

TOKIO MARINE NICHIDO HULL INSURANCE CLAUSES

No clauses contained in this
“TOKIO MARINE NICHIDO HULL INSURANCE CLAUSES”
shall be applicable, unless the reference to such clauses is specifically
made as applicable in the Policy or Endorsement



Tokio Marine & Nichido Fire Insurance Co.,Ltd.

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I CLAUSES

(1) TIME RISKS

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE TIME CLAUSES HULLS (4/4 THS COLLISION LIABILITY)

DELETED

~~This insurance is subject to English law and practice~~

1	NAVIGATION	1
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.	2 3 4 5 6 7
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.	8 9 10 11 12 13
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.	14 15 16 17 18 19
2	CONTINUATION	20
	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.	21 22 23
3	BREACH OF WARRANTY	24
	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.	25 26 27
4	TERMINATION	28
	This Clause 4 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.	29 30
	Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of	31
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,	32 33 34 35 36 37 38
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.	39 40 41 42 43 44 45
	A pro rata daily net return of premium shall be made.	46

(Continued)

5	ASSIGNMENT	47
	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.	48 49 50 51
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	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.	74 75 76 77 78 79
8	3/4THS * COLLISION LIABILITY	80
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	81 82 83
8.1.1	loss of or damage to any other vessel or property on any other vessel	84
8.1.2	delay to or loss of use of any such other vessel or property thereon	85
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.	86 87 88 89
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:	90 91
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.	92 93 94 95 96
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.	97 98
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.	99 100 101
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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	103 104
8.4.1	removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever	105
8.4.2	any real or personal property or thing whatsoever except other vessels or property on other vessels	106
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* four-fourths

8.4.4	loss of life, personal injury or illness	108
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).	109
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9	SISTERSHIP	111
	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.	112 113 114 115 116
10	NOTICE OF CLAIM AND TENDERS	117
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.	118 119 120
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.	121 122 123 124
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.	125 126 127 128 129 130 131 132 133 134 135 136 137
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.	138 139
11	GENERAL AVERAGE AND SALVAGE	140
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.	141 142 143
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.	144 145 146
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.	147 148 149 150 151 152
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.	153 154
12	DEDUCTIBLE	155
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 <i>as in Schedule</i> 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.	156 157 158 159 160 161 162
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	163 164 165

* of the Company

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.	166 167 168
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.	169 170 171
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.	172 173 174 175
13 DUTY OF ASSURED (SUE AND LABOUR)	176
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.	177 178 179
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.	180 181 182 183
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.	184 185 186
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.	187 188 189 190 191 192 193
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.	194 195 196 197 198 199 200
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.	201 202 203
14 NEW FOR OLD	204
Claims payable without deduction new for old.	205
15 BOTTOM TREATMENT	206
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	207 208
15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,	209 210
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,	211 212 213 214
15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,	215 216
shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.	217
16 WAGES AND MAINTENANCE	218
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	219 220 221

for such wages and maintenance as are incurred whilst the Vessel is under way.	222
17 AGENCY COMMISSION	223
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.	224 225 226 227
18 UNREPAIRED DAMAGE	228
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.	229 230 231
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.	232 233 234
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.	235 236
19 CONSTRUCTIVE TOTAL LOSS	237
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.	238 239 240
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.	241 242 243 244
20 FREIGHT WAIVER	245
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.	246 247
21 DISBURSEMENTS WARRANTY	248
21.1 Additional insurances as follows are permitted:	249
21.1.1 <i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	250 251
21.1.2 <i>Freight, Chartered Freight or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 21.1.1.	252 253
21.1.3 <i>Freight or Hire, under contracts for voyage.</i> 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.	254 255 256 257 258 259 260 261
21.1.4 <i>Anticipated Freight if the Vessel sails in ballast and not under Charter.</i> 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.	262 263 264 265
21.1.5 <i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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.	266 267 268 269 270 271 272
21.1.6 <i>Premiums.</i> 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.	273 274 275 276
21.1.7 <i>Returns of Premium.</i> 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.	277 278 279
21.1.8 <i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 23, 24, 25 and 26 below.	280 281
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.,	282 283

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.	284 285 286 287
22 RETURNS FOR LAY-UP AND CANCELLATION	288
22.1 To return as follows:	289
22.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.	290
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)	291 292 293
(a) <i>as arranged</i> per cent net not under repair	294
(b) <i>as arranged</i> per cent net under repair.	295
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.	296 297
22.2 PROVIDED ALWAYS THAT	298
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	299 300
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	301 302 303 304 305 306 307
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	308 309 310
22.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	311 312
22.2.5 in the event or 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.	313 314 315 316 317 318 319
The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	320 321
23 WAR EXCLUSION	322
In no case shall this insurance cover loss damage liability or expense caused by	323
23.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	324 325
23.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	326 327
23.3 derelict mines torpedoes bombs or other derelict weapons of war.	328
24 STRIKES EXCLUSION	329
In no case shall this insurance cover loss damage liability or expense caused by	330
24.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	331 332
24.2 any terrorist or any person acting from a political motive.	333
25 MALICIOUS ACTS EXCLUSION	334
In no case shall this insurance cover loss damage liability or expense arising from	335
25.1 the detonation of an explosive	336
25.2 any weapon of war	337
and caused by any person acting maliciously or from a political motive.	338

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.

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INSTITUTE TIME CLAUSES HULLS

DELETED

~~This insurance is subject to English law and practice~~

1	NAVIGATION	1
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.	2 3 4 5 6 7
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.	8 9 10 11 12 13
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.	14 15 16 17 18 19
2	CONTINUATION	20
	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.	21 22 23
3	BREACH OF WARRANTY	24
	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.	25 26 27
4	TERMINATION	28
	This Clause 4 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.	29 30
	Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of	31
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,	32 33 34 35 36 37 38
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.	39 40 41 42 43 44 45
	A pro rata daily net return of premium shall be made.	46
5	ASSIGNMENT	47
	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.	48 49 50 51

6	PERILS	52
6.1	This insurance covers loss of or damage to the subject-matter insured caused by	53
6.1.1	perils of the seas rivers lakes or other navigable waters	54
6.1.2	fire, explosion	55
6.1.3	violent theft by persons from outside the Vessel	56
6.1.4	jettison	57
6.1.5	piracy	58
6.1.6	breakdown of or accident to nuclear installations or reactors	59
6.1.7	contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	60
6.1.8	earthquake volcanic eruption or lightning.	62
6.2	This insurance covers loss of or damage to the subject-matter insured caused by	63
6.2.1	accidents in loading discharging or shifting cargo or fuel	64
6.2.2	bursting of boilers breakage of shafts or any latent defect in the machinery or hull	65
6.2.3	negligence of Master Officers Crew or Pilots	66
6.2.4	negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	67
6.2.5	barratry of Master Officers or Crew,	68
	provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	69
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.	71
		72
7	POLLUTION HAZARD	73
	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.	74
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8	3/4THS COLLISION LIABILITY	80
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	81
		82
8.1.1	loss of or damage to any other vessel or property on any other vessel	83
8.1.1	loss of or damage to any other vessel or property on any other vessel	84
8.1.2	delay to or loss of use of any such other vessel or property thereon	85
8.1.3	general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,	86
	where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel.	87
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		89
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:	90
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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.	92
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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.	97
		98
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.	99
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		101
	EXCLUSIONS	102
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	103
		104
8.4.1	removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever	105
8.4.2	any real or personal property or thing whatsoever except other vessels or property on other vessels	106
8.4.3	the cargo or other property on, or the engagements of, the insured Vessel	107
8.4.4	loss of life, personal injury or illness	108
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).	109
		110
9	SISTERSHIP	111
	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	112
		113
		114

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.	115 116
10 NOTICE OF CLAIM AND TENDERS	117
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.	118 119 120
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.	121 122 123 124
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.	125 126 127 128 129 130 131 132 133 134 135 136 137
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.	138 139
11 GENERAL AVERAGE AND SALVAGE	140
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.	141 142 143
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.	144 145 146
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.	147 148 149 150 151 152
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.	153 154
12 DEDUCTIBLE	155
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 <i>as in Schedule</i> 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.	156 157 158 159 160 161 162
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.	163 164 165 166 167 168
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.	169 170 171

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.	172 173 174 175
13	DUTY OF ASSURED (SUE AND LABOUR)	176
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.	177 178 179
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.	180 181 182 183
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.	184 185 186
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 labours 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.	187 188 189 190 191 192 193
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.	194 195 196 197 198 199 200
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.	201 202 203
14	NEW FOR OLD	204
	Claims payable without deduction new for old.	205
15	BOTTOM TREATMENT	206
	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	207 208
15.1	gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,	209 210
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,	211 212 213 214
15.3	supplying and applying the first coat of primer /anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,	215 216
	shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.	217
16	WAGES AND MAINTENANCE	218
	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.	219 220 221 222
17	AGENCY COMMISSION	223
	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.	224 225 226 227

18 UNREPAIRED DAMAGE	228
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.	229 230 231
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.	232 233 234
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.	235 236
19 CONSTRUCTIVE TOTAL LOSS	237
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.	238 239 240
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.	241 242 243 244
20 FREIGHT WAIVER	245
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.	246 247
21 DISBURSEMENTS WARRANTY	248
21.1 Additional insurances as follows are permitted:	249
21.1.1 <i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	250 251
21.1.2 <i>Freight, Chartered Freight or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 21.1.1.	252 253
21.1.3 <i>Freight or Hire, under contracts for voyage.</i> 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.	254 255 256 257 258 259 260 261
21.1.4 <i>Anticipated Freight if the Vessel sails in ballast and not under Charter.</i> 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.	262 263 264 265
21.1.5 <i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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.	266 267 268 269 270 271 272
21.1.6 <i>Premiums.</i> 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.	273 274 275 276
21.1.7 <i>Returns of Premium.</i> 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.	277 278 279
21.1.8 <i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 23, 24, 25 and 26 below.	280 281
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.	282 283 284 285 286 287
22 RETURNS FOR LAY-UP AND CANCELLATION	288
22.1 To return as follows:	289
22.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.	290

