the terms of such an indemnity or contract shall previously have been approved by the Company in writing. In giving such approval, the Company may impose any terms or conditions as they may think fit including the imposition of an additional premium.

Note: The indemnity provided clause (10) (F) shall be in addition to the indemnity provided under (10) (A) and (B) and (10) (C), (D) and (E) above and in no case shall the company's total liability under clause (10) (F) exceeds Rs.10crores or the sum insured under this scheme, whichever is less, in respect of any one event.

(11) WARRANTIES, CONDITIONS AND EXCEPTIONS

The cover under this scheme shall be subject to the following warranties, conditions, exceptions and limitations:-

(A) The Assured warrant that the ship shall be continuously registered in India

(B) The Assured further warrant

(i) that the ship shall not engage in any trade/voyage prohibited by the Government of India and shall so far as possible, obey all orders, directions and recommendations given by or on behalf of the Government of India, as to ports or places of loading call or destination, as to loading, departure, routes, zones, waters, convoy, manning ,equipment, stoppages, delays, arrival, discharge, delivery (including orders, directions and recommendations not to go to remain at leave, load or discharge at any particular port or ports, place or places, or to proceed to some other port or ports, place or places) or otherwise howsoever and that the Assured will take all possible steps to see that such orders, direction and recommendations are communicated to and acted upon by their Masters.

(ii) that if the ship is allowed days of grace to leave a hostile port she shall leave that port within the days allowed and shall comply with the terms under which she is allowed to leave that port.

(iii) that this insurance is free from any claims arising from shipping or carrying contraband privateering, blockade running, smuggling or any act or omission known to be contrary to the law of any established authority of any country, or from passing through waters known to be mined without an authorised pilot or convoy unless an official notification of the removal of the mines has been given, and from any claims arising from carrying cargo or naval or military persons or dispatches or agents for a belligerent or from following the fleet of a belligerent and from any claims from breach of customs or immigration regulations.

(iv) that the ship shall not carry false papers or conceal papers or be engaged in any trade closed to Indian ship or resist the right of search.

(v) that the ship shall not enter or leave or attempt to enter or leave any port which is known to be blockaded or of which a declaration of blockaded has been notified or any port of from which entrance or departure is prohibited by the order of any government or governmental authority .

That company may at any time declare that the carriage of certain goods on certain voyages or doing of certain other acts shall not be considered as infringing the warranties contained in this clause and it may permit such carriage or acts on such terms as to additional premium or otherwise as it may think fit.

Provided always that no breach of any warranty contained in this clause shall operate to invalidate this insurance in respect of any cover provided by this scheme if the Assured can prove to the satisfaction of the Company (of which the Company shall be the sole judge) that such breach happened without the fault or privity of the Assured and without the fault or privity of either owners or managers of the ship or was committed in order to prevent a loss being suffered or a liability incurred which would give rise to a claim under this scheme. For the purposes of this clause, the expression “hostile port” means a port controlled for the time being by a state with which India is at war or by any persons with whom the armed forces of India are otherwise engaged in hostilities.

(vi) that the assured shall, upon demand give to the insurer the fullest possible information as to the employment and position of the ship entered and any other information required by the Company.

(C) ACTUAL & CONSTRUCTIVE TOTAL LOSS AND UNREPAIRED DAMAGE DEPRECIATION

Without prejudice to any other provision of this insurance in the event that the insured ship is or may be an actual or constructive total loss as the result of a risk insured hereunder, or in the event of the Assured electing not to repair but to claim depreciation by reason of unrepaired damage the following provision shall apply:

(i) (a) in the event of an actual or constructive total loss by any of the risk covered by this insurance, the company may at its discretion withhold 20% of the amount payable under this scheme until the Government of India is satisfied in their absolute discretion that the arrangements made for the replacement of the lost tonnage in regard to such matters as the shipyards to be utilised for the purpose and period within which the replacement will be made are satisfactory.

Provided that in the event of loss by capture, seizure, arrest, restraint or detainment no payment shall be considered under this scheme until the expiry of 183 days from the date of the loss and if, pending expiry of that period, the ship be recaptured or released and restored to the Assured there shall be no claim upon the company or any loss in respect of or arising out of such capture, seizure, arrest, restraint or detainment other than the following, namely –

(1) the cost of repair of damage received by the ship by reason of the capture, seizure, arrest restraint or detainment;

(2) the expenses incurred in respect of the ship by reason of the capture, seizure arrest, restraint and detainment and the recapture, release and restoration of the ship, including claim for damage to property arising in respect of the ship during the period of capture, seizure, arrest, restraint or detainment which are recoverable in law from the Assured or the ship;

(3) a sum by way of compensation at the rate of ten percent per annum or such other rate as may be decided by the Company in consultation with the Government of India on the insured value of the entered ship from the date of capture, seizure, arrest, restraint or detainment until the date of recapture, release and restoration,

(b) Nothing in this clause shall be taken to be a waiver of notice of abandonment in the event of constructive total loss.

(II) In ascertaining whether a ship is a constructive total loss, the insured value shall be taken as the repaired value and nothing in respect of the damaged or breaking up value of the ship shall be taken into account.

(III) In the event of actual or constructive total loss, no claim shall be made by the Company for freight or passage moneys, whether or not notice of abandonment has been given.

(iv) (a) In the event of actual or constructive total loss, the amount payable hereunder shall (expect to the extent that account has, in fixing the insured value hereunder, been taken of the existing unrepaired damage) be reduced by:

1) the amount of any depreciation arising from unrepaired damage sustained by war risks under any previous insurance covering these risks or arising from unreparied damage sustained when the risks of such damage was for account of the Government of India; and
2) any sum in respect of depreciation arising from unrepaired damage sustained by marine risks, whether sustained before or after attachment of this insurance which –

(i) in the case of a ship which at the time of occurrence of the damage was insured by a policy covering her for marine risks, the owner would have been entitled to recover under such policy if the policy had been on the terms of the Institute Time Clauses (Hulls) or such other more comprehensive form of cover customarily applicable to the particular type of ship and had been subscribed for her full insured value under such policy.

(B) OR

(II) In the case of a ship which at the time of occurrence of the damage was not insured for marine risks, the owner would have been entitled to recover under a policy subscribed for the full insured value under this scheme, but on the terms of the Institute Time Clauses (Hulls) or such other more comprehensive form of cover customarily applicable to the particular type of ship, it being assumed that the ship was continuously insured on the above mentioned terms under annual policy expiring on 30th June in each year.

(b) Where in fixing the insured value hereunder, account has been taken of existing unrepaired damage, such insured value may, as and when the owner becomes liable to pay the cost of repairing such damage, be readjusted on the application of the owner to take account of any resulting increase in the value of the ship.

(c)Any application for readjustment of the insured value under this clause must (unless otherwise agreed) be made during the currency of the policy and may be made notwithstanding that the ship has, before the date of the application, become a total loss.

(V) (a) Unless otherwise agreed, if the assured elects not to repair, but to claim depreciation by reason of unrepaired damage, and if the amount so claimed and payable amounts to more than 80% of the sum hereby insured, the Company may, at its discretion, withhold the amount of such claim in excess of 80% of the sum hereby insured in the same manner and subject to the same conditions as those which apply to the withholding of 20% of the claim payable under Clause C(i) above.

(b) Where, by reason of any uncertainty as to the cause of any total loss, it is agreed or determined that claims hereunder shall be settled on a percentage basis, the Company may, at its discretion, withhold that part of the claim arrived at by applying the percentage so agreed or determined to 20% of the sum hereby insured in the same manner and subject to the same conditions as those which apply to the withholding of 20% to the claim payable under Clause (i) above.

(12) If the ship is requisitioned by or on behalf of the Government of India (Unless she is running whilst on requisition on terms under which all risk of loss is borne by that Government) this policy shall, so long as the requisition remains effective, extended to cover the liability of the Assured to pay contribution in general average or salvage arising out of any of the risks covered by this scheme on the net hire at risk (not exceeding net hire for the period of the voyage in progress at the time of the casualty giving rise to liability to contribute) receivable by them under any charter party under which the ship is running whilst on requisition.

(13) The insured ship shall be deemed to be at all times fully insured against all perils covered by the standard form of marine policy with the Institute Time Clauses (Hulls) attached in the event of a loss by any of the risks covered by this policy, the Assured shall give credit as against any sum recoverable under this scheme for any sums which they are deemed as aforesaid, or are, or but for the existence of this scheme would be entitled to recover under any other policy on any interest however described, save and except sums recoverable in respect of interests other than those covered by this scheme to the extent to which the Assured have an insurable interest therein.

14 Prompt notice of any loss, or of the happening of any event which is likely to give rise to a claim shall be given in writing to the insurer failing which the Insurer may, in its absolute discretion, refuse to admit the claim or make such deduction therefrom as it may think fit.

15 In the event of accident occurring abroad whereby loss or damage may result in a claim under this scheme, notice shall also be given in writing to the nearest surveyor accredited to the Company and whenever the extent of the damage is ascertainable, the Company may take or may require the Assured to take tenders for the repair of such damage. In cases where a tender is accepted by or with the approval of the Company, the Company will make on allowance at the rate of 30% per annum of the Insured value for the time actually lost in waiting for tenders. In the event of the Assured failing to comply with the conditions of this clause, 15% shall be deducted from the amount of the ascertained claim.

(16) The Assured shall, at the discretion of the Insurer, be liable to a deduction not exceeding 25% from any claim where the Insurer shall be of opinion that the Assured has not taken such steps to protect his interest, as he would have done if the ship had not been insured under this scheme.

(17) The Assured shall disclose to the Insurer from time to time any additional insurance effected or proposed to be effected by him with insurers other than the Insurer in respect of any interest however described which would become payable in the event of the loss of the insured vessel by risks covered by this scheme.

(18) For all purposes of the scheme, the Government of India shall have the sole right of determining what is and what is not a safe port/place or place of safety and the date which is to be deemed that of declaration of war or outbreak of hostilities.

(19) The Assured shall cease to be insured from the date of any transfer of the ship otherwise than by way of mortgage or a transfer of the management of the ship by the Assured or his firm unless with the written consent of the Insurer.

(20) No assignment under this scheme so as to pass beneficial interest therein shall have any effect in transferring or assigning such interest unless the same shall have been endorsed on the policy by the Assured and approved and registered by the Company

(21)(A) This insurance may be cancelled by either the Company or the Assured giving 14 days notice (such cancellation becoming effective on the expiry of 14 days from midnight of the day on which notice of cancellation is issued by or to the Company). The Company agrees however to reinstate this insurance subject to agreement between the Company and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or condition and/or warranties.

(B) In the event of cancellation by notice of this insurance either by reason of the operation of paragraph (A) above, or of the sale of the ship hereby insured, pro-rata return of premium shall be payable to the Assured.

(22) In the event of any loss being settled or paid by the Company under this scheme, the Company shall be subrogated to all the rights of the Assured in Relation to the subject matter insured and the Assured shall afford to the Company all possible assistance in making good a claim as against

third parties or effecting a recovery of the subject matter of the insurance.

(23) This insurance shall not be subject to a franchise.

(24) Average shall be payable without deduction of thirds new for old, whether the average be particular or general.

(25) General Average and salvage to be adjusted 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 or, if the contract of affreightment so provides, according to York-Antwerp Rules 1974, or as may be revised from time to time. Claims for the ship's proportion of General Average and Salvage charges when recoverable hereunder are payable in full although adjusted on a value in excess of the Insured Value, notwithstanding that the aggregate of any or all of such claims and claims for particular average (if any) exceed the amount insured by this scheme.

(26) Notwithstanding any other provision of this scheme, this scheme shall not cover:

(A) the risks of capture, seizure, arrest, restraint or detainment or the consequence thereof, where such capture, seizure, arrest or detainment is not the consequence of hostilities or warlike operations and has been made by or on behalf of any state or public authority on the ground of any alleged contravention of the laws of any state or in order to enforce or secure payment of a fine, penalty or other imposition in respect of such contravention; provided always that the foregoing provisions of this sub-clause shall not apply in any case where the Assured shall prove to the reasonable satisfaction of the Company that the release of the vessel from such capture, seizure, arrest, restraint or detainment is not and was not at any time and will not at any time be obtainable upon payment of a fine, penalty or other imposition in respect of such contravention.

(B) Loss, damage, liability or expense arising out of or in consequence of the toxic, explosive or other hazardous proportion of, or the emission of ionizing radiators from

(i) any weapon of war employing atomic or nuclear or thermo-nuclear fission and/or fusion or other reaction or radioactive force or matter (whether such weapon be offensive or defensive and whether or not it is being utilized in the course of hostilities or warlike operation), or

(ii) nuclear fuels or radioactive products or waste carried as cargo in an entered ship with the exception of radio isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purpose and such further exceptions as the Company may approve, or

(iii) nuclear fuels or radioactive matter used or intended to be used in the propulsion of an entered ship or produced as waste or as a by-product by the propulsion unit or an entered ship.

(27) The Assured shall pay to the Company the within mentioned premium and so long as the Assured perform and observe all their obligations hereunder other than in regard to the payment of premium as stipulated in the within mentioned policy, the Company as a matter of facility to the Assured, agree to accept payment of premium by installments as shown in the policy
Notwithstanding the provisions of the preceding clause, upon nonpayment of any instalment on its due date, this scheme shall cease to operate from the time and date of the default in payment of the instalment and no liability shall attach under this scheme for any loss or damage occurring thereafter, not shall any refund of premium become due under the scheme.

