

HULL & MACHINERY – OTHER CLAUSES

SMALL GENERAL AVERAGE CLAUSE UP TO USD 20,000

Provided always subject to terms, conditions and deductibles of the policy, it is hereby understood and agreed in the event that the Owners do not claiming General Average Contribution from the cargo owners or other interests this insurance is to pay the whole of General Average (expenditures) up to maximum USD 20,000 any one accident or occurrence

CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE.

A person who is not a party to this insurance policy shall have no right under the Contracts (Rights of Third Parties) Act 1999 (UK) or other substantively similar legislation, to enforce any of its terms.

ABSOLUTE ASBESTOS EXCLUSION CLAUSE

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

INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION (CL 370) 10/11/2003

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

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - 1.3 any weapon of war employing atomic or nuclear fission and or fusion or other like reaction or radioactive force of matter.
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.
 - 1.5 any chemical, biological, bio-chemical or electromagnetic weapon
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INSTITUTE CYBER ATTACK EXCLUSION CLAUSE (CL 380) 10/11/2003

- 1.1 Subject only to Clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any electronic system.
- 1.2 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 1.1. Shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system computer software programme, or any electronic system in the launch and/o guidance system and/or firing mechanism of any weapon or missile.

DEFERRED PREMIUM CLAUSE

Notwithstanding that this policy is issued as a contract for a period of twelve months, it is hereby understood and agreed that the premium shall be payable in the following circumstances:

As per schedule

Nevertheless it is further understood and agreed that in the event of any installment not being paid on its due date, the cover afforded by this policy shall be deemed to have ceased at midnight on such due date.

In the event of a claim arising hereunder exceeds the installment premium paid on this policy, the installment of premium then outstanding shall become due and payable forthwith.

FULL PREMIUM IF LOSS CLAUSE

It is understood and agreed that in the event of the claim arising hereunder adjustable on the basis of a Total Loss the Full Annual Premium less the amount of premium already paid, shall become due and payable forthwith.

NO LAY UP RETURN PREMIUM

1. No premium shall be returned if the vessel is laid up not under repair in a port or in a lay-up area provided such port or lay-up area is approved by Underwriters.
2. The vessel is not considered as under repair when work is undertaken in respect of ordinary wear and tear or following recommendations from the Classification Society.
3. Provided always that :
 - a. A total loss has not occurred during the period of this insurance
 - b. No return is allowed when the vessel is lying in exposed or unprotected waters or in a port or lay-up area not approved by Underwriters.
 - c. No return is allowed when the vessel is being used for the storage of cargo or for lightering purpose.

PART REMOVED CLAUSE

This insurance also specially covers against all risks of loss or damage to any part of the hull, machinery, or inventory whilst removed or taken out for overhaul or repair, in a repair yard (including their subcontractor's premises) whilst on quays, pontoons, crafts and the like or elsewhere including transit to and from the vessel.

LEASED EQUIPMENT CLAUSE

This insurance is extended to cover loss of or damage to equipment and apparatus not owned by the Assured but installed for use on the Vessel and for which the Assured has assumed contractual liability, whether such equipment or apparatus be in nature of aids to navigation or communication or otherwise and where such loss or damage is caused by the peril insured under this insurance, subject in all other respects to its terms, conditions and exclusions. In no event shall the liability of the Underwriters exceed the lesser of the contractual liability of the Assured for loss of or damage to such equipment or apparatus or its replacement value. All such equipment and apparatus shall be included in the insured value of the vessel.

PILOT NON – LIABILITY CLAUSE

This insurance shall not be prejudiced by reason of any agreement limiting or exempting the liability of pilots and/or tugs and/or tow boats and/or their owners when the Assured and/or Charterers accept such contracts in accordance with established local practice or are compelled to accept such contracts.

PAYMENT ON ACCOUNT CLAUSE

It is hereby declared and agrees that payment on account of any loss recoverable under this policy will be promptly made by the Insurers to the Insured if so desired by the Insured, provided that such payment are deducted from the finally agreed claim settlement figures.

WAIVER OF SUBROGATION CLAUSE

Any claimant under this policy shall at the request and at the expense of the underwriters do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by underwriters for the purpose of endorsing any rights and remedies of things which shall be or become necessary or required before or after indemnification by the underwriters. The rights of subrogation against affiliated and/or individual companies connected therewith is hereby waived.

Helicopter Non Liability Clause

It is agreed that the practice of engaging helicopters for transportation of personnel equipment etc shall not prejudice this insurance in any way.

COLLISION AND TOWER'S LIABILITY

And it further agreed that:

- (a) if the Vessel hereby insured shall come into collision with any other vessel, floating or otherwise (including her tow); or shall strand her tow or shall cause her tow to come into collision with any other vessel, craft or structure, floating or otherwise, or shall cause any other loss or damage to her tow or to the freight thereof or to the property on board, and Assured, or the Surety, in consequence of the insured Vessel being at fault, shall become liable to pay and shall pay by way of damages to any other person or persons any sum or sums, we, the underwriters, will pay the Assured or the surety, whichever shall have paid, such proportion of such sum or sums so paid as our subscriptions hereto bear to the value of the vessel hereby insured, provided always that our liability in respect of any one such casualty shall not exceed our proportionate part of the vessel hereby insured;
- (b) in cases where the liability of the vessel has contested or proceedings have been taken to limit liability with the consent in writing, of a majority (in amount) of the underwriters on the hull and machinery, we will also pay a like proportion of the cost which the assured shall thereby incur or be compelled to pay.

When both vessels are to blame, then unless the liability of the liability of the Owners of one or both of such vessels becomes limited by law, claims under the collision and tower's liability clause shall be settled on the principle of cross-liabilities, as if the owners of each vessel had been compelled to pay to the Owners of the other of such vessels such one half or other proportion of the latter's as many have been properly allowed in ascertaining the balance or sum payable by or to the assured in consequence of such casualty.

It is hereby further agreed that the principles involved in this clause shall apply to the case where two or more of the vessels involved are the property, in part in whole, of the same assured, all questions of responsibility and amount of liability as between such vessels being left to the decision of a single arbitrator, if the parties can agree upon a single arbitrator or failing such agreement, to the decision of arbitrators, one to be appointed by the assured and one to be appointed by a majority (in amount) of the underwriters on hull and machinery ; the two of such three arbitrators, appointed as above, to be final and binding.

Provided always that this collision and towage liability clause shall in no case extend to any sum which the assured or the surety may become liable to pay, or shall pay.

- I. for loss damage or expense to vessel(s) in two owned (other than vessel(s) bareboat chartered to others, bareboat chartered, managed or operated by the assured, and / or its affiliated and / or subsidiary companies and/or corporations, and to cargo, owned by the assured and/or its affiliated and/or subsidiary companies and/or corporations, on board vessel hereby insured: or
- II. .in consequence of, with respect to, or arising out of:
 - a. Removal or disposal of obstructions, wrecks or their cargoes under statutory powers or otherwise pursuant to law;
 - b. Cargo, baggage or engagements of the insured vessel;
 - c. Loss of life, personal injury or illness;
 - d. The discharge, spillage, emission or leakage of oil, petroleum products, chemicals or substances of kind or description whatsoever.

Provided, further that exclusion II(d) shall not apply to actual physical loss of or damage to such substances (if liability therefore is otherwise covered under the attached policy) except to the extent that such loss or damage or arises out of any action take avoid, minimize or remove any discharge, spillage, emission or leakage described in exclusion II(d).