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)	291 292 293
	(a) <i>as arranged</i> per cent net not under repair	294
	(b) <i>as arranged</i> per cent net under repair.	295
	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.	296 297
22.2	PROVIDED ALWAYS THAT	298
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	299 300
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	301 302 303 304 305 306 307
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	308 309 310
22.2.4	in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	311 312
22.2.5	in the event or 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.	313 314 315 316 317 318 319
	The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	320 321
23	WAR EXCLUSION	322
	In no case shall this insurance cover loss damage liability or expense caused by	323
23.1	war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	324 325
23.2	capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	326 327
23.3	derelict mines torpedoes bombs or other derelict weapons of war.	328
24	STRIKES EXCLUSION	329
	In no case shall this insurance cover loss damage liability or expense caused by	330
24.1	strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	331 332
24.2	any terrorist or any person acting from a political motive.	333
25	MALICIOUS ACTS EXCLUSION	334
	In no case shall this insurance cover loss damage liability or expense arising from	335
25.1	the detonation of an explosive	336
25.2	any weapon of war	337
	and caused by any person acting maliciously or from a political motive.	338
26	NUCLEAR EXCLUSION	339
	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.	340 341

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

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

DELETED

~~This insurance is subject to English law and practice~~

1	NAVIGATION	1
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.	2 3 4 5 6 7
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.	8 9 10 11 12 13 14
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.	15 16 17 18
2	CONTINUATION	19
	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.	20 21 22
3	BREACH OF WARRANTY	23
	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.	24 25 26
4	TERMINATION	27
	This Clause 4 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.	28 29
	Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of	30
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,	31 32 33 34 35 36 37
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.	38 39 40 41 42 43 44
	A pro rata daily net return of premium shall be made.	45
5	ASSIGNMENT	46
	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.	47 48 49 50

6	PERILS	51
6.1	This insurance covers total loss (actual or constructive) of the subject-matter insured caused by	52
6.1.1	perils of the seas rivers lakes or other navigable waters	53
6.1.2	fire, explosion	54
6.1.3	violent theft by persons from outside the Vessel	55
6.1.4	jettison	56
6.1.5	piracy	57
6.1.6	breakdown of or accident to nuclear installations or reactors	58
6.1.7	contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	59
6.1.8	earthquake volcanic eruption or lightning.	60
6.2	This insurance covers total loss (actual or constructive) of the subject-matter insured caused by	61
6.2.1	accidents in loading discharging or shifting cargo or fuel	62
6.2.2	bursting of boilers breakage of shafts or any latent defect in the machinery or hull	63
6.2.3	negligence of Master Officers Crew or Pilots	64
6.2.4	negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	65
6.2.5	barratry of Master Officers or Crew,	66
	provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	67
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.	68
6.4	This insurance covers:	69
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.	70
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.	71
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-fourths * 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.	72
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.	73
7	POLLUTION HAZARD	74
	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.	75
8	NOTICE OF CLAIM	76
	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.	77
9	CONSTRUCTIVE TOTAL LOSS	78
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.	79
9.2	No claim for constructive total loss based upon the cost of recovery and/or repair of the Vessel shall be	80

* four-fourths

** of the Company

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.	111 112 113
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.	114 115 116
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.	117 118
10 COMPROMISED TOTAL LOSS	119
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.	120 121 122
11 RETURNS FOR LAY-UP AND CANCELLATION	123
11.1 To return as follows:	124
11.1.1 Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.	125
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)	126 127 128
(a) <i>as arranged</i> per cent net not under repair	129
(b) <i>as arranged</i> per cent net under repair.	130
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.	131 132
11.2 PROVIDED ALWAYS THAT	133
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	134 135
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	136 137 138 139 140 141 142
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	143 144 145
11.2.4 in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	146 147
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.	148 149 150 151 152 153 154
The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	155 156
12 WAR EXCLUSION	157
In no case shall this insurance cover loss damage liability or expense caused by	158
12.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	159 160
12.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	161 162
12.3 derelict mines torpedoes bombs or other derelict weapons of war.	163
13 STRIKES EXCLUSION	164
In no case shall this insurance cover loss damage liability or expense caused by	165
13.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	166
13.2 any terrorist or any person acting from a political motive.	167

14 MALICIOUS ACTS EXCLUSION

168

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

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14.1 the detonation of an explosive

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14.2 any weapon of war

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

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15 NUCLEAR EXCLUSION

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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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1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE TIME CLAUSES - HULLS
TOTAL LOSS ONLY
(Including Salvage, Salvage Charges and Sue and Labour)
(Amended for Japanese Clauses Class No. 2 (4/90))

DELETED

~~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 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. 50
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6 PERILS 52

6.1 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by 53

6.1.1 perils of the seas rivers lakes or other navigable waters 54

6.1.2 fire, explosion DELETED 55

6.1.3 violent theft by persons from outside the Vessel 56

6.1.4 jettison 57

6.1.5 piracy DELETED 58

6.1.6 breakdown of or accident to nuclear installations or reactors 59

6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation 60
61

6.1.8 earthquake volcanic eruption or lightning. 62

6.2 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by 63

6.2.1 accidents in loading discharging or shifting cargo or fuel 64

6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull 65

6.2.3 negligence of Master Officers Crew or Pilots 66

6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder 67
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6.2.5 barratry of Master Officers or Crew, 69

provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers. 70
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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. 72
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~~7 POLLUTION HAZARD 74~~

~~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. 75
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8 NOTICE OF CLAIM 81

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. 82
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9 SALVAGE 85

9.1 This insurance covers the Vessel's proportion of salvage and salvage charges, reduced in respect of any under-insurance. 86
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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. 88
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10 SISTERSHIP 90

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. 91
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11 DUTY OF ASSURED (SUE AND LABOUR) 96

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. 97
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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. 100
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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. 103
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11.4 When expenses are incurred pursuant to this Clause 11 the liability under this insurance shall not exceed 106

* of the Company

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 labouing 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.	107 108 109 110 111 112
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 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.	113 114 115 116 117 118 119
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.	120 121 122
12 CONSTRUCTIVE TOTAL LOSS	123
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.	124 125 126
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.	127 128 129 130
13 FREIGHT WAIVER	131
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.	132 133
14 DISBURSEMENTS WARRANTY	134
14.1 Additional insurances as follows are permitted:	135
14.1.1 <i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	136 137
14.1.2 <i>Freight, Chartered Freight or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 14.1.1.	138 139
14.1.3 <i>Freight or Hire, under contracts for voyage.</i> 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.	140 141 142 143 144 145 146 147
14.1.4 <i>Anticipated Freight if the Vessel sails in ballast and not under Charter.</i> 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 14.1.2 to be taken into account and only the excess thereof may be insured.	148 149 150 151
14.1.5 <i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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.	152 153 154 155 156 157 158
14.1.6 <i>Premiums.</i> 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.	159 160 161 162
14.1.7 <i>Returns of Premium.</i> 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.	163 164 165
14.1.8 <i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 16, 17, 18 and 19 below.	166 167
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 term, is or shall be effected to operate during the currency of this insurance by	168 169 170

~~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.~~

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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.

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

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16 WAR EXCLUSION

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

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

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16.2 capture seizure arrest restraint or detainment (barratry ~~and piracy~~ ^{DELETED} excepted), and the consequences thereof or any attempt thereat

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16.3 ~~derelict~~ ^{DELETED} mines torpedoes bombs or other ~~derelict~~ ^{DELETED} weapons of war.

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17 STRIKES EXCLUSION

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

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

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

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18 MALICIOUS ACTS EXCLUSION

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

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18.1 the detonation of an explosive

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18.2 any weapon of war

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

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* 16.4 violent theft by persons from outside the Vessel or piracy.

19	NUCLEAR EXCLUSION	224
	In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing	225
	atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.	226

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

**INSTITUTE TIME CLAUSES
HULLS
(Amended for Japanese Clauses Class No. 5 (4/2010))**

~~DELETED~~

~~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 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 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.

(Continued)

6 PERILS	52
6.1 This insurance covers loss of or damage to the subject-matter insured caused by	53
6.1.1 perils of the seas rivers lakes or other navigable waters	54
6.1.2 fire, explosion DELETED	55
6.1.3 violent theft by persons from outside the Vessel	56
6.1.4 jettison	57
6.1.5 piracy DELETED	58
6.1.6 breakdown of or accident to nuclear installations or reactors	59
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	60
6.1.8 earthquake volcanic eruption or lightning.	62
6.2 This insurance covers loss of or damage to the subject-matter insured caused by	63
6.2.1 accidents in loading discharging or shifting cargo or fuel	64
6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull*	65
6.2.3 negligence of Master Officers Crew or Pilots	66
6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	67
6.2.5 barratry of Master Officers or Crew,	68
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	69
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.	71
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7 POLLUTION HAZARD	73
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.	74 75 76 77 78 79
8 3/4THS*** COLLISION LIABILITY	80
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	81
8.1.1 loss of or damage to any other vessel or property on any other vessel	84
8.1.2 delay to or loss of use of any such other vessel or property thereon DELETED	85
8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,	86
where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel.	87
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:	88
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.	90
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.	91
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.	92
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EXCLUSIONS	102
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	103
8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever	104
8.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels	105
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* except any accident to painting only (including such accident arising from the cause mentioned in 6.2.4 below)

** 6.4 Notwithstanding any provision herein no claim under this Clause 6 shall in any case be allowed in respect of particular average unless caused by the Vessel sinking, stranding, grounding, burning, being on fire or in collision or contact with any external substance other than water.