Additionally, in the event of total loss or constructive total loss or arranged total loss or compromised total loss of the vessel during the currency of the policy from any cause whatsoever, all the subsequent instalments shall immediately become due and payable notwithstanding anything to the contrary herein above contained.

(28) Should any difference arise between the company and the Assured or any person claiming under this scheme relative to settlement of any claim for loss of or damage to the subject matter insured, such difference shall be referred to a single arbitrator to be agreed between the parties or falling agreement upon an arbitrator within 7 days of written notice to that effect, then two arbitrators, one to be appointed by each party or to an umpire to be appointed by two arbitrators.

(29) All notice of any kind necessary under this scheme are to be addressed to the Company

at the given address.

WAR RISK TRADING WARRANTY UNDER HULL WAR RISKS INSURANCE SCHEME

This coverage shall extend worldwide, but in the event of a vessel or craft insured hereunder sailing for, deviating towards, or being within the Territorial Water of any of the Countries or places described in the Current Exclusions as set out below (Including any port area that at the date of this notice constitutes part of such country or places however it may hereafter be described) additional premium shall be paid at

the discretion of Insurers hereon.
Information of such voyage or deviation shall be given to Insurers as soon as practicable. In the event of the insured not requiring a continuation of coverage for a vessel proceeding into or remaining within an excluded area, he shall advice insurers hereon before the commencement of such voyage, deviation or period.
Total coverage of Protection & Indemnity Risk extended up to Sum Insured.

CURRENT EXCLUSIONS

1. Trading to Iraq Ports subject to prior approval and additional premium
2. Pakistan Waters – Cover not exceeding 7 days in total subject to prior approval and additional premium.
3. Persian or Arabian Gulf and adjacent waters/ports including the Gulf of Oman west of Longitude 58°E.
4. Oman
5. Iran and all other countries under sanction by UN, UK, US or EU.

INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTOMAGNETIC 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 expenses directly or

indirectly caused by or contributed to by or arising from
1.1 ionising radiation 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 of nuclear component thereof.
1.3 Any weapon or device employing atomic or nuclear fission and/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 subclause 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-biological, or electromagnetic weapon.

CL370
10/11/2003

MARINE CYBER ENDORSEMENT

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.

LMA5403
11 November 2019

JOINT EXCESS LOSS CYBER LOSSES CLAUSE (JX2020-007)

1. Notwithstanding any other term of this Contract save for Clause 2 below, in no case shall this Contract cover loss, damage, liability, or expense directly or indirectly caused by or contributed to by or arising from the use or operation of an Information Technology Device as a means for inflicting harm.

2. 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 shall not exclude losses which would otherwise be covered arising from the use of any Information Technology Device in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

3. Where the use or operation of an Information Technology Device was not used as a means of inflicting harm, any ensuing loss, damage, liability or expense shall be excluded unless a physical peril named in the Information Technology Hazards Clause within JELC CL432 (16/10/2017) was also a significant cause of a loss. In such case this Contract shall cover the loss, damage, liability or expense in accordance with but only to the extent provided for in that Clause, whether that Clause forms part of this Contract or not.

4. For the purposes of this clause, an Information Technology Device shall mean any computer system, hardware, software, programme, code, data, process, virus, information repository, microchip, integrated circuit or similar device in or connected with computer equipment or non-computer equipment, whether the property of a direct insured or not.

JX 2020-007
18/06/2020

13/4/92

CLASSIFICATION AND MAINTENANCE OF CLASS CLAUSE

Warranted vessel classed as below by one of the following Classification Societies and Class maintained throughout the currency of this Policy or held covered at additional premium, if any, as may be decided by the Committee provided immediate notice as to change of Classification Society of the Vessel or change, suspension, discontinuance, withdrawal or expiry of her Class is given to the Underwriter.

Lloyd's Register			**100 A1 or B.S.**
American Bureau of Shipping		✠	**A 1**
Bureau Veritas	(B.V.)		**1 ✠ 3/3 E**
China Classification Society		★	CSA
Germanischer Lloyd (G.L.)		✠	100 **A 4**
Korean Register Of Shipping		✠	**KRS 1**
Nippon Kaiji Kyokai		**NS***	
Norske Veritas (NV/DNV)		✠	**1 A 1**
Registro Italiano		★	**100 A 1.1. Nav. L**
Register of Shipping Of the U.S.S.R.			**K★**
Polish Register Of Shipping		✳	**KM**
Indian Register of Shipping (IRS)		**SU**	

(Note: in the above symbols denotes MALTESE CROSS)

All Classes mentioned above are subject to Class without any modification

COMPLIANCE OF ISM CODE WARRANTY

"Warranted vessel's Owners/Managers/Operators hold a valid document of compliance as to International Safety Management Code under the SOLAS Convention 1974, as amended, and also that the vessel covered by this policy hold a valid Safety Management Certificate issued by appropriate Authorities.

In no case shall this insurance cover any loss, damage, expenses and/or liabilities, if such loss, damage, expenses and/or liabilities are traceable to non-compliance of the provisions of ISM Code.

1.6.88

INSTITUTE CLAUSES FOR BUILDERS' RISKS

(This insurance is subject to English Law and practice)

VESSEL ....Contract or Yard No.....................................

BUILDERS.. ....

....

BUILDERS' YARDS.. ....

....

SUBJECT OF INSURANCE
(Where more than one part of the subject-matter insured is described in Section I(A), Section I(B) or Section II below, then the respective wording of Section I(A), Section I(B) or Section II shall be applied to each part separately.)

SECTION I. Provisional Period...From..................................... ....

But this insurance to terminate upon delivery to Owners if prior to expiry of Provisional Period.

(A) HULL and MACHINERY etc. under construction at the yard or other premises of the Builders.

Description	Contract or Yard No.	Provisionally valued at	To be built at/by

The subject - matter of this sub-section (A) is covered whilst at Builders' Yard and at Builders' premises elsewhere within the port or place of construction at which the Builders'

Yard is situated and whilst in transit between such locations. The Underwriters' liability in respect of each item of this sub section (A) which is at such locations shall attach from the time:-

(i) of inception of this section I if such item has already been allocated to the vessel;
(ii) of delivery to Builders of such item (if allocated) when delivered after inception of this Section I;
(iii) of allocation by Builders if allocated after inception of this Section I.

(B) MACHINERY etc.insured hereon whilst under construction by Sub-Contractors.

Description	Contract or Yard NO.	Provisionally valued at	To be built at/by

The subject - matter of this sub-section (B) is covered whilst at Sub-Contractors' works and at Sub - Contractors' premises elsewhere within the port or place of construction at which the Sub-Contractors' works are situated and whilst in transit between such locations.

The Underwriters' liability in respect of each item of this sub-section (B) which is at such locations shall attach from the time:-

(i) of inception of this section I if such item has already been allocated to the vessel;
(ii) of delivery to the Sub-Contractors of such item (if allocated) when delivered after inception of this Section I;
(iii) of allocation by the Sub-Contractors if allocated after inception of this Section I.
The subject-matter of this sub-section (B) is also covered whilst:-

(a) in transit to Builders if the transit is within the port or place of construction at which the Builders' Yard is situated;
(b) at Builders' Yard and at Builders' premises elsewhere within the port or place of construction at which the Builders' Yard is situated and whilst in transit between such locations.

SECTION II. Provisional Period...From...

But this insurance to terminate upon delivery to Owners if prior to expiry of Provisional Period.

MACHINERY etc. insured hereon from delivery to Builders.

Description	Contract or Yard NO.	Provisionally valued at	To be built at/by

The subject-matter of this Section II is covered whilst at Builders' Yard and at Builders' premises elsewhere within the port or place of construction at which the Builders' Yard is situated and whilst in transit between such locations. The Underwriters' liability in respect of each item of this Section II shall attach from the time of delivery to Builders.

1. INSURED VALUE

1.1 Whereas the value stated herein is provisional, it is agreed that the final contract price, or the total building cost plus...............................% whichever is greater, of the subject-matter of this insurance shall be the insured value.

1.2 Should the insured value, determined as above,

1.2.1 exceed the provisional value stated herein, the Assured agree to declare to the Underwriters hereon the amount of such excess and to pay premium thereon at the full policy rates, and the Underwriters agree to accept their proportionate shares of the increase,

or

1.2.2 be less than the provisional value stated herein, the sum insured by this insurance shall be reduced proportionately and the Underwriters agree to return premium at the full policy rates on the amounts by which their respective lines are reduced.

1.3 Nevertheless, should the insured value exceed 125% of the provisional value, then the limits of indemnity under this insurance shall be 125% of the provisional value, any one accident or series of accidents arising out of the same event.

1.4 Notwithstanding the above it is understood and agreed that any variation of the value for insurance on account of a material alteration in the plans or fittings of the vessel or a change in type from that originally contemplated does not come within the scope of this clause and such a variation requires the specific agreement of the Underwriters.

2. TRANSIT

Held covered at a premium to be arranged for transit not provided for in Section I or II above.

3. DELAYED DELIVERY

Held covered at a premium to be arranged in the event of delivery to Owners being delayed beyond the provisional period(s) mentioned above, but in no case shall any additional period of cover extend beyond 30 days from completion of Builders' Trials.

4. DEVIATION OR CHANGE OF VOYAGE

Held covered in case of deviation or change of voyage, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

5. PERILS

5.1 SUBJECT ALWAYS TO ITS TERMS, CONDITIONS AND EXCLUSIONS this insurance is against all risks of loss of or damage to the subject matter insured caused and discovered during the period of this insurance including the cost of repairing replacing or renewing any defective part condemned solely in consequence of the discovery therein during the period of this insurance of a latent defect. In no case shall this insurance cover the cost of renewing faulty welds.
5.2 In case of failure of launch, the Underwriters to bear all subsequent expenses incurred in completing launch.

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 13,17,19 and 20.

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. FAULTY DESIGN

Notwithstanding anything to the contrary which may be contained in the policy or the clauses attached thereto, this insurance includes loss of or damage to the subject - matter insured caused and discovered during the period of this insurance arising from faulty design of any part or parts thereof but in no case shall this insurance extend to cover the cost or expense of repairing, modifying, replacing or renewing such part or parts, nor any cost or expense incurred by reason of betterment or alteration in design.

9. NAVIGATION

9.1 With leave to proceed to and from any wet or dry docks, harbours, ways, cradles and pontoons within the port or place of construction and to proceed under own power, loaded or in ballast, as often as required, for fitting out, docking, trials or delivery, within a distance by water of 250 nautical miles of the

port or place of construction, or held covered at a premium to be arranged in the event of such distance being exceeded.
9.2 Any movement of the vessel in tow outside the port or place of construction held covered held covered at a premium to be arranged, provided previous notice be given to the Underwriters.

10. DEDUCTIBLE

10.1 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 13, 17,19 and 20) exceeds...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 10.1 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 20 arising from the same accident or occurrence.
10.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage.
The expression "heavy weather" in this clause 10.2 shall be deemed to include contact with floating ice.
10.3 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.

10.4 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.

11. UNREPAIRED DAMAGE

11.1 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.
11.2 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.
11.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

12. CONSTRUCTIVE TOTAL LOSS

12.1 In ascertaining whether the subject matter insured 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 shall be taken into account.
12.2 No claim for constructive total loss based upon the cost of recovery and/or repair 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.

13. GENERAL AVERAGE AND SALVAGE

27.1 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.

13.2 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 provided the adjustment shall be according to the York-Antwerp Rules.
13.3 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.
13.4 No claim under this clause 13 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.

14. NOTICE OF CLAIM

In the event of loss damage liability or expense which may result in a claim under this insurance, prompt notice shall be given to the Underwriters prior to repair and, if the subject-matter is under construction abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.

15. CHANGE OF INTEREST

Any change of interest in the subject-matter insured shall not affect the validity of this insurance.

16. 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.

17. COLLISION LIABILITY

17.1 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

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

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

17.1.3 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.

17.2 The indemnity provided by this clause 17 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:

17.2.1 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 17 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.

17.2.2 In no case shall the Underwriters' total liability under Clause 17.1 and 17.2 exceed their proportionate part of the insured value of the vessel hereby insured in respect of any one such collision.

17.3 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

17.4 Provided always that this clause 17 shall in no case extend to any sum which the assured shall pay for or in respect of

17.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

17.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

17.4.3 the cargo or other property on, or the engagements of, the insured vessel

17.4.4 loss of life, personal injury or illness

17.4.5 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).

18. 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.

19. PROTECTION AND INDEMNITY

19.1 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:

19.1.1 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 17

19.1.2 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

19.1.3 liability assumed by the Assured under contracts of customary towage fothe purpose of entering or leaving port or manoeuvering within the port

19.1.4 loss of life, personal injury, illness or payments made for life salvage.

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

19.2.1 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

19.2.2 additional expenses brought about by the outbreak of infectious disease on board the vessel or ashore

19.2.3 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

19.2.4 the expenses of the removal of the wreck of the vessel from any place owned, leased or occupied by the Assured

7.2.4 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.

EXCLUSIONS

19.3 Notwithstanding the provisions of Clauses 19.1 and 19.2 this Clause 19 does not cover any liability cost or expense arising in respect of:

19.3.1 any direct or indirect payment of 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 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

19.3.2 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

19.3.3 punitive or exemplary damages, however described

19.3.4 cargo or other property carried, to be carried or which has been carried on board the vessel but this clause 19.3.4 shall not exclude any claim in respect of the extra cost of removing cargo from the wreck of the vessel

19.3.5 loss of damage to property, owned by builders or repairers or for which they are responsible, which is on board the vessel

19.3.6 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

19.3.7 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

19.3.8 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

19.3.9 fines or penalties arising from overloading or illegal fishing

19.3.10 pollution or contamination of any real or personal property or thing whatsoever

19.4 The indemnity provided by this clause 19 shall be in addition to the indemnity provided by the other terms and conditions of this insurance.