*** four-fourths

**** which the Assured becomes legally liable to pay to any other person or persons

8.4.3	the cargo or other property on, or the engagements of, the insured Vessel	107
8.4.4	loss of life, personal injury or illness	108
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).	109
9	SISTERSHIP	111
	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.	112 113 114 115 116
10	NOTICE OF CLAIM AND TENDERS	117
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.	118 119 120
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.	121 122 123 124
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, DELETED 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.	125 126 127 128 129 130 131 132 133 134 135 136 137
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.	138 139
11	GENERAL AVERAGE AND SALVAGE	140
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.	141 142 143
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.	144 145 146
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.	147 148 149 150 151 152
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.	153 154
12	DEDUCTIBLE	155
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 signaling 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.	156 157 158 159 160 161 162
12.2	Claims for damage by heavy weather occurring during a single sea passage between two successive ports	163

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	shall be treated as being due to one accident. In the case of such heavy weather extending over a period	164
	not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall	165
	be the proportion of the above deductible that the number of days of such heavy weather falling within	166
	the period of this insurance bears to the number of days of heavy weather during the single sea passage.	167
	The expression "heavy weather" in this Clause 12.2 shall be deemed to include contact with floating ice.	168
12.3	Excluding any interest comprised therein, recoveries ^{DELETED} 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.	169 170 171
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.	172 173 174 175
13	DUTY OF ASSURED (SUE AND LABOUR)	176
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.	177 178 179
13.2	Subject to the provisions below and to Clause 12 ^{DELETED} 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.	180 181 182 183
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.	184 185 186
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 ^{DELETED} it 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.	187 188 189 190 191 192 193
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. ^{DELETED}	194 195 196 197 198 199 200
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.	201 202 203
14	NEW FOR OLD	204
	Claims payable without deduction new for old.	205
15	BOTTOM TREATMENT	206
	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	207 208
15.1	gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,	209 210
15.2	gritblasting and/or other surface preparation of: ^{DELETED} 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,	211 212 213 214
15.3	supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,	215 216
	shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.	217
16	WAGES AND MAINTENANCE	218
	No claim shall be allowed, other than in general average, for wages and maintenance of the Master, Officers and	219

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.	282 283 284 285 286 287
22	RETURNS FOR LAY-UP AND CANCELLATION	288
22.1	To return as follows:	289
22.1.1	Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.	290
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)	291 292 293
	(a) per cent net not under repair	294
	(b) per cent net under repair.	295
	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.	296 297
22.2	PROVIDED ALWAYS THAT	298
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	299 300
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	301 302 303 304 305 306 307
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	308 309 310
22.2.4	in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	311 312
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.	313 314 315 316 317 318 319
	The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	320 321
23	WAREXCLUSION	322
	In no case shall this insurance cover loss damage liability or expense caused by	323
23.1	war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	324 325
23.2	capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	326 327
23.3	derelict mines torpedoes bombs or other derelict weapons of war.	328
	*	
24	STRIKES EXCLUSION	329
	In no case shall this insurance cover loss damage liability or expense caused by	330
24.1	strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	331 332
24.2	any terrorist or any person acting from a political motive.	333
25	MALICIOUS ACTS EXCLUSION	334
	In no case shall this insurance cover loss damage liability or expense arising from	335
25.1	the detonation of an explosive	336

* 23.4 violent theft by persons from outside the Vessel or piracy.

25.2	any weapon of war	337
	and caused by any person acting maliciously or from a political motive.	338
26	NUCLEAR EXCLUSION	339
	In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing	340
	atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.	341

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

**INSTITUTE TIME CLAUSES - HULLS
DISBURSEMENTS AND INCREASED VALUE
(Total Loss only, including Excess Liabilities)
(Amended for Japanese Clauses Class No. 5 (4/90))**

DELETED

~~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. 50

6 PERILS	51
6.1 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by	52
6.1.1 perils of the seas rivers lakes or other navigable waters	53
6.1.2 fire, explosion DELETED	54
6.1.3 violent theft by persons from outside the Vessel	55
6.1.4 jettison	56
6.1.5 piracy DELETED	57
6.1.6 breakdown of or accident to nuclear installations or reactors	58
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	59
6.1.8 earthquake volcanic eruption or lightning.	61
6.2 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by	62
6.2.1 accidents in loading discharging or shifting cargo or fuel	63
6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull	64
6.2.3 negligence of Master Officers Crew or Pilots	65
6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	66
6.2.5 barratry of Master Officers or Crew,	67
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	68
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.	69
	70
6.4 This insurance covers:	71
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.	72
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.	73
6.4.3 Collision Liability (three-fourths)* ^{three-fourths*} not recoverable in full under the Institute 3/4ths* ^{3/4ths*} Collision Liability and Sistership Clauses in the insurances on hull and machinery by reason of such three-fourths* ^{three-fourths*} liability exceeding three-fourths* ^{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.	74
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.	75
	76
7 POLLUTION HAZARD	77
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.	78
	79
8 NOTICE OF CLAIM	80
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.	81
	82
9 CONSTRUCTIVE TOTAL LOSS	83
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.	84
	85

* four-fourths

** of the Company

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.	110 111 112 113
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.	114 115 116
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.	117 118
10	COMPROMISED TOTAL LOSS	119
	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.	120 121 122
11	RETURNS FOR LAY-UP AND CANCELLATION	123
11.1	To return as follows:	124
11.1.1	Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.	125
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)	126 127 128
	(a) per cent net not under repair	129
	(b) per cent net under repair.	130
	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.	131 132
11.2	PROVIDED ALWAYS THAT	133
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	134 135
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	136 137 138 139 140 141 142
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	143 144 145
11.2.4	in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	146 147
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.	148 149 150 151 152 153 154
	The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	155 156
12	WAR EXCLUSION	157
	In no case shall this insurance cover loss damage liability or expense caused by	158
12.1	war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	159 160
12.2	capture seizure arrest restraint or detainment (barratry and piracy ^{DELETED} excepted), and the consequences thereof or any attempt thereat	161 162
12.3	DELETED ^{DELETED} mines torpedoes bombs or other deletet ^{DELETED} weapons of war.	163
*		
13	STRIKES EXCLUSION	164
	In no case shall this insurance cover loss damage liability or expense caused by	165

* 12.4 violent theft by persons from outside the Vessel or piracy.

13.1	strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	166
13.2	any terrorist or any person acting from a political motive.	167
14	MALICIOUS ACTS EXCLUSION	168
	In no case shall this insurance cover loss damage liability or expense arising from	169
14.1	the detonation of an explosive	170
14.2	any weapon of war	171
	and caused by any person acting maliciously or from a political motive.	172
15	NUCLEAR EXCLUSION	173
	In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing	174
	atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.	175

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

**INSTITUTE TIME CLAUSES
HULLS**
(Amended for Japanese Clauses Class No.6 (4/2010))

DELETED

~~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 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	52
6.1 This insurance covers loss of or damage to the subject-matter insured caused by	53
6.1.1 perils of the seas rivers lakes or other navigable waters	54
6.1.2 fire, explosion	55
6.1.3 violent theft by persons from outside the Vessel	56
6.1.4 jettison	57
6.1.5 piracy DELETED	58
6.1.6 breakdown of or accident to nuclear installations or reactors	59
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	60
6.1.8 earthquake volcanic eruption or lightning.	62
6.2 This insurance covers loss of or damage to the subject-matter insured caused by	63
6.2.1 accidents in loading discharging or shifting cargo or fuel	64
6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull*	65
6.2.3 negligence of Master Officers Crew or Pilots	66
6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	67
6.2.5 barratry of Master Officers or Crew,	68
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	69
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.	71
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7 POLLUTION HAZARD	73
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.	74
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8 3/4THS** COLLISION LIABILITY	80
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	81
8.1.1 loss of or damage to any other vessel or property on any other vessel	82
8.1.2 delay to or loss of use of any such other vessel or property thereon DELETED	83
8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,	84
where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel.	85
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:	86
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.	87
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.	88
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.	89
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EXCLUSIONS	102
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	103
8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever	104
8.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels	105
8.4.3 the cargo or other property on, or the engagements of, the insured Vessel	106
8.4.4 loss of life, personal injury or illness	107
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).	108
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* except any accident to painting only (including such accident arising from the cause mentioned in 6.2.4 below)

** four-fourths

*** which the Assured becomes legally liable to pay to any other person or persons

9	SISTERSHIP	111
	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.	112-116
10	NOTICE OF CLAIM AND TENDERS	117
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.	118-120
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.	121-124
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.	125-137
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.	138-139
11	GENERAL AVERAGE AND SALVAGE	140
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.	141-143
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.	144-146
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.	147-152
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.	153-154
12	DEDUCTIBLE	155
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 the amount specified in the Schedule..... 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.	156-162
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	163-164

* of the Company

** 1994

*** for the cost of repairs arising from perils enumerated in Clauses 6.1.6, 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5 and heavy weather and perils enumerated in the Institute Additional Perils Clauses-Hulls 1/10/83 Amended (4/2010)

**** of the Vessel, with the consent of the Company, immediately after her stranding, grounding, collision or contact with any external object other than water

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~~ ^{DELETED} 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.~~ ^{DELETED} 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 labours 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.~~ ^{DELETED}

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,~~ ^{DELETED} 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.	221 222
17 AGENCY COMMISSION	223
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.	224 225 226 227
18 UNREPAIRED DAMAGE	228
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.	229 230 231
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.	232 233 234
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.	235 236
19 CONSTRUCTIVE TOTAL LOSS	237
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.	238 239 240
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.	241 242 243 244
20 FREIGHT WAIVER	245
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.	246 247
21 DISBURSEMENTS WARRANTY	248
21.1 Additional insurances as follows are permitted:	249
21.1.1 <i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	250 251
21.1.2 <i>Freight, Chartered Freight or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 21.1.1.	252 253
21.1.3 <i>Freight or Hire, under contracts for voyage.</i> 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.	254 255 256 257 258 259 260 261
21.1.4 <i>Anticipated Freight if the Vessel sails in ballast and not under Charter.</i> 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.	262 263 264 265
21.1.5 <i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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.	266 267 268 269 270 271 272
21.1.6 <i>Premiums.</i> 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.	273 274 275 276
21.1.7 <i>Returns of Premium.</i> 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.	277 278 279
21.1.8 <i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 23, 24, 25 and 26 below.	280 281
21.2 Warranted that no insurance on any interests enumerated in the foregoing 21.1.1 to 21.1.7 in excess of the	282

~~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.

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

* 23.4 violent theft by persons from outside the Vessel or piracy.

(Continued)

and caused by any person acting maliciously or from a political motive. 338

26 NUCLEAR EXCLUSION 339
In no case shall this insurance cover loss damage liability or expense arising from any weapon of war* employing 340
atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter. 341

* (including nuclear reactor installed in war vessel)

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

**INSTITUTE TIME CLAUSES - HULLS
DISBURSEMENTS AND INCREASED VALUE
(Total Loss only, including Excess Liabilities)
(Amended for Japanese Clauses Class No. 6 (4/90))**

DELETED

~~This insurance is subject to English law and practice~~

1	NAVIGATION	1
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.	2 3 4 5 6 7
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.	8 9 10 11 12 13 14
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.	15 16 17 18
2	CONTINUATION	19
	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.	20 21 22
3	BREACH OF WARRANTY	23
	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.	24 25 26
4	TERMINATION	27
	This Clause 4 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.	28 29
	Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of	30
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,	31 32 33 34 35 36 37
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.	38 39 40 41 42 43 44
	A pro rata daily net return of premium shall be made.	45
5	ASSIGNMENT	46
	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	47 48 49

(Continued)

such endorsement is produced before payment of any claim or return of premium thereunder. 50

6 PERILS	51
6.1 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by	52
6.1.1 perils of the seas rivers lakes or other navigable waters	53
6.1.2 fire, explosion DELETED	54
6.1.3 violent theft by persons from outside the Vessel	55
6.1.4 jettison	56
6.1.5 piracy DELETED	57
6.1.6 breakdown of or accident to nuclear installations or reactors	58
6.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	59
6.1.8 earthquake volcanic eruption or lightning.	61
6.2 This insurance covers total loss (actual or constructive) of the subject-matter insured caused by	62
6.2.1 accidents in loading discharging or shifting cargo or fuel	63
6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull	64
6.2.3 negligence of Master Officers Crew or Pilots	65
6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	66
6.2.5 barratry of Master Officers or Crew,	67
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	68
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.	69
	70
6.4 This insurance covers:	71
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.	72
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.	73
6.4.3 Collision Liability (three-fourths)* ^{3/4ths*} not recoverable in full under the Institute 3/4ths* ^{3/4ths*} Collision Liability and Sistership Clauses in the insurances on hull and machinery by reason of such three-fourths* ^{three-fourths*} liability exceeding three-fourths* ^{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.	74
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.	75
	76
7 POLLUTION HAZARD	77
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.	78
	79
8 NOTICE OF CLAIM	80
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.	81
	82
9 CONSTRUCTIVE TOTAL LOSS	83
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.	84
	85

* four-fourths

** of the Company

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.	110 111 112 113
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.	114 115 116
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.	117 118
10	COMPROMISED TOTAL LOSS	119
	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.	120 121 122
11	RETURNS FOR LAY-UP AND CANCELLATION	123
11.1	To return as follows:	124
11.1.1	Pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.	125
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)	126 127 128
(a) per cent net not under repair	129
(b) per cent net under repair.	130
	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.	131 132
11.2	PROVIDED ALWAYS THAT	133
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	134 135
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	136 137 138 139 140 141 142
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	143 144 145
11.2.4	in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly	146 147
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.	148 149 150 151 152 153 154
	The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	155 156
12	WAR EXCLUSION	157
	In no case shall this insurance cover loss damage liability or expense caused by	158
12.1	war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	159 160
12.2	capture seizure arrest restraint or detainment (barratry and piracy ^{DELETED} excepted), and the consequences thereof or any attempt thereat	161 162
12.3	DELETED ^{DELETED} mines torpedoes bombs or other deleterious weapons of war.	163
*		
13	STRIKES EXCLUSION	164
	In no case shall this insurance cover loss damage liability or expense caused by	165

* 12.4 violent theft by persons from outside the Vessel or piracy.

13.1	strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	166
13.2	any terrorist or any person acting from a political motive.	167
14	MALICIOUS ACTS EXCLUSION	168
	In no case shall this insurance cover loss damage liability or expense arising from	169
14.1	the detonation of an explosive	170
14.2	any weapon of war	171
	and caused by any person acting maliciously or from a political motive.	172
15	NUCLEAR EXCLUSION	173
	In no case shall this insurance cover loss damage liability or expense arising from any weapon of war* employing	174
	atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.	175

* (including nuclear reactor installed in war vessel)

June 9, 1980

LONDON STANDARD DRILLING BARGE FORM**ALL RISKS****(Except as hereinafter excluded)****1. ASSURED :****2. PERIOD OF INSURANCE :**

If this insurance expires while an accident or occurrence giving rise to a loss is in progress, Underwriters shall be liable as if the whole loss had occurred during the currency of this insurance.

3. PROPERTY INSURED HEREUNDER :

This insurance covers the hull and machinery of the drilling barge(s), as scheduled herein, including all their equipment, tools, machinery, caissons, lifting jacks, materials, supplies, appurtenances, drilling rigs and equipment, derricks, drill stem, casing and tubing while aboard the said drilling barge(s) and/or on barges and/or vessels moored alongside or in the vicinity thereof and used in connection therewith (but not such barges and/or vessels themselves), and including drill stem in the well being drilled, and all such property as scheduled herein, owned by or in the care custody or control of the Assured, except as hereinafter excluded.

SCHEDULE OF PROPERTY INSURED :

DESCRIPTION OF DRILLING BARGE	RATE	INSURED VALUE	HERETO AMOUNT
----------------------------------	------	------------------	------------------

Each deemed to be separately insured.

Any loss paid hereunder shall not reduce the amount of this insurance except in the event of actual or constructive or compromised or arranged total loss.

4. NAVIGATION LIMITS :

- (a) Privilege is granted to be towed within the above Navigation Limits, and to accept towage contracts releasing the towing vessel (and/or its owner and/or operator) from liability for loss of or damage to the property insured hereunder and the Assured's right of recovery under this policy shall not be prejudiced by the acceptance of such towage or towage contract. Also to cover in port, while going on or off, and while in docks and/or wharves, ways gridirons and pontoons, subject to the terms and conditions of this insurance.
- (b) This insurance also covers up to 25% of the scheduled amount of insurance hereunder on property insured herein (as described in Clause 3 above) when separated from the property insured hereunder, including property intended to be used abroad or in connection with the property insured hereunder, wherever located within the navigation limits set forth in (a) above or land area adjacent thereto. It is expressly understood and agreed, however, that this extended coverage is included within and shall not increase the total amount of insurance hereunder.

5. COVERAGE :

Subject to its terms, conditions and exclusions this Insurance is against all risks of direct physical loss or damage to the property insured, provided such loss or damage has not resulted from want of due diligence by the Assured, the Owners or Managers of the property insured, or any of them.

Blowout: The term "Blowout" shall mean a sudden, accidental, uncontrolled and continuous explosion from a well and above the surface of the ground of the drilling fluid in an oil or gas well, followed by continuous and uncontrolled flow from a well and above the surface of the ground of oil, gas or water due to encountering subterranean pressures.

Cratering: The term "Crater" shall be defined as a basin-like depression in the earth's surface surrounding a well caused by the erosion and eruptive action of oil, gas or water flowing without restriction.

6. COLLISION LIABILITY :

And it is further agreed that:

- (a) if the drilling barge insured hereunder shall come into collision with any other vessel or object, and the Assured or the Surety in consequence of the drilling barge 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 in respect of such collision, the Underwriters will pay the Assured or the Surety, whichever shall have paid, such proportion of such sum or sums so paid as their respective subscriptions hereto bear to the Agreed Value, provided always that their liability in respect of any one such collision shall not exceed their proportionate part of the Agreed Value;
- (b) in cases where, with the consent in writing of a majority (in amount) of Hull Underwriters, the liability of the drilling barge has been contested, or proceedings have been taken to limit liability, the Underwriters will also pay a like proportion of the costs which the Assured shall thereby incur or be compelled to pay.

(Continued)

When both vessels are to blame, then unless the liability of the owners or charterers of one or both such vessels becomes limited by law, claims under the Collision Liability clause shall be settled on the principle of Cross- Liabilities as if the owners or charterers of each vessel had been compelled to pay to the owners or charterers of the other vessels 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.

The principles involved in this clause shall apply to the case where both vessels are the property, in part or in whole, of the same owners or charterers, all questions of responsibility and amount of liability as between the two 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 the majority (in amount) of Hull Underwriters interested; the two Arbitrators chosen to choose a third Arbitrator before entering upon the reference, and the decision of such single Arbitrator, or of any two of such three Arbitrators, appointed as above, to be final and binding.

Provided that this clause shall in no case extend to any sum which the Assured or the Surety may become liable to pay or shall pay in consequence of, or with respect to:

- (a) removal or disposal of obstructions, wrecks or their cargoes under statutory powers or otherwise pursuant to law;
- (b) injury to real or personal property or every description;
- (c) the discharge, spillage, emission or leakage of oil, petroleum products, chemicals or other substances of any kind or description whatsoever;
- (d) cargo or other property on or the engagements of the drilling barge;
- (e) loss of life, personal injury or illness.

Provided further that exclusions (b) and (c) above shall not apply to injury to any vessel with which the drilling barge is in collision or to property on such other vessel except to the extent that such injury arises out of any action taken to avoid, minimise or remove any discharge, spillage, emission or leakage described in (c).

7. DEDUCTIBLE :

It is understood and agreed that each claim shall be reported and adjusted separately and from the amount of each claim the sum of shall be deducted. This clause shall not apply to a claim for Actual or Constructive or Compromised or Arranged Total Loss.

For the purpose of this Clause each occurrence shall be treated separately, but it is agreed that a sequence of losses or damages arising from the same occurrence shall be treated as one occurrence.

8. EXCLUSIONS :

Notwithstanding anything to the contrary which may be contained in this insurance there shall be no liability under this insurance in respect of:-

- (a) Loss, damage or expense caused by or attributable to earthquake or volcanic eruption, or fire and/or explosion and/or tidal wave consequent upon earthquake or volcanic eruption.
- (b) Loss, damage or expense which arises solely from the intentional sinking of the barge for operational purposes; such sinking shall not constitute a collision, stranding, sinking or grounding within the meaning of this insurance.
- (c) Loss, damage or expense caused by or resulting from drilling a relief well for the purpose of controlling or attempting to control fire blowout or cratering associated with another drilling barge, platform or unit unless immediate notice be given to Underwriters of said use and additional premium paid if required.
- (d) Any claim, be it a Sue and Labour Expense or otherwise, for moneys materials or property expended or sacrificed in controlling or attempting to control blowout or cratering or in fighting fire associated with blowout.
- (e) Loss, damage or expense caused by or resulting from delay detention or loss of use whether, resulting from a peril insured against or otherwise.
- (f) Wear and tear, gradual deterioration, metal fatigue, machinery breakdown, expansion or contraction due to change in temperature, corrosion, rusting, electrolytic action, error in design; nor does this insurance cover the cost of repairing or replacing any part which may be lost, damaged, or condemned by reason of any latent defect therein.
- (g) Loss of or damage to dynamoes, exciters, lamps, motors, switches and other electrical appliances and devices, caused by electrical injury or disturbance, unless the loss or damage be caused by a peril not excluded hereunder originating outside the electrical equipment specified in this clause. Nevertheless this clause shall not exclude claims for physical loss or damage resulting from fire.
- (h) Liabilities to third parties except as specifically covered under the terms of the Collision Liability Clause contained herein.
- (i) Claims in connection with the removal of property, material, debris or obstruction, whether such removal be required by law, ordinance, statute, regulation or otherwise.
- (j) Loss of or damage to drill stem located underground or under water unless resulting from fire, lightning, flood, rising waters, tidal wave, ice, explosions above the surface of the ground, tornado, windstorm, wave action, stress of weather, cyclone, hurricane, earthquake, blow-out and/or cratering or total loss of the drilling barge caused by a peril insured against hereunder. There shall be no liability in respect of drill stem left in the well and through which an oil and gas well is completed.
- (k) Well(s) and/or hole(s) whilst being drilled or otherwise.
- (l) Drilling mud cement chemicals and fuel actually in use, and casing and tubing in the well.
- (m) Unrefined oil or gas or other crude product.
- (n) Blueprints, plans, specifications or records, personal effects of employees or others.
- (o) Scraping or painting the bottom of the hull of the drilling barge.