19.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 19 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.

19.6 In no case shall the Underwriters' liability under this Clause 19 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.

19.7 PROVIDED ALWAYS THAT

19.7.1 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 19 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 19

19.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this clause 19 without the prior written consent of the Underwriters.

20. DUTY OF ASSURED (SUE AND LABOUR)

20.1 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

20.2 Subject to the provisions below and to clause 10 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 20.4) collision defence or attack costs and costs incurred by the Assured in avoiding, minimising or contesting liability covered by Clause 19 are not recoverable under this clause 20.

20.3 Measure 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.

20.4 When a claim for total loss of the subject matter insured is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the subject matter insured and other property and there are no proceeds, or the expenses exceeds 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 subject matter insured.

20.5 The sum recoverable under this clause 20 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.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.

21. WAR EXCLUSION

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

21.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
21.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and consequences thereof or any attempt thereat
21.3 derelict mines torpedoes bombs or other derelict weapons of war.

22. STRIKES EXCLUSION

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

22.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
22.2 any terrorist or any person acting from a political motive.

23. MALICIOUS ACTS EXCLUSION

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

23.1 the detonation of an explosive
23.2 any weapon of war
and caused by any person acting maliciously or from a political motive.

24. NUCLEAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense directly caused by or contributed to by or arising from

24.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
24.2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
24.3 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

1/6/88

INSTITUTE STRIKES CLAUSES
BUILDERS' RISKS
(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 subject - matter insured caused by

1.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
1.2 any terrorist or any person acting maliciously or from a political motive.

2. PROTECTION AND INDEMNITY

This insurance also covers, subject to the limitation of liability provided for in Clause 19.5 and 19.6 of the Institute Clauses for Builders' Risks 1/6/88, the liability under Clause 19 of the Institute Clauses for Builders' Risks 1/6/88 which is excluded by Clause 22.1.

3. INCORPORATION

The Institute Clauses for the Builders' Risks 1/6/88 are deemed to be incorporated in this insurance, in so far as they do not conflict with the provisions of these clauses, but this insurance excludes any claim which would be recoverable under the said clauses.

4. RETURNS OF PREMIUM

No return of premium hereunder unless specially agreed.

5. EXCLUSIONS

This insurance excludes

5.1 any loss of or damage to the subject-matter insured covered by the Institute War Clauses Builders' Risks 1/6/88

5.2 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

5.3 piracy (but this exclusion shall not affect cover under Clause 1.1)

5.4 any claim based upon loss of or frustration of any voyage or contract for sale or other adventure.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.

6. WAR EXCLUSION

In no case shall this insurance cover loss damage or expense caused by war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

7. NUCLEAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

27.2 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

7.2the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

7.3any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

1/6/88

BUILDERS' RISKS
INSTITUTE CLAUSE FOR LIMITATION OF LIABILITY IN RESPECT OF FAULTY DESIGN & P. & I. RISKS

(Inst. F.D. & P. & I. Clause)

Notwithstanding anything to the contrary which may be contained in the policy or the clauses attached thereto:-

(1)This insurance includes loss of or damage to the subject matter insured caused and discovered during the period of this insurance arising from faulty design of any part or parts thereof but in no case shall this insurance extend to cover the cost or expense of repairing, modifying, replacing or renewing such part or parts, nor any cost or expense incurred by reason of betterment or alteration in design.

(2)The amount recoverable under the Protection and Indemnity Clause in respect of any one accident or series of accidents arising out of the same event shall in no case exceed the sum hereby insured.

CL. 352

1.6.88

INSTITUTE WAR CLAUSES
BUILDERS' RISKS

(This insurance is subject to English Law and practice)

1. ATTACHMENT

This insurance shall not attach to the subject-matter insured until the vessel is launched and then shall attach only to such part of the subject-matter as is built into or is in or on the vessel at the time of the launch. The insurance against the said risks

shall attach to the remainder of the subject-matter insured only as it is placed in or on the vessel subsequent to the launch.

2. PERILS

Subject always to the exclusion hereinafter referred to, this insurance covers loss of or damage to the subject-matter insured caused by

2.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
2.2 capture seizure arrest restraint or detainment, arising from perils covered under 2.1 above, and the consequences thereof or any attempt thereat.
2.3 derelict mines torpedoes bombs or other derelict weapons of war.

3. PROTECTION AND INDEMNITY

This insurance also covers, subject to the limitation of liability provided for in Clauses 19.5 and 19.6 of the Institute Clauses for Builders' Risks 1/6/88, the liability under clause 19 of the Institute Clauses for Builders' Risks 1/6/88 which is excluded by Clauses 21, 22.2 and 23.

Provided however that such cover shall not attach until the vessel is launched.

4. INCORPORATION

The Institute Clauses for the Builders' Risks 1/6/88 except Clauses 4, 5.1 and 5.2, 7, 8, 21, 22, 23 and 24 are deemed to be incorporated in this insurance, in so far as they do not conflict with the provisions of these clauses.

5. DETAINMENT

In the event that the vessel shall have been the subject of capture seizure restraint or detainment, 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.

6. EXCLUSIONS

This insurance excludes

6.1 loss damage liability or expense arising from
6.1.1 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
6.1.2 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
6.1.3 confiscation expropriation requisition or pre-emption

6.1.4 capture seizure arrest restraint or detainment 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

6.1.5 arrest restraint or detainment under quarantine regulations or by reason of infringement of any customs or trading regulations

6.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause

6.1.7 any claims based upon loss of or frustration of any voyage or contract for sale or other adventure,

6.2 loss damage liability or expense covered by the institute Clauses for Builders' Risks 1/6/88 or which would be recoverable thereunder but for Clause 10 thereof,

6.3 any claim for any sum recoverable under any other insurance on the property hereby insured or which would be recoverable under such insurance but f or the existence of this insurance,

6.4 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.

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 6.1.1 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 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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INSTITUTE WARRANTIES

16 Warranted no:-

16.3 Atlantic Coast of North America, its rivers or adjacent islands,
(i) north of 52° 10' N. Lat. and west of 50° degree 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.

16.4 Great Lakes or St. Lawrence Seaway west of Montreal.
16.5 Greenland Waters.
16.6 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.
8 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.
9 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.
10 North of a line between Stockholm (59° 20’ N. Lat.) and Tallinn (59° 24’ N. Long.) between 8th January and 5th May b.d.i.
11 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 voyages direct to or from any port of place in Norway of 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 of 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 *enroute* to or from ports and/ or places not excluded by this warranty.

6. Warranted not to sail with Indian Coal as cargo:-

28 between 1st March and 30th June, b.d.i.
29 between 1st July and 30th September, b.d.i. except to ports in Asia, not West of Aden or East of or beyond Singapore.

CL. 26.

29.6.1989

29.1.3.1 HULL CLASS WARRANTY

1. Warranted that -

1.1 the vessel is classed with and existing class maintained.
1.2 any recommendations requirements or restrictions imposed by the above Classification Society and relating to the seaworthiness of the vessel shall be complied with by the dates required by that Society
1.3 the underwriters have had reported to them all outstanding recommendations requirements or restrictions specified by the immediate past Classification Society and relating to the Seaworthiness of the vessel, should a change of Classification Society have occurred during the twelve months preceding the attachment of this insurance. Where required by the Underwriters, such recommendations, requirements or restrictions shall be complied with as specified.
1.4 all statutory or regulatory requirements whether arising before or during the period covered by this insurance shall be complied with insofar as they relate to the seaworthiness of the vesse
1.5 the Assured, Owners, Managers and Superintendents shall comply with all requirements of the Classification Society regarding the reporting to the Society of accidents to and defects in the vessel.

2. Warranted that

2.1 Unless the underwriters agree to the contrary in writing this insurance shall terminate automatically when the Classification Society's periodic survey or any special survey for hull, boilers, machinery or control equipment becomes overdue, save that in the event of any first extension normally permissible by the Classification Society this insurance shall not terminate until the expiry of such first extension.

Held covered at an Additional Premium if required until arrival at next port should the vessel be at sea at the time of such termination.

A pro-rata daily net return of premium shall be made in the event of termination by operation of this Clause 2 provided always 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.
2.2 Provided always that nothing in this Clause 2 shall have the effect of extending the period of this insurance including any extension thereof.

3. Should the Underwriters wish to approach the Classification Society direct for information the Assured will provide the necessary authorisation.

4. For the purpose of any claim the Assured will provide certification by the Classification Society that the vessel's class has been maintained.

ELECTRONIC DATE RECOGNITION ENDORSEMENT

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

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

   (a) 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 Insured 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.

   (b) 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 Insured or of any third party, in anticipation of or in response to any change of year, date or time, or any such change or modification.

(c) 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 Insured or of any third party related to (a) and/or (b) above.

2. The cover provided in this endorsement is subject in all other Respects to all other terms, conditions, exclusions and limits contained in this insurance.

3. This Endorsement is subject to English Law & Practice.

Bering Sea Transit Clause

Notwithstanding anything contained in this insurance to the contrary, it is hereby agreed that when on through voyages to or from the Far East, the insured vessel may navigate the Bering Sea provided that –

1 the vessel has on board the appropriate hydrographic charts corrected up to date,

2 entry is made through the Unimak pass and exit west of Buldir Island or vice versa and

3 the vessel is equipped and properly fitted with marine radar, a satellite navigator or Loran, sonic depth sounding apparatus, radio direction finder and giro compass, all fully operational and manned by qualified personnel.

(Alternatively the vessel may enter or leave through the Amchitka, Amkuta or Attu Passes, but only when equipped and properly fitted with marine radar, Loran, a satellite navigator, sonic depth sounding apparatus, radio direction finder, giro compass and a weather facsimile recorder, all fully operational and manned by qualified personnel).

CLAUSE 9 OF THE INSTITUTE TIME CLAUSES HULLS PORT RISKS DATED 20.7.87 COVERING P&I RISKS

9. PROTECTION AND INDEMNITY

9.1 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

9.1.1 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 7.

9.1.2 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

9.1.3 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

9.1.4 loss of life, personal injury, illness or payments made for life salvage.

9.1.5 liability under Clause 1(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.

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

9.2.1 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

9.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore

9.2.3 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

9.2.4 the expenses of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured

9.2.5 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.

EXCLUSIONS

9.3 Notwithstanding the provisions of Clauses 9.1 and 9.2 this Clause 9 does not cover any liability, cost or expense arising in respect of:

9.3.1 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 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

9.3.2 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

9.3.3 punitive or exemplary damages, however described

9.3.4 cargo or other property carried, to be carried or which has been carried on board the Vessel but this Clause 9.3.4 shall not exclude any claim in respect of the extra cost of removing cargo from the wreck of the Vessel

9.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the Vessel

9.3.6 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

9.3.7 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

9.3.8 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

9.3.9 fines or penalties arising from overloading or illegal fishing

9.3.10 pollution or contamination of any real or personal property or thing whatsoever (This Clause 9.3.10 shall not exclude any amount recoverable under Clause 9.1.5)

9.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable under clauses 7, 11 and 13 by reason of the agreed value and/or the amount insured in respect of the Vessel being inadequate.

9.4 The indemnity provided by this Clause 9 shall be in addition to the indemnity provided by the other terms and conditions of this insurances.

9.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 9 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.

9.6 In no case shall the Underwriters' liability under this Clause 9 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

9.7 PROVIDED ALWAYS THAT

9.7.1 prompt notice must be given to the Underwriters of every casualty, event or claim upon the Assured which may give rise to claim under this Clause 9 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 9.

9.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this Clause 9 without the prior written consent of the Underwriters

PREMIUM INSTALLMENT CLAUSE

1. The Assured shall pay to the Insures the premium and stamp duty as mentioned in the SCHEDULE of the policy and so long as the Assureds perform and observe all their obligation hereunder other than in regard to the payment of the premium as stipulated in the with policy, the Insurers as a matter of facility to the Assureds, agree to accept payment of premium by quarterly installments as per SCHEDULE.

2. Notwithstanding the provisions of the preceding Clause, upon non-payment of any installments on its due date, this policy shall cease to operate from the time and date of the default in payment of the installment and no liability shall attach under this policy for any loss damage occurring thereafter, not shall any refund of premium become due under the policy.

3. Additionally in the event of Total Loss of Constructive Total Loss or Compromised Total Loss of the vessel during the currency of this policy from any cause, whatsoever, all the subsequent installments shall immediately become due and payable notwithstanding anything to the contrary herein above contained.

Note: IT IS NOT OBLIGATORY ON THE PART OF THE INSURERS TO GIVE ANY NOTICE TO THE ASSURED FOR PAYMENT OF PREMIUM INSTALMENT.

INSTITUTE MACHINERY DAMAGE ADDITIONAL DEDUCTIBLE CLAUSE

(For use only with the Institute Time Clauses - Hulls 1/10/83)

Notwithstanding any provision to the contrary in this insurance a claim for loss of or damage to any machinery, shaft, electrical equipment or wiring, boiler condenser heating coil or associated pipework, arising from any of the perils enumerated in Clauses 6.2.2 to 6.2.5 inclusive of the Institute Time Clauses - Hulls 1/10/83 or from fire or explosion when either has originated in a machinery space, shall be subject to a deductible of...

Any balance remaining, after application of this deductible, with any other claim arising from the same accident or occurrence, shall then be subject to the deductible in clause 12.1 of the Institute Time Clauses - Hulls 1/10/83.

The provisions of clauses 12.3 and 12.4 of the Institute Time Clauses - Hulls 1/10/83 shall apply to recoveries and interest comprised in recoveries against any claim which is subject to this Clause.

This Clause shall not apply to a claim for total or constructive total loss of the vessel.

CL. 298

AVERAGE DISBURSEMENTS CLAUSES (B)

**Agreed by the Association of Average Adjusters
and the Institute of London Underwriters**

ASSURED

1. This insurance is effected for account of all parties concerned in the property and freight at risk as interest may appear.

DURATION

2. 2.1 This insurance shall attach as the disbursements costs and charges specified in Clause 4 are incurred or as liability for advancing such disbursements costs and charges is incurred.
Provided that no risk shall attach in respect of loss of or damage to the property and freight at risk occurring prior to the agreed time of attachment as stated herein.

2.2 This insurance shall continue until termination of the common maritime adventure in accordance with the provisions for General Average in the contract of affreightment or in the absence of such provisions in accordance with the governing law and practice.

Provided that in the event of discharge, reshipment, transhipment, delay or forwarding by any other vessel, craft or conveyance, prompt notice shall be given to the Underwriters and an additional premium agreed if required.

DEVIATION OR CHANGE OF VOYAGE

3. 3.1 The vessel or forwarding vessel or craft has leave to call at any ports or places in any order for any purpose whatsoever and to dry dock with or without cargo on board.

3.2 Held covered subject to prompt notice and to a reasonable additional premium if required in the event of a change of voyage.

SUBJECT-MATTER INSURED

4. This insurance is in respect of general average disbursements and salvage and salvage charges inclusive of costs.

AMOUNT INSURED

5. 5.1 The insurable value of the subject-matter shall be the amount finally ascertained in respect of the disbursements costs and charges described in Clause 4 plus the charges of insurance thereon.

5.2 The insurance shall be opened for the estimated amount of such disbursements costs and charges at the inception of the risk. If found to be deficient this may be increased by not more than 25% subject to a pro rata additional premium.

5.3 If the amount provisionally insured in accordance with Clause 5.2 exceeds the insurable value as defined in Clause 5.1 a pro rata return of premium shall be allowed.

COVER

6. 6.1 Except as provided in Clause 11 and subject to the provisions of Clause 7 this insurance covers extinction or reduction of the contributory value of the property and freight at risk arising from

6.1.1 the risks of loss of or damage to such property or freight

6.1.2 special charges or other expense incurred to avert or minimise such loss or damage

6.1.3 contributions to any subsequent General Average

6.1.4 damage or injury to third parties during the period of this insurance.

6.2 Contributory values to be calculated in accordance with the provisions for General Average in the contract of affreightment or in the absence of such provisions in accordance with the governing law and practice.

MEASURE OF INDEMNITY

7. In the event of loss covered by this insurance the measure of indemnity shall be

7.1 Where there are no contributory values,
the amount insured.

7.2 Where the contributory values calculated in accordance with Clause 6.2 are less than the total of the disbursements costs and charges described in Clause 4,
such proportion of the insurable value as the deficiency bears to the total of the disbursements costs and charges.
If the total of the disbursements costs and charges is not fully insured hereunder the amount payable shall be reduced in proportion to the under-insurance.

SEAWORTHINESS

8. Seaworthiness and fitness of vessel, containers, craft and conveyances for the safe carriage of the cargo is admitted.

BENEFIT OF INSURANCE

9. This insurance is without benefit of any other insurance.

LAW AND PRACTICE

10. This insurance is subject to English law and practice.

The following clause shall be Paramount and shall override anything in this insurance inconsistent therewith.

EXCLUSIONS

11. This insurance excludes any claim arising from

11.1 willful misconduct of the Assured but this exclusion shall not defeat a claim hereunder by an innocent Assured
11.2 the risks excluded by Clause 6 of the Institute Cargo Clauses (A) 1/1/82, except to the extent that such risks are covered by the Institute War Clauses (Cargo) 1/1/82.

CL.343

AVERAGE DISBURSEMENTS CLAUSES (A)

Agreed by the Association of Average Adjusters and the Institute of London Underwriters

ASSURED

1. This insurance is effected for account of all parties concerned in the property and freight at risk as interest may appear.

DURATION

2. 2.1 This insurance shall attach as the disbursements costs and charges specified in Clause 4 are incurred or as liability for advancing such disbursements costs and charges is incurred.
Provided that no risk shall attach in respect of loss of or damage to the property and freight at risk occurring prior to the agreed time of attachment as stated herein.

2.2 This insurance shall continue until termination of the common maritime adventure in accordance with the provisions for General Average in the contract of affreightment or in the absence of such provisions in accordance with the governing law and practice.
Provided that in the event of discharge, reshipment, transhipment, delay or forwarding by any other vessel, craft or conveyance, prompt notice shall be given to the Underwriters and an additional premium agreed if required.

DEVIATION OR CHANGE OF VOYAGE

3. 3.1 The vessel or forwarding vessel or craft has leave to call at any ports or places in any order for any purpose whatsoever and to dry dock with or without cargo on board.

3.2 Held covered subject to prompt notice and to a reasonable additional premium if required in the event of a change of voyage.

SUBJECT-MATTER INSURED

4. This insurance is in respect of general average disbursements and salvage and salvage charges inclusive of costs.

AMOUNT INSURED

5. 5.1 The insurable value of the subject-matter shall be the amount finally ascertained in respect of the disbursements costs and charges described in Clause 4 plus the charges of insurance thereon.

5.2 The insurance shall be opened for the estimated amount of such disbursements costs and charges at the inception of the risk. If found to be deficient this may be increased by not more than 25% subject to a pro rata additional premium.

5.3 If the amount provisionally insured in accordance with Clause 5.2 exceeds the insurable value as defined in Clause 5.1 a pro rata return of premium shall be allowed.

COVER

6. 6.1 Except as provided in Clause 11 and subject to the provisions of Clause 7 this insurance covers extinction or reduction of the contributory value of the property and freight at risk arising from

6.1.1 the risks of loss of or damage to such property or freight

6.1.2 special charges or other expense incurred to avert or minimise such loss or damage

6.1.3 contributions to any subsequent General Average

6.1.4 damage or injury to third parties during the period of this insurance.

6.2 Contributory values to be calculated in accordance with the provisions for General Average in the contract of affreightment or in the absence of such provisions in accordance with the governing law and practice.

MEASURE OF INDEMNITY

7. In the event of loss covered by this insurance the measure of indemnity shall be

7.1 Where there are no contributory values,
the amount insured.

7.2 Where the contributory values calculated in accordance with Clause 6.2 have been reduced,

such proportion of the insurable value as the reduction bears to such contributory values as they would have been but for the loss.

If the total of the disbursements costs and charges is not fully insured hereunder the amount payable shall be reduced in proportion to the under-insurance.

SEAWORTHINESS

8. Seaworthiness and fitness of vessel, containers, craft and conveyance for the safe carriage of the cargo is admitted.

BENEFIT OF INSURANCE

9. This insurance is without benefit of any other insurance.

LAW AND PRACTICE

10. This insurance is subject to English law and practice.

The following clause shall be Paramount and shall override anything in this insurance inconsistent therewith.

EXCLUSIONS

11. This insurance excluded any claim arising from

11.1 willful misconduct of the Assured but this exclusion shall not defeat a claim hereunder by an innocent Assured

11.2 the risks excluded by Clause 6 of the Institute Cargo Clauses (A) 1/1/82, except to the extent that such risks are covered by the Institute War Clauses (Cargo) 1/1/82.

30/5/86.

INSTITUTE MORTGAGEES INTEREST CLAUSES
HULLS

(This insurance is subject to English Law and practice)

1. SUBJECT MATTER INSURED

1.1 This contract commences on ....and is to insure, subject to the conditions stated herein, the interest of.. ....
as first mortgagees, in vessels to be declared for periods not in excess of 12 months each declaration.

1.2 This contract does not cover the interest of any other party and is not assignable or otherwise transferable.

2. DECLARATIONS

Subject to the provisions of clause 3 it is a condition of this contract that the assured must declare, without exception, and the Underwriters must accept, all interest by way of first mortgage in any vessel or vessels, giving provisional notice of the name(s) of the vessel(s) and their owner(s) and the amount(s) of the loan(s).

3. SUM INSURED

this contract is for an open amount not to exceed ....in respect of any one vessel unless specially agreed. In the event of loss after provisional but before final declaration the basis of valuation shall be the amount of the loan not exceeding the sound market value of the vessel at the time of the granting of the loan.

4. WARRANTIES

It is warranted in respect of each vessel that:

4.1 Hull and Machinery Policies on terms equivalent to Institute Time Clauses Hulls or American Institute Hull Clauses and where applicable Increased value policies equivalent to Institute Time Clauses - Hulls Disbursements and Increased Value (Total Loss only including Excess Liabilities) or American Institute Increased Value and Excess Liabilities Clause, also War Risks Policies equivalent to Institute War and Strikes Clauses Hulls-Time and full Protection and Indemnity Risks (hereafter referred to as " the Owners Policies and Club Entries " have been taken out and shall be maintained throughout the currency of this contract.
4.2 the Owners' Policies and Club Entries, warranted in 4.1 above, shall be taken out and maintained in respect of each vessel at all times for an insured value and limit of liability not less than the amount insured hereunder or the amount of the outstanding loan.
4.3 each of the Owners' Policies and Club Entries is endorsed to the extent of the Assured's interest.

5. CHANGE OF OWNERSHIP

This insurance will terminate automatically at the time of any change of ownership, management or control, of which the assured hereunder has knowledge or privity, unless the Assured gives prompt notice of such change in writing to the Underwriters hereon and agrees to pay an additional premium, if required.

6. INDEMNITY

6.1 This contract is to indemnity the Assured for loss resulting from loss of or damage to or liability of each vessel which is prima facie covered by the Owners' Policies or Club Entries but in respect of which there is subsequent non-payment (or reduced payment which is approved in advance by the Underwriters hereon):

6.1.1 by reason of any act or omission of any one or more of the Owners, Operators, Charterers or Managers of the vessel or their servants or agents including breach or alleged breach of warranty or condition whether expressed or implied or non-disclosure of any fact or circumstances of any kind whatsoever.

6.1.2 by virtue of any alleged deliberate, negligent or accidental act or omission or any knowledge or privity of any one or more of the Owners, Operators, Charterers or Managers of the vessel or their servants or agents, including the deliberate or negligent casting away or damaging of the vessel or the vessel being unseaworthy.

6.2 **The cover provided under Clause 6.1 above shall only apply while any such act, omission, non-disclosure, breach of warranty or conditions, knowledge or privity occurs or exists without the privity of the Assured.**

6.3 The indemnity payable hereunder shall be an amount equal to whichever shall be the least of

6.3.1 the unrecoverable claim or part thereof under Owners' Policies and/or Club Entries

6.3.2 the outstanding indebtedness under the declared loan at the time for payment under Clause 8 hereof

6.3.3 the sum insured,

provided that if the subject-matter insured is not fully insured hereunder by reason of Clause 3 or otherwise, the indemnity shall be reduced in proportion to the under insurance.

7. EXCLUSIONS

7.1 Excluding the Assured's legal costs and expenses incurred in relation to any claim under Hull Policies and/or Club Entries.

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

7.2.1 the relevant Owners' Policies or Club Entries having been lawfully terminated by the Underwriters thereof due to non-payment of premium or call

7.2.2 insolvency or financial default of any of the Underwriters of the Owners' Policies or Club Entries

7.2.3 inability of any party to transmit funds

7.2.4 any fluctuation in exchange rates

7.2.5 the operation of any franchise deductible or provision for self-insurance.

8. TIME FOR PAYMENT

8.1 There shall be deemed to be a non-payment by the Underwriters of the Owners' Policies and/or Club Entries

8.1.1 when a final court judgement ids delivered in favour of those Underwriters, or

8.1.2 at such earlier time as the Assured can demonstrate to the satisfaction of the Underwriters hereon that there is no reasonable prospect of the Owners and/or Assured succeeding in the claim against the Underwriters of the Owners' policies and/or club entries. In the event of disagreement between the Assured and the Underwriters hereon this issue shall be referred to a sole arbitrator to be agreed upon between the Underwriters hereon and the Assured.

8.2 Thereafter the Assured shall formally present their claim hereunder and any amount recoverable hereunder shall be payable within three calendar months of the date on which the Assured shall have presented their properly documented claim to the Underwriters of this contract.

9. SUBROGATION

9.1 Upon payment to the Assured of a claim hereunder the Underwriters shall be subrogated to all the rights and remedies of the Assured in respect of such payment

9.2 It is a condition of this contract that any payment(s) by the Underwriters shall not be applied by the assured in or towards discharge or satisfaction of the outstanding indebtedness.

10. DUTY OF ASSURED (SUE AND LABOUR)

10.1 It is a condition of this insurance that the assured shall give notice in writing to the Underwriters hereon of any circumstances which may give rise to a claim under this contract and shall thereafter keep the Underwriters fully informed of all developments

10.2 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 contract.

10.3 Except as provided in Clause 7.1 the Underwriters will reimburse charges properly and reasonably incurred by the Assured their servants or agents for such measures provided that if the subject-matter insured is not fully insured by reason of clause 3 or otherwise, the indemnity shall be reduced in proportion to the under-insurance.