9. BLOWOUT PREVENTER WARRANTY :

Warranted that (a) in all drilling operations

(b) in all operations which require the removal of the christmas tree

the well and/or hole will be equipped with a minimum of three pressure operated blowout preventers, which shall be installed and tested immediately after installation. Two of the aforesaid blowout preventers shall be of the pipe ram and blind ram type and the third shall be of the annular full closing type.

10. LIMIT OF LIABILITY :

In no event, except as provided for in the Sue and Labour Expense Clause and Collision Liability Clause herein, shall the Underwriters' liability arising from any one accident or occurrence exceed the amount insured hereunder as set forth in Clause 3 in respect of the items subject to claim in such accident or occurrence.

In respect of the property insured hereunder Underwriters shall not be liable for more than their proportion of the cost of repairing or replacing the property damaged or lost with materials of like kind and quality to a condition equal to but not superior to or more extensive than its condition prior to the loss; nevertheless in respect of the hull of the Drilling Barge covered hereunder all costs of repair and replacement for which Underwriters may be liable shall be on the basis of new for old with no deduction for depreciation.

In no event shall Underwriters be liable for any increased cost of repair or reconstruction by reason of law, ordinance, regulation, permit or license regulating construction or repair.

11. COINSURANCE :

The Assured shall maintain contributing insurance on terms no more restrictive than this insurance on the property insured hereunder of not less than 100% of the new reproductive cost less a reasonable depreciation. Failing to do so, the Assured shall be an insurer to the extent of such deficit and bear such proportionate part of any claim. If this insurance be divided into two or more items the foregoing conditions shall apply to each item separately.

12. CONSTRUCTIVE TOTAL LOSS :

There shall be no recovery for a Constructive Total Loss hereunder unless the expense of recovering and repairing the insured property shall exceed the actual insured value.

In no case shall Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance.

13. SUE AND LABOUR EXPENSE :

It is further agreed that it shall be lawful and necessary for the Assured, their Factors, Servants and Assigns, to sue, labour and travel for, in and about the Defence, Safeguard and Recovery of the said property, or any part thereof, without prejudice to this insurance, and subject always to the terms conditions limitations and exclusions of this insurance, the charges thereof shall be borne by the Underwriters. And it is especially declared and agreed that no acts of the Underwriters or Assured in recovering, saving or preserving the property insured shall be considered as a waiver or acceptance of abandonment.

The Underwriters' liability for Sue and Labour Expenses shall not exceed 25% of the insured value of the item(s) in the Defence, Safeguard or Recovery of which is incurred.

14. LAY UP AND CANCELLATION :

To return daily pro rata of the following gross annual rates for any period of 30 or more consecutive days the drilling barge may be laid up in port unemployed.

- (a) per cent annum while not under repair
- (b) per cent annum while under repair
- (c) per cent annum while under repair but subject to no major repairs involving raising and lowering legs or variation in buoyancy being carried out.

Provided always that:

- (a) the location shall be approved by surveyor appointed by Lloyd's Agent or approved by Underwriters.
- (b) there shall always be a watchman on board.
- (c) no return shall be allowed in the event of the vessel becoming an actual or constructive or compromised or arranged total loss during the currency of this insurance.
- (d) there shall be no shifts during the lay up period.
- (e) in the event of any amendment of the annual rate, the rates of return shall be adjusted accordingly.

The return for a laid-up period of 30 or more consecutive days which fall on two policies effected for the same Assured shall be apportioned over both policies on a daily pro rata basis.

This insurance may be cancelled:-

- (a) by the Assured at any time by written notice subject to a return of premium to be agreed;
- (b) by Underwriters subject to 30 days written notice, in which event a pro rata daily return of premium shall be payable;
- (c) by Underwriters in respect of the perils of strikers locked-out workmen or persons taking part in labour disturbances or riots or civil commotions subject to 7 days written notice without return of premium.

Cancellation by either party is subject to the retention by Underwriters of any minimum premium stipulated in the Policy.

15. RELEASE AGREEMENTS AND WAIVERS OF SUBROGATION :

The Assured may grant release from liability with respect to loss of or damage to property insured hereunder to any person firm or corporation for whom the Assured is operating under specific contract, provided:-

- (a) the said release is granted prior to the commencement of the operations:
- (b) the loss or damage subject to said release arises out of or in connection with such operations.

Underwriters agree to waive their rights of subrogation against such person firm or corporation having been so released from such liability.

16. DISCOVERY OF RECORDS :

During the currency of this insurance or any time thereafter within the period of the time provided for in Clause 17 for bringing suit against these Underwriters, these Underwriters shall have the right of inspecting the Assured's records pertaining to all matters of cost, repairs, income and expenditures of whatsoever nature relating to the properties insured hereunder, such records to be open to a representative of these Underwriters at all reasonable times.

17. LIMITATION OF ACTION :

No suit or action on this insurance for the recovery of any claim shall be sustainable in any court of law or equity unless the Assured shall have complied fully with all the requirements of this insurance, and unless commenced within twenty-four months next after the time a cause of action for the loss accrues, provided, however, that where such limitation of time is prohibited by the law of the State wherein this insurance is issued, then and in that event, no suit or action under this insurance shall be sustained unless commenced within the shortest time limitation permitted under the laws of such State.

18. LOSS PAYABLE :

Loss, if any, (except claims required to be paid to others under the Collision Liability Clause), payable to

19. FREE OF CAPTURE AND SEIZURE :

Notwithstanding anything to the contrary contained in this insurance, there shall be no liability for any claim caused by, resulting from, or incurred as a consequence of:-

- (a) Capture, seizure, arrest, restraint or detainment, or any attempt thereat; or
 - (b) Any taking by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; or
 - (c) Any mine, bomb, torpedo or other engine of war; or
 - (d) Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
 - (e) Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy; or
 - (f)
 - (i) The detonation of an explosive
 - (ii) Any weapon of war
 and caused by any person acting maliciously or from a political motive; or
 - (g) Any act for political or terrorist purposes of any person or persons, whether or not agents of a Sovereign Power, and whether the loss, damage or expense resulting therefrom is accidental or intentional; or
 - (h) Hostilities or warlike operations (whether there be a declaration of war or not) but this subparagraph (h) not to exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating object, or stranding, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power which act is independent of the nature of the voyage or operation which the vessel concerned, or in the case of a collision or contact, any other vessel involved therein, is performing. As used herein, "power" includes any authority maintaining naval, military or air forces in association with a power.
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LONDON STANDARD PLATFORM DRILLING RIG FORM

ALL RISKS

(Except as hereinafter excluded)

1. ASSURED :

2. PERIOD OF INSURANCE :

If this insurance expires while an accident or occurrence giving rise to a loss is in progress, Underwriters shall be liable as if the whole loss had occurred during the currency of this insurance.

3. PROPERTY INSURED HEREUNDER :

This insurance covers Platform Drilling Rig(s), as scheduled herein, which includes all equipment, tools, machinery, materials, supplies, appurtenances, derricks, substructures and drill stem used in connection therewith and all property as scheduled herein, owned by or in the care custody or control of the Assured located on Platform Installation(s) except as hereinafter excluded.

SCHEDULE OF PROPERTY INSURED :

DESCRIPTION OF PLATFORM RIG	RATE	INSURED VALUE	HERETO AMOUNT
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Each deemed to be separately insured.

Any loss paid hereunder shall not reduce the amount of this insurance except in the event of a total loss and/or constructive and/or agreed and/or arranged total loss.

4. TERRITORIAL LIMITS :

(a)

(b) This insurance covers the property insured hereunder (as described in Clause 3 above) when separated from the platform installations whilst in storage at, or in local transit to or from, ports or platform installations within the Territorial Limits provided in Paragraph (a).

5. COVERAGE :

Subject to its terms, conditions and exclusions this Insurance is against all risks of direct physical loss of or damage to the property insured, provided such loss or damage has not resulted from want of due diligence by the Assured, the Owners or Managers of the property insured, or any of them.

6. It is understood and agreed that each claim (including claims under the Sue and Labour Clause) shall be reported and adjusted separately and from the amount of each claim the sum of shall be deducted. This Clause shall not apply to a claim for Total or Constructive Total Loss.

For the purpose of this Clause each occurrence shall be treated separately, but it is agreed that a sequence of losses or damages arising from the same occurrence shall be treated as one occurrence.

7. EXCLUSIONS :

Notwithstanding anything to the contrary which may be contained in this insurance there shall be no liability under this insurance in respect of or resulting from:-

- (a) Named windstorm and/or hurricane within the U. S. Gulf or the Gulf of Mexico.
- (b) Loss, damage or expense caused by or attributable to earthquake or volcanic eruption, or fire and/or explosion and/or tidal wave consequent upon earthquake or volcanic eruption.
- (c) Loss, damage or expense caused whilst the insured property is being used to drill a relief well for the purpose of controlling or attempting to control fire, blowout or cratering unless immediate notice be given to Underwriters of said use and additional premium paid if required.
- (d) Any claim, be it a Sue and Labour Expense or otherwise, for moneys materials or property expended or sacrificed in controlling or attempting to control blowout or cratering or in fighting fire associated with blowout.
- (e) Loss, damage or expense caused by or resulting from delay detention or loss of use.
- (f) Wear and tear, gradual deterioration, metal fatigue, machinery breakdown, expansion or contraction due to change in temperature, corrosion, rusting, electrolytic action, error in design; nor does this insurance cover the cost of repairing or replacing any part which may be lost, damaged, or condemned by reason of any latent defect therein.
- (g) Loss of or damage to drill stem located underground or underwater unless directly resulting from fire, blowout, cratering, or total loss of the Platform Installation on which the Drilling Rig is mounted, caused by a peril insured hereunder. There shall be no liability in respect of drill stem left in the well and through which an oil or gas well is completed.
- (h) Loss of or damage to dynamos, exciters, lamps, motor switches and other electrical appliances and devices, caused by electrical injury or disturbances, unless the loss of damage be caused by a peril not excluded hereunder originating outside the electrical equipment specified in this clause. Nevertheless this clause shall not exclude claims for physical loss or damage resulting from fire.
- (i) Liabilities to third parties.