10.4 Measures taken by the assured or the Underwriters with the object of averting or minimising a loss which would be recoverable under this contract shall not be considered as a waiver or acceptance of a claim or otherwise prejudice the rights of either party.

10.5 The sum recoverable under this clause 10 shall be in addition to the loss otherwise recoverable under this contract.

11. CANCELLATION

This contract may be cancelled by either the Underwriters or the Assured giving thirty days notice in writing. Notice to commence from midnight of the day when it is issued but such cancellation shall not apply to any risks which have attached in accordance with thecover granted hereunder before the cancellation becomes effective.

12. AUTOMATIC TERMINATION AND NOTICE OF CANCELLATION - WAR AND STRIKES RISKS

Cover hereunder in respect of the risks which are covered by the institute War and Strikes Clauses Hulls - Time 1/10/83 shall terminate

12.1 automatically upon the occurrence of any of the events mentioned in clauses 5.2.1 and 5.2.2 of the Termination Clause in the Institute War and Strikes Clauses Hulls - Time 1/10/83

12.2 in respect of any vessel

12.2.1 automatically in the event of the vessel being requisitioned either for title or use

12.2.2 7 days after the Underwriters of Owners' War Risks Insurances or any of them have given notice of cancellation, or

12.2.3 7 days after the Underwriters hereon have given notice of cancellation in respect of the said risks.

12.3 Cancellation in accordance with Clauses 12.2.2 or 12.2.3 shall become effective on the expiry of 7 days from midnight of the day on which the notice of cancellation is given. 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.

CL. 337

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 of draft with in 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

War Etc., P & I ETC

Inclusion Clause

1. This insurance is to cover in full (up to the amount stated in Clause 2) such claims for Protection and Indemnity as per Clauses or conditions of Protection and Indemnity Insurance and/or entry (with any Lloyd's Underwriters, Companies or Protection and Indemnity Associations) in connection with insured vessels as are not and/or may not be recoverable under such insurance and/or entry by reason of any clause or clauses therein excluding capture seizure arrest restraint or detainment or the consequences thereof or any attempt thereat hostilities warlike operations or the consequences thereof whether there be a declaration of war or not, civil war, revolution, rebellion insurrection or civil strike arising there form, mines, torpedoes bombs or other engines of war piracy strikes lock-outs political or labour disturbances riots civil commotions military or usurped power or acts of person acting maliciously, or any of them, or by reason of any conditions in such insurance and /or entry stating that the insured vessel shall be deemed to be entered in a " War Risks Association".

2. Claims, as defined herein, to be paid independently up to the amount insured on Hull and Machinery, and excess Protection and Indemnity independently up to the amount insured on increased Value. Underwriter's liability in respect of these risks separately is up to 100% of the insured value hereunder in respect of the Hull and Machinery

insurance and 100% of the sum insured hereunder in respect of increased value insurance, each accident for each individual risk or liability insured hereunder but including costs as below in addition.

3. Should the insurance and/or club entry for Protection and Indemnity risks in connection with the insured vessel omit and/or exclude any of the protection granted by entry against all Protection and Indemnity risks with The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited and/or the West of England Ship Owners Mutual Insurance Association (Luxembourg) then for the purposes of this insurance such omitted and/or excluded protection shall be deemed to be included in such insurances and/or club entry.

4. In the event of there bring no insurance and/or club entry against Protection and Indemnity risks it is agrees that for the purpose of this insurances the vessel shall be deemed to be entered for all Protection and Indemnity risks with The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited and/or the West of England Ship Owners Mutual Insurance Association (Luxembourg).

5. All claims under this policy shall be paid in full and without deductions or franchise even though such claims might impliedly be subject to limit deduction or franchise by reason of the terms of the insurance and/or club entry against Protection and indemnity risks.

6. Any costs incurred, with the consent of the majority (in amount) of the underwriters hereunder, in determining the liability of the Assured to any third party or of any third party (which expression shall include any other underwriters) to the Assured or the underwriters hereunder shall be payable by the latter without regard to any sum which may or may not be payable hereunder.

7. Notwithstanding the foregoing this insurance excludes claims for death or injury to Crew.

8. Seaworthiness admitted.

9. Subject to Institute Notice of Cancellation, automatic Termination of cover and War and Nuclear Exclusions Clause- Hulls etc., 1.1.95.

M.M. Clause No. 736

MISSING VESSELS CLAUSE

In the event of the vessel insured hereunder being posted as missing at Lloyd's or is Announced by the admiralty as missing it is specially agreed that such vessel is to be treated as a war loss for the purpose of this insurance and this policy will pay claims hereunder accordingly within 30 days of presentation of proper documents.

In consideration of such payment underwriters are to have subrogation to any claim which the assured may have against the marine underwriters with whom the vessel is insured, but this insurance is not to operate as a double insurance.

In the event of this clause becoming operative it understood that underwriters Hereon will in no circumstances pay more than the sums insured hereunder for war risks, either for Hull and/ or Increased Value of Hull or Protection and Indemnity Risks. It is further understood that the sum payable hereunder on Hull and/ or Increased value of Hull shall not exceed the total amount insured on Hull and Disbursements for marine Risks and that the sum payable hereunder for war protection and indemnity risks shall not exceed the amounts recoverable under the marine protection and indemnity placing unless and until such time as arbitration decides the vessel is a war loss.

M.M Clause No. 576

LEASED EQUIPMENT CLAUSE

This insurance is extended to cover all equipment and apparatus not owned by the Assured but installed for use on the insured vessel, and for which the Assured has assumed liability, whether such equipment or apparatus be in the nature of aids to navigation or communication or otherwise, subject to all other terms and conditions of this policy, but in no event shall the liability of Underwriters exceed the contractual liability of the Assured for such equipment or apparatus. All such equipment or apparatus installed on the vessel but not owned by the Assured shall be included in the agreed valuation of the Hull and Machinery etc.

M. M. Clause No. 900

INSOLVENCY CANCELLATION CLAUSE

The assured may terminate this contract with immediate effect by giving the insurer written notice if

the insurer;

becomes insolvent, suspends payment of debts, convenes a meeting or enters into any agreement with creditors, loses the whole or any part or its paid up capital, has a receiver appointed or a petition presented for its liquidation, or has resolution passed for its voluntary liquidation;

passes under control of or is absorbed by amalgamated with any other body corporate or unincorporated, is nationalized or becomes controlled by the govemment of the country in which it is incorporated or in which it has its principal office, or agrees to any arrangement whereby it ceases to have a separate existence.

Notice of termination shall be by written notice, which may be given by facsimile, telex or by letter, to the insurer's last known business address. The insured shall be entitled to a daily pro-rata return of premium from the date of termination.

Termination of this contract shall not relieve either party of its prior rights and obligations.

This clause will not apply to unincorporated insurance associations.

M.M Clause 1329
8^{th} August, 1995

Navigation Limitations for Hull War, Strikes, Terrorism and Related Perils Endorsement (JW2005/001A)

1. **NAVIGATION PROVISIONS**

   Unless and to the extent otherwise agreed by the Underwriters in accordance with Clause 2, the vessel or craft insured hereunder shall not enter sail for or deviate towards the territorial waters of any of the Countries or places, or any other waters described in the current List of Areas of Perceived Enhanced Risk (listed areas) as may be published from time to time in London by the Joint War Committee.

2. **BREACH OF NAVIGATION PROVISIONS**

1. If the Insured wishes to secure continuation of coverage under this insurance for a voyage which would otherwise breach Clause 1, it shall give notice to Underwriters and shall only undertake such voyage if it agrees with the Underwriters any amended terms of cover and any additional premium which may be required by the Underwriters

2. In the event of any breach of any of the provisions of Clause 1, the Underwriters shall not be liable for any loss, damage, liability or expense arising out of or resulting from an accident or occurrence otherwise covered under this insurance during the period of breach, unless notice of such breach is given to the Underwriters as soon as practicable and any amended terms of cover and any additional premium required by them are agreed.

3. The absence of prior notice shall not affect the cover under this insurance but it is a condition of this insurance that the Insured is bound to declare to the Underwriters all breaches of the provisions of Clause 1.

4. If Clause 2(c) is deleted, continuation of coverage under this insurance is conditional upon notice to the Underwriters being given prior to the vessel or craft entering the listed areas.

1.

REVISIONS TO LIST OF AREAS OF PERCEIVED ENHANCED RISK

5. In the event that revisions to the List of Areas of Perceived Enhanced Risk are published by the Joint War Committee, these revisions shall not take effect for the purposes of Clause 1 and Clause 2 hereof unless the Underwriters shall have given 7 days notice of cancellation to the Insured for amendment of the listed areas.

6. If a vessel or craft remains in the territorial waters of a Country or place after such Country or place has been added to the listed areas under Clause 3(a), the Underwriters shall not be liable for any loss, damage, liability or expense arising out of or resulting from an accident or occurrence otherwise covered under this insurance after expiry of that 7 day period unless notice is given to the Underwriters before the end of that 7 day period and any amended terms of cover and any additional premium required by them are agreed before the expiry of this period.

JW2005/001A

20 June 2005

Hull War, Strikes, Terrorism and Related Perils

Notice of Cancellation Administration Clause (JW2005/001B)

Where Underwriters wish to give notice of cancellation (herein "Notice") in accordance with the terms of the insurance (to which this clause is attached) for the purpose of amending the terms conditions warranties and/or rates, it is agreed as follows:

10. The Notice shall be given by the Leading Underwriter only (on behalf of all Underwriters subscribing to this insurance).

11. The Notice shall identify the policy (by number / Unique Market Reference (UMR), principal Assured, and interest insured) to which the Notice applies.

12. Where the Notice is given through the broker, the Notice shall be deferred by three working days to enable the broker to transmit the Notice to the Assured(s), mortgagee(s) and other parties to whom the broker has an obligation to transmit the Notice.

13. If the Notice is given for the purpose of amending the listed areas applicable under the Navigation Limitations for War, Strikes, Terrorism and related Perils (herein “War Risk”).

4.1 Where the insurance covers the both (a) War Risks and (b) marine and /or other non war risks, the Notice shall only apply to the cover for war Risks:

4.2 The insurances will be considered as automatically reinstated upon expiry of the Notice, subject to the said listed areas being amended in the line with the changes outlined in the Noticed.

4.3 In the absence of notice in writing having been received from the Assured prior to the expiry of the Notice.

(i) the Assured shall be deemed to have agreed to such amendment of the said listed areas.

(ii) the insurance will be automatically reinstated upon expiry of the Notice subject to such amendment of the said listed areas, and

(iii) such amendment shall be deemed to have been endorsed upon and form part of the insurance:

4.4 where the listed areas applying to this insurance prior to the Notice have been the subject or any deletion amendment limitation or restriction, such deletion amendment limitation or restriction

(a) shall continue to apply mutatis mutandis to the new listed areas, but

(b) shall not apply to any port(s) and/or place(s) and/or area added in consequence of the Notice:

4.5 notwithstanding the foregoing, should the insurance already be subjected to navigation limitations so limiting the area of trading that any port(s) and/or place(s) and/or area to be added in consequence of the Notice would not in any case have been a permitted port(s) of call or area of trading, the insurance shall not be subject to the Notice.

3. If this clause is endorsed upon any policy or contact of reinsurance, the terms "Assured" and "insurance" shall be deemed to be amended to read "Reassured" and "reinsurance" respectively.

JW2005/001B 20 June 2005

Claim Cut through Clause

The Reinsurers and the Reinsured hereby further agree that the Original Insured may elect at any time that Reinsurers shall pay to the Original Insured that proportion of any loss which is due to the Original Insured from the Reinsured and has not yet been paid to the Reinsured by the Reinsurers and which represent the liability of the Reinsurers to the Reinsured under the terms of the Policy, less the premium, if any due to the Reinsurers. The Reinsurers hereon also agree that they will comply with the terms and conditions of the Loss Payee Clause (if any) in the Original Policy as through they were the Original Insurers. Always provided that the Original Insured shall not, by reason of this Clause, be entitled to receive more than the net amount remaining due to them from the Reinsured under their Policy with the Reinsured. It is further agreed by the Reinsured and the Reinsurers that such payment by the Reinsurers to the Original Insured shall fully discharge and release the Reinsurers from any and all further liability in respect of such loss. In the event that payment is made to the Original Insured, pursuant to this clause, any rights of the Reinsured in respect of such payment and/or claim shall be extinguished forthwith.

MM Clause No. 2003

23rd November, 1999

TA2003

20.7.87

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 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 object 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 7 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 1(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:

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

10.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore

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

10.2.4 the expenses of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured

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.

EXCLUSIONS

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:

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 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

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

10.3.3 punitive or exemplary damages, however described

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

10.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the Vessel

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

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

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

10.3.9 fines or penalties arising from overloading or illegal fishing

10.3.10 pollution or contamination of any real or personal property or thing whatsoever (This Clause 10.3.10 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 insurances.

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 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 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.................................... 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 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 its occurence 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 scrapping 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.

20.1.1 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, 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 Premiums. 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 strike arising therefrom, or any hostile act by or against a belligerent power
24.2 capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat.
24.3 derelict mines, torpedos, 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

25. 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.

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INSTITUTE STANDARD DUTCH HULL FORM

This insurance is subject to English law and practice

1 NAVIGATION

1.1 The Vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1.1 shall not exclude customary towage in connection with loading and discharging.

1.2 In the event of the Vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the Vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the Vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.