(Continued)

- (j) Claims in connection with the removal of property, material, debris or obstruction whether such removal be required by law, ordinance, statute, regulation or otherwise.
- (k) Loss of or damage to platform installation(s), vessel(s), barge(s) or draft.
- (l) Well(s) and/or hole(s) whilst being drilled or otherwise.
- (m) Drilling mud cement chemicals and fuel actually in use, and casing and tubing in the well.
- (n) Unrefined oil or gas or other crude product.
- (o) Blueprints, plans, specifications or records, personal effects of employees or others.

8. BLOWOUT PREVENTER WARRANTY :

Warranted that blowout preventer(s) of standard make will be set on the surface casing, such blowout preventer(s) to be installed and tested in accordance with the usual practice.

9. LIMIT OF LIABILITY :

In no event, except as provided for in the Sue and Labour Expense Clause herein, shall the Underwriters' liability arising from any one accident or occurrence exceed the amount insured hereunder as set forth in Clause 3 in respect of the items subject to claim in such accident or occurrence.

In respect of the property insured hereunder Underwriters shall not be liable for more than their proportion of the cost of repairing or replacing the property damaged or lost with materials of like kind and quality to a condition equal to but not superior to or more extensive than its condition prior to the loss.

In no event shall Underwriters be liable for any increased cost of repair or reconstruction by reason of law, ordinance, regulation, permit or license regulating construction or repair.

10. COINSURANCE :

The Assured shall maintain contributing insurance on terms no more restrictive than this insurance on the property insured hereunder of not less than 100% of the new reproductive cost less a reasonable depreciation. Failing to do so, the Assured shall be an insurer to the extent of such deficit and bear such proportionate part of any claim. If this insurance be divided into two or more items the foregoing conditions shall apply to each item separately.

11. CONSTRUCTIVE TOTAL LOSS :

There shall be no recovery for a Constructive Total Loss hereunder unless the expense of recovering and repairing the insured property shall exceed the actual insured value, or the new reproductive cost less a reasonable depreciation, whichever shall be the greater. In no case shall Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance.

12. SUE AND LABOUR EXPENSE :

It is further agreed that should the property insured hereunder suffer loss or damage covered under the terms of this insurance, it shall be lawful and necessary for the Assured, their Factors, Servants and Assigns, to sue, labour and travel for, in and about the Defence, Safeguard and Recovery of the said property, or any part thereof, without prejudice to this insurance, and subject always to the terms conditions limitations and exclusions of this insurance, the charges thereof shall be borne by the Underwriters. And it is especially declared and agreed that no acts of the Underwriters or Assured in recovering, saving or preserving the property insured shall be considered as a waiver or acceptance of abandonment.

The Underwriters' liability for Sue and Labour Expenses shall not exceed 25% of the insured value of the item(s) in the Defence, Safeguard or Recovery of which such expense is incurred.

13. CANCELLATION :

This insurance may be cancelled:

- (a) by the Assured at any time by written notice subject to a return of premium to be agreed.
- (b) by Underwriters subject to 30 days written notice, in which event a pro rata daily return of premium shall be payable.
- (c) by Underwriters in respect of the perils of strikers locked-out workmen or persons taking part in labour disturbances or riots or civil commotions subject to 7 days written notice without return of premium.

Cancellation by either party is subject to the retention by Underwriters of any minimum premium stipulated in the Policy.

14. RELEASE AGREEMENTS AND WAIVERS OF SUBROGATION :

The Assured may grant release from liability with respect to loss of or damage to property insured hereunder to any person firm or corporation for whom or with whom the Assured is performing operations or who is performing operations for the Assured, under contract or otherwise, provided: -

- (a) the said release is granted prior to the commencement of the operations.
- (b) the loss or damage subject to said release arises out of or in connection with such operations.

Underwriters agree to waive their rights of subrogation against such person firm or corporation having been so released from such liability.

15. DISCOVERY OF RECORDS :

During the currency of this insurance or any time thereafter within the period of the time provided for in Clause 16 for bringing suit against these Underwriters, these Underwriters shall have the right of inspecting the Assured's records pertaining to all matters of cost, repairs, income and expenditures of whatsoever nature relating to the properties insured hereunder, such records to be open to a representative of these Underwriters at all reasonable times.

16. LIMITATION OF ACTION :

No suit of action on this insurance for the recovery of any claims shall be sustainable in any court of law or equity unless the Assured shall have complied fully with all the requirements of this insurance, and unless commenced within twenty-four months next after the time a cause of action for the loss accrues, provided however, that where such limitation of time is prohibited by the

law of the State wherein this insurance is issued, then and in that event, no suit or action under this insurance shall be sustained unless commenced within the shortest time limitation permitted under the laws of such State.

17. LOSS PAYABLE :

Loss, if any, payable to

18. FREE OF CAPTURE AND SEIZURE :

Notwithstanding anything to the contrary contained in this insurance, there shall be no liability for any claim caused by, resulting from, or incurred as a consequence of: -

- (a) Capture, seizure, arrest, restraint or detainment, or any attempt thereat; or
 - (b) Any taking by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; or
 - (c) Any mine, bomb, torpedo or other engine of war; or
 - (d) Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
 - (e) Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom or piracy; or
 - (f) (i) The detonation of an explosive
(ii) Any weapon of war
and caused by any person acting maliciously or from a political motive; or
 - (g) Any act for political or terrorist purposes of any person or persons, whether or not agents of a Sovereign Power, and whether the loss, damage or expense resulting therefrom is accidental or intentional; or
 - (h) Hostilities or warlike operations (whether there be a declaration of war or not) but this subparagraph (h) not to exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating objects, or stranding, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power which act is independent of the nature of the voyage or operation which the property insured hereunder, or in the case of a collision or contact, any other vessel involved therein, is performing. As used herein, "power" includes any authority maintaining naval, military or air forces in association with a power.
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LONDON STANDARD PLATFORM FORM

ALL RISKS

(Except as hereinafter excluded)

1. ASSURED :

2. PERIOD OF INSURANCE :

If this insurance expires while an accident or occurrence giving rise to a loss is in progress, Underwriters shall be liable as if the whole loss had occurred during the currency of this insurance.

3. PROPERTY INSURED HEREUNDER :

This insurance covers Platform Installation(s), as scheduled herein, which includes the platform(s), catwalks, and landing ramps (but excluding dolphins) and all property as scheduled herein, owned by or in the care custody or control of the Assured located on the said Platform Installation(s) except as hereinafter excluded.

It is a condition of this insurance that the Insured Value(s) represents the cost when new depreciated by 5% of such cost per annum, subject to a maximum depreciation of 40%.

SCHEDULE OF PROPERTY INSURED :

DESCRIPTION OF PLATFORM INSTALLATION	RATE	INSURED VALUE	HERETO AMOUNT
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Each deemed to be separately insured.

Any loss paid hereunder shall not reduce the amount of this insurance except in the event of a total loss and/or constructive and/or agreed and/or arranged total loss.

4. TERRITORIAL LIMITS :

(a)

(b) This insurance covers up to 25% of the scheduled amount of insurance hereunder on property insured herein (as described in Clause 3 above) but excluding jacket(s) and/or deck section(s), when separated from the property insured hereunder whilst in temporary storage at, or in local transit to or from, ports or platform installations within the Territorial Limits provided in Paragraph (a). It is expressly understood and agreed, however, that this extended coverage is included within and shall not increase the total amount of insurance hereunder.

5. COVERAGE :

Subject to its terms, conditions and exclusions this Insurance is against all risks of direct physical loss of or damage to the property insured, provided such loss or damage has not resulted from want of due diligence by the Assured, the Owners or Managers of the property insured, or any of them.

6. DEDUCTIBLE :

It is understood and agreed that each claim (including claims under the Sue and Labour Clause) shall be reported and adjusted separately and from the amount of each claim the sum of _____ shall be deducted. This Clause shall not apply to a claim for Total or Constructive Total Loss.

For the purpose of this Clause each occurrence shall be treated separately, but it is agreed that a sequence of losses or damages arising from the same occurrence shall be treated as one occurrence.

7. EXCLUSIONS :

Notwithstanding anything to the contrary which may be contained in this insurance there shall be no liability under this insurance in respect of or resulting from:-

- (a) Named windstorm and/or hurricane within the U. S. Gulf or the Gulf of Mexico.
- (b) Loss, damage or expense caused by or attributable to earthquake or volcanic eruption, or fire and/or explosion and/or tidal wave consequent upon earthquake or volcanic eruption.
- (c) Loss, damage or expense caused whilst or resulting from drilling a relief well for the purpose of controlling or attempting to control fire blowout or cratering associated with another platform or unit unless immediate notice be given to Underwriters of said use and additional premium paid if required.
- (d) Any claim, be it a Sue and Labour Expense or otherwise, for moneys materials or property expended or sacrificed in controlling or attempting to control blowout or cratering or in fighting fire associated with blowout.
- (e) Loss damage or expense caused by or resulting from delay detention or loss of use.
- (f) Wear and tear, gradual deterioration, metal fatigue, machinery breakdown, expansion or contraction due to change in temperature, corrosion, rusting, electrolytic action, error in design: nor does this insurance cover the cost of repairing or replacing any part which may be lost, damaged, or condemned by reason of any latent defect therein.
- (g) Loss of or damage to dynamos, exciters, lamps, motors, switches and other electrical appliances and devices, caused by electrical injury or disturbance, unless the loss or damage be caused by a peril not excluded hereunder originating outside the electrical equipment specified in this clause. Nevertheless this clause shall not exclude claims for physical loss or

- damage resulting from fire.
- (h) Liabilities to third parties.
- (i) Claims in connection with the removal of property, material, debris or obstruction whether such removal be required by law, ordinance, statute, regulation or otherwise.
- (j) Drilling and/or servicing rig(s) including drill pipe and drill collars and all other components forming part of a drilling or servicing rig(s).
- (k) Well(s) and/or hole(s) whilst being drilled or otherwise.
- (l) Drilling mud cement chemicals and fuel actually in use, and casing and tubing in the well.
- (m) Unrefined oil or gas or other crude product.
- (n) Blueprints, plans, specifications or records, personal effects of employees or others.