1.3 In the event of the Vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up. any claim for loss of or damage to the Vessel occurring subsequent to such sailing shall be limited to the market value of the Vessel as scrap at the time when the loss or damage is sustained. unless previous notice has been given to the Underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this Clause 1.3 shall affect claims under Clauses 8 and/or 11.

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 BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, trade, locality. towage, salvage services or date of sailing, provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

4 TERMINATION

This Clause 4 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

4.1 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 6 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,

4.2 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, provided that, if the Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the Vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast.

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 at sea or in port.
A pro rata daily net return of premium shall be made.

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 PERILS

6.1 This insurance covers loss of or damage to the subject-matter insured caused by
6.1.1 perils of the seas rivers takes or other navigable waters
6.1.2 fire, explosion
6.1.3 violent theft by persons from outside the Vessel
6.1.4 jettison
6.1.5 piracy
6.1.6 breakdown of or accident to nuclear installations or reactors
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation
6.1.8 earthquake volcanic eruption or lightning.
6.2 This insurance covers loss of or damage to the subject-matter insured caused by
6.2.1 accidents in loading discharging or shifting cargo or fuel
6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
6.2.3 negligence default or error in judgement of Master Officers Crew or Pilots or other servants of the shipowner, dock, graving dock or pontoon authorities or their servants, stevedores or others
6.2.4 barratry of Master Officers or Crew,
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners of the Vessel, or any of them, or by the Managers.
6.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the Vessel.

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 movable or immovable object whatsoever or property thereon
8.1.2 delay to or loss of use of any such other vessel or object or property thereon
8.1.3 general average of, salvage of, or salvage under contract of. any such other vessel or object or
property thereon,
where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel or into contact with any other movable or immovable object whatsoever.

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 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 the cargo or other property on, or the engagements of, the insured Vessel
8.4.3 loss of life, personal injury or illness
8.4.4 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 NOTICE OF CLAIM AND TENDERS

10.1 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.
10.2 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.
10.3 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.

10.4 In the event of failure to comply with the conditions of this Clause 10 a deduction of 15% shall be made from the amount of the ascertained claim.

11 GENERAL AVERAGE AND SALVAGE

11.1 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.

11.2 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.

11.3 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.

11.4 No claim under this Clause 11 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.

12 DEDUCTIBLE

12.1 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, 11 and 13) exceeds .... 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 12.1 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 13 arising from the same accident or occurrence.

12.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage.

The expression "heavy weather" in this Clause 12.2 shall be deemed to include contact with floating ice.

12.3 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.

12.4 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.

13 DUTY OF ASSURED (SUE AND LABOUR)

13.1 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.

13.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvagecharges (except as provided for in Clause 13.5) and collision defence or attack costs are not recoverable under this Clause 13.

13.3 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.
13.4 When expenses are incurred pursuant to this Clause 13 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.
13.5 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.
13.6 The sum recoverable under this Clause 13 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.

14 NEW FOR OLD

Claims payable without deduction new for old.

15 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
15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
15.2 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,
15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above, shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

16 WAGES AND MAINTENANCE

No claim shall he 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 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.

17 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.

18 UNREPAIRED DAMAGE

18.1 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.

18.2 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.
18.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

19 CONSTRUCTIVE TOTAL LOSS
19.1 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.
19.2 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.
20 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.
21 DISBURSEMENTS WARRANTY
21.1 Additional insurances as follows are permitted:
21.1.1 *Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.* A sum not exceeding 25% of the value stated herein.
21.1.2 *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 21.1.1.
21.1.3 *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 21.1.2 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.
21.1.4 *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 21.1.2 to be taken into account and only the excess thereof may be insured.
21.1.5 *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 21.1.2 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 21.1.2 and 21.1.5 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.
21.1.6 *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.
21.1.7 *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.
21.1.8 *Insurance irrespective of amount against:*

Any risks excluded by Clauses 23, 24, 25 and 26 below.
21.2 Warranted that no insurance on any interests enumerated in the foregoing 21.1.1 to 21.1.7 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.

22 RETURNS FOR LAY-UP AND CANCELLATION
22.1 To return as follows:
22.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.
22.1.2 For each period of 30 consecutive days the Vessel may be laid up in a port or in a lay-up area provided such port or lay-up area is approved by the Underwriters (with special liberties as hereinafter allowed)
(a) . . . . per cent net not under repair
(b) . . . . per cent net under repair.
If the Vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under (a) and (b) respectively.
22.2 PROVIDED ALWAYS THAT
22.2.1 a total loss of the Vessel, whether by insured perils or otherwise. has not occurred during the period covered by this insurance or any extension thereof
22.2.2 in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters, or in a port or lay-up area not approved by the Underwriters but provided the Underwriters agree that such non-approved lay-up area is deemed to be within the vicinity of the approved port or lay-up area, days during which the Vessel is laid up in such non-approved lay-up area may be added to days in the approved port or lay-up area to calculate a period of 30 consecutive days and a return shall be allowed for the proportion of such period during which the Vessel is actually laid up in the approved port or lay-up area
22.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the Vessel is being used for the storage of cargo or for lightering purposes
22.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly
22.2.5 in the event of any return recoverable under this Clause 22 being based on 30 consecutive days which fall on successive insurances effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 22.1.2(a) and/or (b) above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Assured, either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days as provided under 22.1.2(a) or (b), or 22.2.2 above.
22.3 For the purpose of lying-up returns Rotterdam/Schiedam/Vlaardingen (including Botlek and Europoort) will be considered as one port as well s Amsterdam/Zaandam.
The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.
23 WAR EXCLUSION
In no case shall this insurance cover loss damage liability or expense caused by
23.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
23.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
23.3 derelict mines torpedoes bombs or other derelict weapons of war.

24 STRIKES EXCLUSION

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

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

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

25 MALICIOUS ACTS EXCLUSION

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

25.1 the detonation of an explosive

25.2 any weapon of war

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

26 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.

DTV HULL CLAUSES 1978

(As amended in April 1984)

(Original text in German which shall take precedence)

1 Relationship to the German General Rules of Marine Insurance (ADS)

The DTV Hull Clauses take precedence over the ADS.

2 *Period of Insurance*

2.1 The insurance commences and expires on the dates mentioned. This applies also to a vessel which is en route at the time when the insurance expires in accordance with Article 68 ADS.

2.2 The Assured may, however, submit a declaration to Underwriters before expiry of the insurance to the effect that the insurance be extended in the event that the vessel is en route when the insurance expires and sustains indemnifiable damage impairing her seaworthiness. The extension expires as soon as the repairs have been carried out or - if repairs are not carried out immediately - when the damage has been ascertained.

3 Insurable Value

The agreed hull valuation shall be considered as the insurable value and comprises the vessel, the mechanical equipment, appurtenances and installations.

4 Appurtenances and Installations

4.1 Appurtenances are included in the insurance even if these are not the property of the Assured.

4.2 Equipment is covered against partial loss or damage only if caused by fire or explosion.

5 Parts removed from the vessel

Parts of the insured vessel and her appurtenances, which are temporarily removed from the vessel, remain insured. Any other existing insurance shall take precedence over this insurance.

6 Insurances on Disbursements and Freight

6.1 Additional insurances for shipowner's account are permitted as follows :
up to 15 % of the hull valuation on disbursements and equipment
and

up to 20 % of the hull valuation on freight.
Amounts insured on equipment and freight not at risk shall be deemed to be covered on disbursements.

6.2 In the event of total loss, Underwriters are entitled to demand a declaration of all additional insurances taken out for shipowner's account.

6.3 If additional insurances are covered for higher amounts than those permitted above, Underwriters are discharged from liability in respect of these higher amounts in the event of total loss.

7 Trading Warranties (according to agreement)

7.1 European Trading

The insurance applies to voyages between all European places and all places in the Mediterranean and Black Sea,

limited

to the north by the 70 th degree Lat. N., excluding Greenland, but including direct voyages to and from Kirkenes and Murmansk and

voyages to and from the White Sea, provided that on the outward voyage the vessel does not pass Honnigsvaag prior to the 10th May and does not commence the return voyage from the last port of call at White Sea after the 31st October,

to the south by the Atlantic Coast of Africa up to and including Casablanca,

to the west by and including Iceland, but excluding the Canary Islands and the Azores.

7.2 Worldwide Trading

The insurance applies to voyages to and from all places. Excluded, however, are voyages

1. north of 70° Lat.N. except voyages direct to and from Kirkenes and Murmansk and voyages to and from the White Sea provided that on the outward voyage the vessel does not pass Honnigsvaag prior to the 10th May and does not commence the return voyage from the last port of call at the White Sea after the 31st October,
2. to and from Greenland,
3. south of 50° Lat.S. except voyages to and from places in the Argentine, Chile and Falkland Islands and voyages to and from places of the permitted trading area,
4. North America :
at the Atlantic Coast
north of 52° 10' Lat.N. and west of 50° Long.W., south of 52° 10' Lat.N. in the area within the lines Battle Harbour / Pistolet Bay; Cape Ray / Cape North; Port Hawkesbury/ Port Mulgrave and Baie Comeau/Matane between 21st December and 30th April b.d.i.,
west of the fine Baie Comeau / Matane (but not west of Montreal) between 1st December and 30th April b.d.i.,
on the Great Lakes or the St. Lawrence Seaway west of Montreal, on the Pacific Coast north of 54° 30' Lat.N. or west of 13° 50' Long.W.,
5. East Asia
to and from the Behring-Sea, north of 46° Lat.N. and Siberia except Vladivostok and Nakhodka,
6. Indian Ocean to and from the Kerguelen, Crozet Islands and Prince Edward Islands,
7. Warranted not to sail with Indian coal as cargo

- between 1st March and 30th June b.d.i.,
- between 1st July and 30th September b.d.i., except voyages to places in Asia, not west of Aden and not east of Singapore.

7.3 Breach of the agreed trading warranties shall be deemed to be an alteration of risk.

8 Premium Payment

8.1 The premium is to be paid in advance for each 3 months' period.

8.2 Additional premiums shall be paid together with the following quarterly instalment.

8.3 The discount is 7.5 %.

The premium must be received by Underwriters within 10 days after commencement of the 3 months' period. If the payment is effected through a broker, the premium must be received by him within the above mentioned period and must be passed on immediately, but it must be received by Underwriters within further sever, days at the latest.

8.4 If the premium is not received within the above mentioned periods, no discount will be granted from the commencement of the 3 months' period during which the delay has occurred; Underwriters have then the right to cancel the insurance within a period of 5 days.

If Underwriters cancel the insurance, the cover will terminate with Articles 67 and 68 ADS being cancelled on expiry of the 5th day after the notice of cancellation has been received by the Assured, unless the insurance has terminated earlier.

8.5 If Underwriters pay the amount insured or the difference between the amount insured and the proceeds in accordance with Article 77 ADS, the annual premium is payable. The portion of the annual premium which has not yet been paid in advance is to be paid without deduction of a discount, but with the deduction of any returns which the Assured is entitled to receive.

8.6 The Assured may offset any counter claims which have not yet become due against the premium amount only if Underwriters have given their consent in writing; in that event Article 16, Section 2, ADS will be cancelled.
The Underwriters are entitled to offset any claims due against the next premium instalment payable.

9. Leadership – Co-insurance.

9;1 For insurances written by more than one Underwriter, each individual Underwriter is always liable only for his own proportion and not jointly.
9.2 Agreements between the leading Underwriter and the Assured, with the exception of increases in values, are binding upon the co-insurers. The same applies to the settlement of claims and recovery actions.

9.3 The leading Underwriter is also authorized, on behalf of the co-insurers, to sign mortgage clauses and pledging notices as well as to issue guarantee declarations in accordance with Clause 24.
9.4 Notifications any declarations of legal intent received by the leading Underwriter shall be deemed to have also been received by the co-insurers.
9.5 The leading Underwriter is authorised by co-insurers to conduct legal proceedings on their behalf. This applies to lawsuits in ordinary courts as well as in courts of arbitration.
Also binding on co-insurers is a judgement or an agreement after legal proceedings or an arbitration award if this was directed against the leading Underwriter for his own share only. If the share of the leading Underwriter does not reach the sum necessary for an appeal or revision, the Assured - upon demand of the leading Underwriter or of a co-insurer is obliged to extend the suit to a second or if necessary to a third or further Underwriter until the sum has been reached. If the Assured does not comply with this demand, the first sentence shall not apply.

10 Lay- up Returns

10.1 if the vessel is laid up in a safe port for more than 14 consecutive follows, premiums to be returned as follow :
Hull insurance: 65 % of the gross premium rate, provided that the vessel is laid up unemployed without cargo and not under repair, but
minimum premium per month 0.5 %o
maximum premium per month 3 0 %
45 % of a of the gross premium rate n all other cases. except conversion of the vessel, but
minimum premium per month 0, 75 %

maximun premium per month 4, 7 % days,

Additional insurances: premium per month 0,3 %

10.2 The premium return will be calculated on a pro rata basis for the first full 15 days, and accordingly for any further full days,
10.3 The lay- up return will be calculated quarterly.
10.4 Additional premiums remain unaffected.
10.5 In general, no lay-up returns will be granted if the laying up takes place outside the trading warranties or if it is solely or partly caused by strikes, riots, war, seizure or detention by authority, usurpation of power or armed rebellion.