8. BLOWOUT PREVENTER WARRANTY :

Warranted that blowout preventer(s) of standard make will be set on the surface casing, such blowout preventer(s) to be installed and tested in accordance with the usual practice.

9. LIMIT OF LIABILITY :

In no event, except as provided for in the Sue and Labour Expense Clause herein, shall the Underwriters' liability arising from any one accident or occurrence exceed the amount insured hereunder as set forth in Clause 3 in respect of the items subject to claim in such accident or occurrence.

In respect of the property insured hereunder Underwriters shall not be liable for more than their proportion of the cost of repairing or replacing the property damaged or lost with materials of like kind and quality to a condition equal to but not superior to or more extensive than its condition prior to the loss.

In no event shall Underwriters be liable for any increased cost of repair or reconstruction by reason of law, ordinance, regulation, permit or license regulating construction or repair.

10. CONSTRUCTIVE TOTAL LOSS :

There shall be no recovery for a Constructive Total Loss hereunder unless the expense of recovering and repairing the insured property shall exceed the actual insured value.

In no case shall Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this insurance.

11. SUE AND LABOUR EXPENSE :

It is further agreed that should the property insured hereunder suffer loss or damage covered under the terms of this insurance, it shall be lawful and necessary for the Assured, their Factors, Servants and Assigns, to sue, labour and travel for, in and about the Defence, Safeguard and Recovery of the said property, or any part thereof, without prejudice to this insurance, and subject always to the terms conditions limitations and exclusions of this insurance, the charges thereof shall be borne by the Underwriters. And it is especially declared and agreed that no acts of the Underwriters or Assured in recovering, saving or preserving the property insured shall be considered as a waiver or acceptance of abandonment.

The Underwriters' liability for Sue and Labour Expenses shall not exceed 25% of the insured value of the item(s) in the Defence, Safeguard or Recovery of which such expense is incurred.

12. CANCELLATION :

This insurance may be cancelled:-

- (a) by the Assured at any time by written notice subject to a return of premium to be agreed.
- (b) by Underwriters subject to 30 days written notice, in which event a pro rata daily return of premium shall be payable.
- (c) by Underwriters in respect of the perils of strikers locked-out workmen or persons taking part in labour disturbances or riots or civil commotions subject to 7 days written notice without return of premium.

Cancellation by either party is subject to the retention by Underwriters of any minimum premium stipulated in the Policy.

13. RELEASE AGREEMENTS AND WAIVERS OF SUBROGATION :

The Assured may grant release from liability with respect to loss of or damage to property insured hereunder to any person firm or corporation for whom or with whom the Assured is performing operations or who is performing operations for the Assured, under contract or otherwise, provided:-

- (a) the said release is granted prior to the commencement of the operations.
- (b) the loss or damage subject to said release arises out of or in connection with such operations.

Underwriters agree to waive their rights of subrogation against such person firm or corporation having been so released from such liability.

14. DISCOVERY OF RECORDS :

During the currency of this insurance or any time thereafter within the period of the time provided for in Clause 15 for bringing suit against these Underwriters, these Underwriters shall have the right of inspecting the Assured's records pertaining to all matters of cost, repairs, income and expenditures of whatsoever nature relating to the properties insured hereunder, such records to be open to a representative of these Underwriters at all reasonable times.

15. LIMITATION OF ACTION :

No suit or action on this insurance for the recovery of any claim shall be sustainable in any court of law or equity unless the Assured shall have complied fully with all the requirements of this insurance, and unless commenced within twenty-four months next after the time a cause of action for the loss accrues, provided, however, that where such limitation of time is prohibited by the law of the State wherein this insurance is issued, then and in that event, no suit or action under this insurance shall be sustained unless commenced within the shortest time limitation permitted under the laws of such State.

16. LOSS PAYABLE :

Loss, if any, payable to

17. FREE OF CAPTURE AND SEIZURE :

Notwithstanding anything to the contrary contained in this insurance, there shall be no liability for any claim caused by, resulting from, or incurred as a consequence of:-

- (a) Capture, seizure, arrest, restraint or detainment, or any attempt thereat; or
 - (b) Any taking by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; or
 - (c) Any mine, bomb, torpedo or other engine of war; or
 - (d) Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
 - (e) Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy; or
 - (f)
 - (i) The detonation of an explosive
 - (ii) Any weapon of warand caused by any person acting maliciously or from a political motive; or
 - (g) Any act for political or terrorist purposes of any person or persons, whether or not agents of a Sovereign Power, and whether the loss, damage or expense resulting therefrom is accidental or intentional; or
 - (h) Hostilities or warlike operations (whether there be a declaration of war or not) but this subparagraph (h) not to exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating object, or stranding, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power which act is independent of the nature of the voyage or operation which the property insured hereunder, or in the case of a collision or contact, any other vessel involved therein, is performing. As used herein, "power" includes any authority maintaining naval, military or air forces in association with a power.
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American Institute Hull Clauses

(June 2, 1977)

To be attached to and form a part of Policy No. _____ of the _____

The terms and conditions of the following clauses are to be regarded as substituted for those of the policy form to which they are attached, the latter being hereby waived, except provisions required by law to be inserted in the Policy. All captions are inserted only for purposes of reference and shall not be used to interpret the clauses to which they apply.

ASSURED

This Policy insures _____

_____ hereinafter referred to as the Assured.
If claim is made under this Policy by anyone other than the Owner of the Vessel, such person shall not be entitled to recover to a greater extent than would the Owner, had claim been made by the Owner as an Assured named in this Policy.

Underwriters waive any right of subrogation against affiliated, subsidiary or interrelated companies of the Assured, provided that such waiver shall not apply in the event of a collision between the Vessel and any vessel owned, demise chartered or otherwise controlled by any of the aforesaid companies, or with respect to any loss, damage or expense against which such companies are insured.

LOSS PAYEE

Loss, if any, payable to _____

_____ or order.
Provided, however, Underwriters shall pay claims to others as set forth in the Collision Liability clause and may make direct payment to persons providing security for the release of the Vessel in Salvage cases.

VESSEL

The Subject Matter of this insurance is the Vessel called the _____
or by whatsoever name or names the said Vessel is or shall be called, which for purposes of this insurance shall consist of and be limited to her hull, launches, lifeboats, rafts, furniture, bunkers, stores, supplies, tackle, fittings, equipment, apparatus, machinery, boilers, refrigerating machinery, insulation, motor generators and other electrical machinery.

In the event any equipment or apparatus not owned by the Assured is installed for use on board the Vessel and the Assured has assumed responsibility therefor, it shall also be considered part of the Subject Matter and the aggregate value thereof shall be included in the Agreed Value.

Notwithstanding the foregoing, cargo containers, barges and lighters shall not be considered a part of the Subject Matter of this insurance.

DURATION OF RISK

From the _____ day of _____, 20____, _____ time
to the _____ day of _____, 20____, _____ time.

Should the Vessel at the expiration of this Policy 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.

In the event of payment by the Underwriters for Total Loss of the Vessel this Policy shall thereupon automatically terminate.

AGREED VALUE

The Vessel, for so much as concerns the Assured, by agreement between the Assured and the Underwriters in this Policy, is and shall be valued at _____ Dollars.

AMOUNT INSURED HEREUNDER

_____ Dollars.

DEDUCTIBLE

Notwithstanding anything in this Policy to the contrary, there shall be deducted from the aggregate of all claims (including claims under the Sue and Labor clause and claims under the Collision Liability clause) arising out of each separate accident, the sum of \$_____, unless the accident results in a Total Loss of the Vessel in which case this clause shall not apply. A recovery from other interests, however, shall not operate to exclude claims under this Policy provided the aggregate of such claims arising out of one separate accident if unreduced by such recovery exceeds that sum. For the purpose of this clause each accident shall be treated separately, but it is agreed that (a) a sequence of damages arising from the same accident shall be treated as due to that accident and (b) all heavy weather damage, or damage caused by contact with floating ice, which occurs during a single sea passage between two successive ports shall be treated as though due to one accident.

PREMIUM

The Underwriters to be paid in consideration of this insurance _____ Dollars being at the annual rate of _____ per cent., which premium shall be due on attachment. If the Vessel is insured under this Policy for a period of less than one year at pro rata of the annual rate, full annual premium shall be considered earned and immediately due and payable in the event of Total Loss of the Vessel.

RETURNS OF PREMIUM

Premium returnable as follows:

Pro rata daily net in the event of termination under the Change of Ownership clause;

Pro rata monthly net for each uncommenced month if it be mutually agreed to cancel this Policy;

For each period of 30 consecutive days the Vessel may be laid up in port for account of the Assured,

_____ cents per cent. net not under repair, or

_____ cents per cent. net under repair;

provided always that:

(a) a Total Loss of the Vessel has not occurred during the currency of this Policy;

(b) in no case shall a return for lay-up be allowed when the Vessel is lying in exposed or unprotected waters or in any location not approved by the Underwriters;

(c) in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly;

(d) in no case shall a return be allowed when the Vessel is used as a storage ship or for lightering purposes.

If the Vessel is laid up for a period of 30 consecutive days, a part only of which attaches under this Policy, the Underwriters shall pay such proportion of the return due in respect of a full period of 30 days as the number of days attaching hereto bears to 30. Should the lay-up period exceed 30 consecutive days, the Assured shall have the option to elect the period of 30 consecutive days for which a return is recoverable.

(Continued)

NON-PAYMENT OF PREMIUM

In event of non-payment of premium 30 days after attachment, or of any additional premium when due, this Policy may be cancelled by the Underwriters upon 10 days written or telegraphic notice sent to the Assured at his last known address or in care of the broker who negotiated this Policy. Such proportion of the premium, however, as shall have been earned up to the time of cancellation shall be payable. In the event of Total Loss of the Vessel occurring prior to any cancellation or termination of this Policy full annual premium shall be considered earned.