11. Alteration of Risk

11.1 The Assured is entitled to alter the risk and to allow such alteration by a third party.
11.2 If the Assured alters the risk or receives knowledge of any alteration of risk, he has to disclose the facts immediately to Underwriters.
11.3 If the Assured has not disclosed any increase in risk, Underwriters shall be discharged from liability, unless the non-disclosure was not intentional, or the increase in risk had no effect on the occurrence of the loss or damage or the extent thereof.
11.4 In the event of an increase in risk Underwriters shall be entitled to an additional premium to be agreed, unless such increase in risk is made in the interest of Underwriters, or is demanded by humanity or by an insured occurrence which might result in loss or damage.

11.5 The following especially is to be regarded as alteration of risk :

1. docking or entering slipways with cargo;
2. uncustomary towage services either rendered orreceived, except in cases of distress;
3. breach of the agreed trading warranties;
4. loading or discharge operations at sea from orinto another ocean-going vessel;
5. waiver of subrogation agreements in time charterparties exceeding customary practice;
6. employment of the vessel in military manoeuvres.

12. Change of Management

12.1 If the manning, fitting-out and inspection of the vessel is transferred to new management, the Assured is under obligation to give previous notice to Underwriters.
12.2 Underwriters have the right to cancel the insurance within 14 days after receipt of such notification, with 14 days notice of cancellation.
12.3 In the event of the Underwriters giving notice of cancellation, the provisions of Articles 66 to 68 ADS remain unaffected.
12.4 The premium will be adjusted in the same way as in case of sale of the vessel.
12.5 In case of non-disclosure Underwriters are discharged from liability, unless the non-disclosure was not intentional.

13 Sale of Vessel

If the insured vessel is sold, the insurance shall terminate in accordance with Article 50, Section 2, ADS.
As far as the return of premium is concerned, Article 50, Section 2, ADS will be amended to the effect that the premium due for the later period will be refunded; Underwriters, however, entitled to premium for the additional time of coverage in accordance with Article 34, Section 2 of the Ship Rights Act.

14 Dangerous Cargo - Bulk Cargo

Article 60 ADS is replaced by the following provision:
14.1 Underwriters do not cover loss or damage resulting from goods which are precluded from carriage or which are only admitted for carriage in accordance with the German regulations for the carriage of dangerous goods if these regulations were violated in connection with the carriage and the loss or damage is due to such violation, unless the Assured proves that he has complied with the regulations and has performed everything necessary to secure the observance thereof in connection with the carriage or neither knew nor ought to have known of such carriage.
14.2 In case of loading in a foreign port under regulations existing in such port, the Assured has the option of complying either with these regulations or with the German regulations.
14.3 For loss or damage caused by bulk cargo, the provisions of Clause 14.1 and 14.2 above shall apply with regard to legal regulations and orders of authorities as well as rules and instructions of the classification society.

15 Acts of Violence

The insurance against the risks of political acts of violence, labour disturbances, riots, civil commotions
and piracy may be cancelled at any time either individually or collectively with 14 days' notice.

16 War Risks

16.1 The insurance does not cover the risks of war, civil war or warlike events, as well as events arising
independent of a state of war - from the hostile use of engines of war and the presence of engines of war as a consequence of one of these risks.
16.2 In alteration of Article 35, Section 2, ADS, Underwriters remain liable where a vessel in consequence of a risk as per Clause 16.1 does not commence or discontinues the voyage, or calls at a port of refuge.

17 Seizure

17.1 The insurance does not cover the risks of seizure or other deprivation by measures of authorities.

17.2 Underwriters remain liable for a loss caused by a court order or by the enforcement thereof, provided they have to indemnify the Assured for the claim brought forward against him in the course of the legal proceedings.

18. Pollution Hazard

This insurance includes loss of or damage to the vessel directly caused by any governmental authority acting under the sovereign power to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from a peril covered under this policy, provided such act of governmental authority has not resulted from want of due diligence by the Assured whilst preventing or mitigating such hazard or threat.

19. Nuclear Energy

19.1 Underwriters are not liable for third party liability claims caused by radioactive materials.
19.2 Underwriters also do not cover loss or damage if the German regulations or the rules and instructions of the classification society for the carriage of radioactive material have been violated and the loss or damage is due to such violation.
Underwriters shall not be discharged from liability if the Assured proves that he has complied with the foregoing regulations, rules and instructions and has performed everything necessary to secure the observance thereof during the carriage or neither knew nor ought to have known of such carriage.

In case of loading of radioactive materials in a foreign port under regulations existing in such a port, the Assured has the option of complying either with these regulations or with the German regulations.

19.3 Underwriters are discharged from liability to such extent as the Assured receives or would receive compensation from a third party if this insurance had not been effected.

20. Machinery

20.1 The term "machinery" includes in particular:
The main propulsion installation with shaft and propeller, auxiliary aggregates, pumps, refrigerating installations, deck engines and associated equipment, but with the exception of pipes with fittings, as well as storage tanks, service tanks and associated equipment.
20.2 Article 65 ADS is replaced by the following provision:
The insurance covers loss of or damage to the machinery of the vessel proximately caused by
- insured perils
- latent defect due to a material or manufacturing fault
- error or defect in construction, breakage of a shaft.

The insurance does not cover loss or damage resulting from gross neglect of the insured installations over a lengthy period of time.
20.3 Additional deduction applying to machinery damage caused by negligence
In the event of a claim for loss of or damage to the machinery recoverable under this insurance and attributable in part or in whole to negligence of the master, officers or crew, the Assured shall, in addition to the deductibles agreed, also bear in respect of each accident or occurrence

an amount equal to 10 % of the balance of such claim. This deduction shall be limited to 1 % of the hull value, maximum
DM 100 000

21. Deductible

21.1 Article 34 ADS is replaced by the following provision:
A deductible will be agreed in each case.

21.2 The deductible will apply to each occurrence of damage. Claims for damage by heavy weather or ice occurring during a single sea-passage between two successive ports shall be treated as being due to one accident.

21.3 The deductible will not apply:
- in the event of total loss and equivalent cases as per Article 123, first sentence, ADS
- to general average contributions
- to sacrifices
- to third party claims
- to expenses as per Article 32, Section 1, Subsections 1 and 2, ADS.

21.4 Deductions according to Ice Clauses will apply additionally.

22. Ice Damage

In case of damage by ice, the Ice Clauses - according to the ice class of the vessels - will apply.

23. Seaworthiness

Article 58 ADS is replaced by the following provision:

23.1 Underwriters are not liable for loss or damage resulting from the vessel having put to sea in a state of unseaworthiness, especially from her not having been properly equipped, manned, or loaded, or without the documents necessary for the vessel, the crew, or her cargo, or without the highest class of a recognized classification society and without the sailing permission certificate of the See-Berufsgenossen schaft (Board of Ship Safety and Social Security) or if under foreign flag - of the competent authority.

23.2 This provision shall not apply if the unseaworthiness is due to reasons beyond the control of the Assured.

24. Bail

If the Assured is under obligation to provide security for an insured loss, or if the provision of security for such a loss is necessary in order to prevent impending arrest, Underwriters will undertake to issue a guarantee in accordance with the conditions of the policy or to pay the required amount to be deposited.

25. Evidence of Loss

In the event of loss or damage being investigated by a German Maritime Court or by a similar foreign authority, Underwriters prior to the payment of an indemnity shall be entitled to request the presentation of the final verdict of the Maritime Court or the decision of the foreign authority.
In cases of total loss and missing vessel, the payment of indemnity is subject to the presentation of such document.

26. Loss arising from delay in payment

In the event of dispute between Underwriters and the Assured being settled by a legal court or by a court of arbitration, Underwriters - apart from their liability for interest as provided for by law- shall not be liable to the Assured for any loss arising from delay in payment unless Underwriters have delayed the fulfilment of their obligations willfully.

27. Wear and Tear

Article 59 ADS is replaced by the following provision:

27.1 Underwriters are not liable for loss or damage caused by ordinary wear and tear, or by age, by rot, rust, corrosion, worms or cavitation.
27.2 If the loss or damage may be attributed partly to one or more causes enumerated in

Clause 27.1 and partly to an insured peril, Underwriters will indemnity proportionately to such extent as the peril insured against was contributory. This does not apply if an insured peril was the proximate cause of the loss or damage.

28. Deductions "new for old"

Deductions in respect of loss or damage specified in Article 75, Section 3, Subsection 1 and Article 76, Sections 1-8, ADS, will not apply.

29. Bottom Painting

Underwriters will indemnify the costs of painting caused by the insured damage. The costs of scraping and toxic painting shall be paid in proportion to the time, which corresponds to the remaining period of the paint's durability.

30. Tenders

30.1 On presentation of repair offers by the Assured in accordance with Article 75, Section 1, ADS, Underwriters may immediately
- request that the Assured obtains further offers for the repair of the vessel; Underwriters may also obtain such offer themselves (Tendering) ;
- request 'hat the vessel be moved to another place for final repair;
- reject the place of repair or the repair yard chosen by the Assured.

30.2 Underwriters will pay compensation to the Assured for the time lost solely as the result of tenders taken in accordance with Clause 30.1. Such an allowance shall only be granted if the repair is carried out in accordance with a tender accepted by Underwriters.
30.3 The tender allowance per day amounts to 1/365 of 30 % of the sum insured of the vessel.
30.4 Any amount recovered by the Assured for the same period as above
- in respect of fuel, stores, wages and maintenance allowed in general average or on account of the Ballast Ship Clause or in accordance with Article 75, Section 4, ADS
- resulting from a legal or contractual claim against third parties shall be deducted from the tender allowance.
30.5 If, contrary to the request of Underwriters, the Assured does not obtain tenders or fails to give Underwriters the opportunity of proceeding in accordance with Clause 30.1, Underwriters' indemnity payment will be reduced by 15 % of the ascertained claim recoverable under the policy.
30.6 If, despite obtaining tenders, the offer approved by Underwriters is not accepted, Underwriters' indemnity shall be limited to such offer plus the costs saved.

31 Missing Vessel

31.1 In the case of a missing vessel, the period of time for the presumption of an actual loss shall be two months as from the day on which the last news about the vessel was received.
31.2 A claim against Underwriters shall be deemed to have arisen at the day on which the last news about the vessel was received.

32. Transfer of Title

In alteration of Articles 71-73 ADS Underwriters are entitled to decide whether all rights and remedies of the Assured in respect of the vessel shall be transferred to them.
If Underwriters do not exercise such option until acceptance of the claim, these rights shall not be transferred.

33. Repair - Indemnity without repair

33.1 It is a prerequisite to the Assured's claim for compensation that the repairs be carried out. Article 75, Section 5, ADS, remains unaffected.
33.2 If, subsequent to damage occurred, the vessel obtains a certificate of seaworthiness from the competent classification society, in alteration of Article 75, Section 1, ADS, the repair may be deferred, provided that the damage is ascertained immediately.
33.3 Underwriters are not liable for any increased expenditure resulting from deferred repair.

33.4 Clause 28 shall apply to an indemnity payment as per Article 75, Section 5, ADS.

34. Liability to Third Parties

34.1 Article 78 ADS is replaced by the following provision:
341.1 Underwriters will indemnify the Assured for third party liability claims based on legal regulations and caused by movements of the vessel or by any navigational measures directly connected therewith.

34.1.2 In the event of towage of the insured vessel, Underwriters will indemnify the Assured in accordance with Clause 34.1.1 also in cases where the liability of the Assured is based on the conditions of the Towage Contract, provided the Assured's liability as defined in the conditions of the Towage Contract is in accordance with local custom and further provided tug and tow formed one nautical unit at the time the loss or damage occurred.
34.1.3 The insurance also covers loss of or damage to property of a shipyard in accordance with Clause 34.1.1 provided the Assured is liable as per conditions of the Dock and Repair Contract and further provided the Assured's liability as defined in the conditions of such contract is in accordance with local custom.
34.1.4 In the event of loss or damage caused by spillage of cargo or bunker supplies, Underwriters shall only be liable if such loss or damage was proximately caused by collision of the insured vessel with another vessel and resulted in loss of or damage to such other vessel or property on board of such other vessel.
34.1.5 Underwriters are not liable for
- loss of life or injury of persons
- loss of or damage to property on board of the insured vessel
- liabilities of the assured to reimburse the non-carrying vessel because of loss of or damage to cargo carried on board of the insured vessel under the “both-to-blame" principle.
34.1.6 In alteration of Article 37 AIDS Underwriters are separately liable for third party liability claims up to the amount of the sum insured as if separately insured.
341.7 In the case of joint liability of the freight interest indemnity payments will be made in the proportion, which the hull value bears to the total amount of the hull value plus the freight interest.

The hull valuation shall be considered as being the insurable value of the hull. If a Partial Liability Clause has been agreed, this clause shall apply accordingly.

34.2 With regard to Underwriters' indemnity payment in cases of salvage, assistance and third party liability claims, vessels and other property of the Assured will be treated as being the property of a third party.

35. General Average

35.1 If the adjustment is agreed in accordance with the York-Antwerp Rules, the version of 1974 shall be applicable in case of doubt.

35.2 Article 62 ADS shall not apply if the loading on deck was customary.

35.3 If the vessel sails without cargo or with owner's cargo only, the policy conditions in respect of general average as well as the York-Antwerp Rules 1974, with the exception of Rules XX and XXI, shall apply accordingly.

35.4 if, on ballast voyages, the value of the vessel exceeds the sum insured at the end of such voyage, Underwriters shall indemnify only in proportion. The value shall be assessed by experts in accordance with Article 74 ADS.

35.5 Article 63 ADS shall not apply.

GRIEVANCE CLAUSE :

1. Notices :

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, to-
In Your case, at the last known address specified in the Schedule
In Our case:
ICICI Lombard General Insurance Company Limited
ICICI Lombard House
414, Veer Savarkar Marg
Near Siddhi Vinayak Temple
Prabhadevi, Mumbai 400 025

2. Customer Service :

If at any time You require any clarification or assistance, You may contact any of Our offices at the address specified, during normal business hours.

3. Grievances :

In case You are aggrieved in any way, You should do the following:

1. Call Us at toll free number: 1800 2 666 or email us at customersupport@icicilombard.com
2. If You are not satisfied with the resolution then You may subsequently write to the manager- service quality, corporate manager- service quality, national manager- operations & finally director-services and business development at the following address:

ICICI Lombard General Insurance Company Limited
ICICI Lombard House
414, Veer Savarkar Marg
Near Siddhi Vinayak Temple,
Prabhadevi, Mumbai 400 025

4. Insurance Ombudsman :

You can also approach the Insurance Ombudsman, depending on the nature of grievance and the financial implication, if any. Information about Insurance Ombudsmen, their jurisdiction and powers is available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at www.irdai.gov.in, or of the General Insurance Council at www.generalinsurancecouncil.org.in, the Consumer Education Website of the IRDAI at http://www.policyholder.gov.in, or from any of Our Offices.

The details of Insurance Ombudsman are available below:-

S no.	Name of office of insurance Ombudsman	Territorial Area of jurisdiction

1	AHMEDABAD Shri Kuldip Singh, Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@cioins.co.in	Gujarat, Dadra & Nagar Haveli, Daman and Diu.
2	BENGALURU Mr. Vipin Anand, Office of the Insurance Ombudsman, Jeevan Soudha Building,PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, Ist Phase, Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@cioins.co.in	Karnataka
3	BHOPAL Shri R. M. Singh Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@cioins.co.in	Madhya Pradesh, Chattisgarh.
4	BHUBANESHWAR Shri Suresh Chandra Panda, Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.: 0674 - 2596461 /2596455 Fax: 0674 - 2596429 Email: bimalokpal.bhubaneswar@cioins.co.in	Odisha.
5	CHANDIGARH Mr. Atul Jerath, Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@cioins.co.in	Punjab, Haryana (excluding Gurugram, Faridabad, Sonepat and Bahadurgarh), Himachal Pradesh, Union Territory of Jammu & Kashmir, Ladakh & Chandigarh.
6	CHENNAI Shri Segar Sampathkumar, Office of the Insurance Ombudsman,	Tamil Nadu, Pondicherry Town and Karaikal (which are part of

	Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@cioins.co.in	Pondicherry).
7	DELHI Shri Sudhir Krishna, Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 - 23232481/23213504 Email: bimalokpal.delhi@cioins.co.in	Delhi & following District of Haryana – Gurugram, Faridabad, Sonepat and Bahadurgarh
8	ERNAKULAM Shri G Radhakrishnan Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, Lakshadweep, Mahe-a part of Puducherry.
9	GUWAHATI Shri Somnath Ghosh, Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2632204 / 2602205 Email: bimalokpal.guwahati@cioins.co.in	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.
10	HYDERABAD Shri N Sankaran Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 67504123 / 23312122 Fax: 040 – 23376599 Email: bimalokpal.hyderabad@cioins.co.in	Andhra Pradesh, Telangana, Yanam and Part of Territory of Puducherry.
11	JAIPUR Shri Rajiv Dutt Sharma, Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 Email: Bimalokpal.jaipur@cioins.co.in	Rajasthan.
12	KOLKATA	West Bengal,

	Shri P K Rath, Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in	Sikkim, Andaman & Nicobar Islands.
13	LUCKNOW Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email: bimalokpal.lucknow@cioins.co.in	Districts of Uttar Pradesh : Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhabdra, Fatehpur, Pratapgarh, Jaunpur,Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
14	MUMBAI Shri Bharatkumar S. Pandya Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106552 / 26106960 Fax: 022 - 26106052 Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region Excluding (Navi Mumbai & Thane).
15	NOIDA Shri Chandra Shekhar Prasad, Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in	State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur
16	PATNA Shri N. K Singh Office of the Insurance Ombudsman, 1st Floor,Kalpana Arcade Building,, Bazar Samiti Road, Bahadurpur, Patna 800 006.	Bihar, Jharkhand.

	Tel.: 0612-2680952 Email: bimalokpal.patna@cioins.co.in	
17	PUNE Shri Vinay Sah Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020-41312555 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane (excluding Mumbai Metropolitan Region).

The updated details of Insurance Ombudsman are available on IRDA website:www.irdaindia.org, on the website of General Insurance Council:www.generalinsurancecouncil.org.in, website of the Company www.icicilombard.com or from any of the offices of the Company.

5. COMPANY CONTACT DETAILS:-
Toll-free number: 1800-2-666
You may also write to us at the following address:
Postal Address:
ICICI Lombard General Insurance Company Limited
ICICI Lombard House
414, Veer Savarkar Marg
Near Siddhi Vinayak Temple,
Prabhadevi, Mumbai 400 025
E-mail: customersupport@icicilombard.com

Note :
In case of renewal of the policy, policy benefit and terms & conditions of policy including premium may be subject to change.

PART III OF SCHEDULE

Standard Terms And Conditions
1. Incontestability and Duty of Disclosure The policy shall be null and void and no benefit shall be payable in the event of untrue or incorrect statements, misrepresentation, misdescription or non-disclosure in any material particular in the proposal form, personal statement, declaration and connected documents, or any material information having been withheld, or a claim being fraudulent or any fraudulent means or devices being used by the Insured or any one acting on his behalf to obtain any benefit under this policy.
2. Reasonable Care The Insured shall take all reasonable steps to safeguard the interests of the Insured against accidental loss, or damage that may give rise to the claim.
3. Observance of terms and conditions The due observance and fulfillment of the terms, conditions and endorsements of this policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability of the Company to make any payment under this policy.
4. Material change The Insured shall immediately notify the Company by fax and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require to ensure safe operation of the Insured items or trade or business practices thereby containing the circumstances that may give rise to the claim and the Company may, adjust the scope of cover and / or premium, if necessary, accordingly.
5. Records to be maintained The Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each period of insurance furnish such information as the Company may require.
6. No constructive Notice Any of the circumstances in relation to these conditions coming to the knowledge of any official of the Company shall not be the notice to or be held to bind or prejudicially affect the Company notwithstanding subsequent acceptance of any premium.
7. Notice of charge etc. The Company shall not be bound to notice or be affected by any notice of any trust, charge, lien, assignment or other dealing with or relating to this policy but the receipt of the Insured or his legal personal representative shall in all cases be an effectual discharge to the company.
8. Special Provisions Any special provisions subject to which this policy has been entered into and endorsed in the policy or in any separate instrument shall be deemed to be part of this policy and shall have effect accordingly.
9. Overriding effect of Part II of the Schedule The terms and conditions contained herein and in Part II of the Schedule shall be deemed to form part of the policy and shall be read as if they are specifically incorporated herein; however, in case of any inconsistency of any term and condition with the scope of cover contained in Part II of the Schedule, then the term(s) and condition(s) contained herein shall be read mutatis mutandis with the scope of cover/terms and conditions contained in Part II of the Schedule and shall be deemed to be modified accordingly or superseded in case of inconsistency being irreconcilable.

10. Electronic Transactions The Insured agrees to adhere to and comply with all such terms and conditions as the Company may prescribe from time to time, and hereby agrees and confirms that all transactions effected by or through facilities for conducting remote transactions including the Internet, World Wide Web, electronic data interchange, call centers, teleservice operations (whether voice, video, data or combination thereof) or by means of electronic, computer, automated machines network or through other means of telecommunication, established by or on behalf of the Company, for and in respect of the policy or its terms, or the Company's other products and services, shall constitute legally binding and valid transactions when done in adherence to and in compliance with the Company's terms and conditions for such facilities, as may be prescribed from time to time. The Insured agrees that the Company may exchange, share or part with any information to or with other ICICI Group Companies or any other person in connection with the Policy, as may be determined by the Company and shall not hold the Company liable for such use/application.

11. Duties of the Insured on occurrence of loss On the occurrence of any loss, within the scope of cover under the policy the Insured shall:

(i) Forthwith file/submit a Claim Form in accordance with Claim Procedure Clause as provided in Part II of the Schedule

(ii) Allow the Surveyor or any agent of the Company to inspect the lost/damaged properties/premises/goods or any other material items, as per the Right to Inspect Clause as provided in this Part.

(iii) Assist and not hinder or prevent the Company or any of its agents in pursuance of their duties under Rights of the Company On Happening Of Loss Or Damage Clause as provided in this Part.

(iv) Not abandon the insured property/item/premises, nor take any steps to rectify/remedy the damage before the same has been approved by the Company or any of its agents or the Surveyor. If the Insured does not comply with the provisions of this Clause or other obligations cast upon the Insured under this policy, in terms of the other clauses referred to herein or in terms of the other clauses in any of the policy documents, all benefits under the policy shall be forfeited, at the option of the Company.

12. Rights of the Company on happening of loss or damage: On the happening of loss or damage, or circumstances that have given rise to a claim under this policy, the Company may:

(i) enter and/or take possession of the insured property, where the loss or damage has happened

(ii) take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage

(iii) keep possession of any such property and examine, sort, arrange, remove or other wise deal with the same; and /or,

(iv) sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the policy, or if any claim is made, until such claim is finally determined or withdrawn. The Company shall not by any act done in the exercise or purported exercise of its powers hereunder incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this policy in answer to any claim.

If the Insured or any person on his behalf shall not comply with the requirement of the Company, or shall hinder or obstruct the Company in the exercise of the powers hereunder, all benefits under the policy shall be forfeited at the option of the Company

13. Right to inspect If required by the Company, an agent/representative of the Company including a loss assessor or a Surveyor appointed in that behalf shall in case of any loss or any circumstances that have given rise to the claim to the Insured be permitted at all reasonable times to examine into the circumstances of such loss. The Insured shall on being required so to do by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss or such circumstance in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims or will in any way assist the Company to ascertain in the correctness thereof or the liability of the Company under the policy.
14. Indemnity The Company may at its option, if applicable reinstate, replace or repair the property or premises lost or damaged or any part thereof instead of paying the amount of loss or damage or may join with any other insurer in so doing. The Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage and in any event not more than the sum Insured thereon. If in any case the Company shall be unable to reinstate or repair the insured property/item hereby insured, because of any law or other regulations in force affecting insured property or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite under the policy.
15. Subrogation In the event of payment under this policy, the Company shall be subrogated to all the Insured’s rights or recovery thereof against any person or organisation, and the Insured shall execute and deliver instruments and papers necessary to secure such rights. The Insured and any claimant under this policy shall at the expense of the Company do and concur in doing and permit to be done, all such acts and things as may be necessary or required by the Company, before or after Insured’s indemnification, in enforcing or endorsing any rights or remedies, or of obtaining relief or indemnity, to which the Company shall be or would become entitled or subrogated.
16. Contribution If at the time of the happening of any loss or damage covered by this policy, there shall be existing any other insurance of any nature whatsoever covering the same, whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its rateable proportion of any loss or damage.
17. Fraudulent claims If any claim is in any respect fraudulent, or if any false statement, or declaration is made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this policy, or if a claim is made and rejected and no court action or suit is commenced within twelve months after such rejection or, in case of arbitration taking place as provided therein, within twelve (12) calendar months after the Arbitrator or Arbitrators have made their award, all benefits under this policy shall be forfeited.
18. Cancellation/termination The Company may at any time, cancel this policy, by giving 7 days notice in writing by Registered post/Acknowledgement Due post to the Insured at his last known address in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation. The Insured may also give 7 days notice in writing, to the Company, for the cancellation of this policy, in which case the Company shall cancel the policy from the date of receipt of notice and retain the premium for the period this policy has been in force at the Company’s short period scales.
19. Cause of Action/ Currency for payments No Claims shall be payable under this policy unless the cause of action arises in India, unless otherwise specifically provided in Part II of the Schedule to this policy. All claims shall be payable in India in Indian currency only.

20. Policy Disputes Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained herein is understood and agreed to by both the Insured and the Company to be subject to Indian Law. Each party agrees to submit to the exclusive jurisdiction of the High Court of Mumbai and to comply with all requirements necessary to give such Court the jurisdiction. All matters arising hereunder shall be determined in accordance with the law and practice of such Court.
21. Renewal notice The Company shall not be bound to accept any renewal premium nor give notice that such is due. Every renewal premium (which shall be paid and accepted in respect of this policy) shall be so paid and accepted upon the distinct understanding that no alteration has taken place in the facts contained in the proposal or declaration herein before mentioned and that nothing is known to the Insured that may result to enhance the risk of the company under the guarantee hereby given. No renewal receipt shall be valid unless it is on the printed form of the Company and signed by an authorised official of the Company.
22. Notices Any notice, direction or instruction given under this policy shall be in writing and delivered by hand, post, or facsimile to In case of the Insured, at the address specified in Part 1 of the Schedule.
In case of the Company:
ICICI Lombard General Insurance Company Limited
ICICI Lombard House, 414,
Veer Savarkar Marg, Near Siddhi Vinayak Temple,
Prabhadevi, Mumbai – 400 025 Maharashtra.
Notice and instructions will be deemed served 7 days after posting or immediately upon receipt in the case of hand delivery, facsimile or e-mail.
23. Customer Service If at any time the Insured requires any clarification or assistance, the Insured may contact the offices of the Company at the address specified, during normal business hours.
24. Grievances In case the Insured is aggrieved in any way, the Insured may contact the Company at the specified address, during normal business hours.