ADVENTURE

Beginning the adventure upon the Vessel, as above, and so shall continue and endure during the period aforesaid, as employment may offer, in port or at sea, in docks and graving docks, and on ways, gridirons and pontoons, at all times, in all places, and on all occasions, services and trades; with 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 the Vessel may not be towed, except as is customary or when in need of assistance, nor shall the Vessel render assistance or undertake towage or salvage services under contract previously arranged by the Assured, the Owners, the Managers or the Charterers of the Vessel, nor shall the Vessel, in the course of trading operations, engage in loading or discharging cargo at sea, from or into another vessel other than a barge, lighter or similar craft used principally in harbors or inland waters. The phrase "engage in loading or discharging cargo at sea" shall include while approaching, leaving or alongside, or while another vessel is approaching, leaving or alongside the Vessel.

The Vessel is held covered in case of any breach of conditions as to cargo, trade, locality, towage or salvage activities, or date of sailing, or loading or discharging cargo at sea, provided (a) notice is given to the Underwriters immediately following receipt of knowledge thereof by the Assured, and (b) any amended terms of cover and any additional premium required by the Underwriters are agreed to by the Assured.

PERILS

Touching the Adventures and Perils which the Underwriters are contented to bear and take upon themselves, they are of the Seas, Men-of-War, Fire, Lightning, Earthquake, Enemies, Pirates, Rovers, Assailing Thieves, Jettisons, Letters of Mart and Counter-Mart, Surprisals, Takings at Sea, Arrests, Restrictions and Detainments of all Kings, Princes and Peoples, of what nation, condition or quality soever, Barratry of the Master and Mariners and of all other like Perils, Losses and Misfortunes that have or shall come to the Hurt, Detriment or Damage of the Vessel, or any part thereof, excepting, however, such of the foregoing perils as may be excluded by provisions elsewhere in the Policy or by endorsement thereon.

ADDITIONAL PERILS (INCHMAREE)

Subject to the conditions of this Policy, this insurance also covers loss of or damage to the Vessel directly caused by the following:

- Accidents in loading, discharging or handling cargo, or in bunkering;
- Accidents in going on or off, or while on drydocks, graving docks, ways, gridirons or pontoons;
- Explosions on shipboard or elsewhere;
- Breakdown of motor generators or other electrical machinery and electrical connections thereto, bursting of boilers, breakage of shafts, or any latent defect in the machinery or hull, (excluding the cost and expense of replacing or repairing the defective part);
- Breakdown of or accidents to nuclear installations or reactors not on board the insured Vessel;
- Contact with aircraft, rockets or similar missiles, or with any land conveyance;
- Negligence of Charterers and/or Repairers, provided such Charterers and/or Repairers are not an Assured hereunder;
- Negligence of Masters, Officers, Crew or Pilots;

provided such loss or damage has not resulted from want of due diligence by the Assured, the Owners or Managers of the Vessel, or any of them. Masters, Officers, Crew or Pilots are not to be considered Owners within the meaning of this clause should they hold shares in the Vessel.

DELIBERATE DAMAGE (POLLUTION HAZARD)

Subject to the conditions of this Policy, this insurance also covers loss of or damage to the Vessel directly caused by governmental authorities acting for the public welfare 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 Policy, provided such act of governmental authorities 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. Masters, Officers, Crew or Pilots are not to be considered Owners within the meaning of this clause should they hold shares in the Vessel.

CLAIMS (GENERAL PROVISIONS)

In the event of any accident or occurrence which could give rise to a claim under this Policy, prompt notice thereof shall be given to the Underwriters, and:

- (a) where practicable, the Underwriters shall be advised prior to survey, so that they may appoint their own surveyor, if they so desire;
- (b) the Underwriters shall be entitled to decide where the Vessel shall proceed for docking and/or repair (allowance to be made to the Assured for the actual additional expense of the voyage arising from compliance with the Underwriters' requirement);
- (c) the Underwriters shall have the right of veto in connection with any repair firm proposed;
- (d) the Underwriters may take tenders, or may require in writing that tenders be taken for the repair of the Vessel, in which event, upon acceptance of a tender with the approval of the Underwriters, an allowance shall be made at the rate of 30 per cent per annum on the amount insured, for each day or pro rata for part of a day, for time lost between the issuance of invitations to tender 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 the tender is accepted without delay after receipt of the Underwriters' approval.

Due credit shall be given against the allowances in (b) and (d) above for any amount recovered:

- (1) in respect of fuel, stores, and wages and maintenance of the Master, Officers or Crew allowed in General or Particular Average;
- (2) from third parties in respect of damages for detention and/or loss of profit and/or running expenses;

for the period covered by the allowances or any part thereof.

No claim shall be allowed in Particular Average for wages and maintenance of the Master, Officers or Crew, except when incurred solely for the necessary removal of the Vessel from one port to another for average repairs or for trial trips to test average repairs, in which cases wages and maintenance will be allowed only while the Vessel is under way. This exclusion shall not apply to overtime or similar extraordinary payments to the Master, Officers or Crew incurred in shifting the Vessel for tank cleaning or repairs or while specifically engaged in these activities, either in port or at sea.

General and Particular Average shall be payable without deduction, new for old.

The expense of sighting the bottom after stranding shall be paid, if reasonably incurred especially for that purpose, even if no damage be found.

No claim shall in any case be allowed in respect of scraping or painting the Vessel's bottom.

In the event of loss or damage to equipment or apparatus not owned by the Assured but installed for use on board the Vessel and for which the Assured has assumed responsibility, claim shall not exceed (1) the amount the Underwriters would pay if the Assured were owner of such equipment or apparatus, or (2) the contractual responsibility assumed by the Assured to the owners or lessors thereof, whichever shall be less.

No claim for unrepaired damages shall be allowed, except to the extent that the aggregate damage caused by perils insured against during the period of the Policy and left unrepaired at the expiration of the Policy shall be demonstrated by the Assured to have diminished the actual market value of the Vessel on that date if undamaged by such perils.

GENERAL AVERAGE AND SALVAGE

General Average and Salvage shall be payable as provided in the contract of affreightment, or failing such provision or there be no contract of

affreightment, payable at the Assured's election either in accordance with York-Antwerp Rules 1950 or 1974 or with the Laws and Usages of the Port of New York. Provided always that when an adjustment according to the laws and usages of the port of destination is properly demanded by the owners of the cargo, General Average shall be paid accordingly.

In the event of salvage, towage or other assistance being rendered to the Vessel by any vessel belonging in part or in whole to the same Owners or Charterers, the value of such services (without regard to the common ownership or control of the vessels) shall be ascertained by arbitration in the manner provided for under the Collision Liability clause in this Policy, and the amount so awarded so far as applicable to the interest hereby insured shall constitute a charge under this Policy.

When the contributory value of the Vessel is greater than the Agreed Value herein, the liability of the Underwriters for General Average contribution (except in respect to amounts made good to the Vessel), or Salvage, shall not exceed that proportion of the total contribution due from the Vessel which the amount insured hereunder bears to the contributory value, and if, because of damage for which the Underwriters are liable as Particular Average, the value of the Vessel has been reduced for the purpose of contribution, the amount of such Particular Average damage recoverable under this Policy shall first be deducted from the amount insured hereunder, and the Underwriters shall then be liable only for the proportion which such net amount bears to the contributory value.

TOTAL LOSS

In ascertaining whether the Vessel is a constructive Total Loss the Agreed 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.

There shall be no recovery for a constructive Total Loss hereunder unless the expense of recovering and repairing the Vessel would exceed the Agreed Value. In making this determination, only expenses incurred or to be incurred by reason of a single accident or a sequence of damages arising from the same accident shall be taken into account, but expenses incurred prior to tender of abandonment shall not be considered if such are to be claimed separately under the Sue and Labor clause.

In the event of Total Loss (actual or constructive), no claim to be made by the Underwriters for freight, whether notice of abandonment has been given or not.

In no case shall the Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this Policy.

SUE AND LABOR

And in case of any Loss or Misfortune, it shall be lawful and necessary for the Assured, their Factors, Servants and Assigns, to sue, labor and travel for, in, and about the defense, safeguard and recovery of the Vessel, or any part thereof, without prejudice to this insurance, to the charges whereof the Underwriters will contribute their proportion as provided below. And it is expressly declared and agreed that no acts of the Underwriters or Assured in recovering, saving or preserving the Vessel shall be considered as a waiver or acceptance of abandonment.

In the event of expenditure under the Sue and Labor clause, the Underwriters shall pay the proportion of such expenses that the amount insured hereunder bears to the Agreed Value, or that the amount insured hereunder (less loss and/or damage payable under this Policy) bears to the actual value of the salvaged property, whichever proportion shall be less; provided always that their liability for such expenses shall not exceed their proportionate part of the Agreed Value.

If claim for Total Loss is admitted under this Policy and sue and labor expenses have been reasonably incurred in excess of any proceeds realized or value recovered, the amount payable under this Policy will be the proportion of such excess that the amount insured hereunder (without deduction for loss or damage) bears to the Agreed Value or to the sound value of the Vessel at the time of the accident, whichever value was greater; provided always that Underwriters' liability for such expenses shall not exceed their proportionate part of the Agreed Value. The foregoing shall also apply to expenses reasonably incurred in salving or attempting to save the Vessel and other property to the extent that such expenses shall be regarded as having been incurred in respect of the Vessel.

COLLISION LIABILITY

And it is further agreed that:

- (a) if the Vessel shall come into collision with any other ship or vessel, and the Assured or the Surety in consequence of the 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 in respect of such collision, the Underwriters will pay the Assured or the Surety, whichever shall have paid, such proportion of such sum or sums so paid as their respective subscriptions hereto bear to the Agreed Value, provided always that their liability in respect to any one such collision shall not exceed their proportionate part of the Agreed Value;
- (b) in cases where, with the consent in writing of a majority (in amount) of Hull Underwriters, the liability of the Vessel has been contested, or proceedings have been taken to limit liability, the Underwriters will also pay a like proportion of the costs which the Assured shall thereby incur or be compelled to pay.

When both vessels are to blame, then, unless the liability of the owners or charterers of one or both such vessels becomes limited by law, claims under the Collision Liability clause shall be settled on the principle of Cross-Liabilities as if the owners or charterers of each vessel had been compelled to pay to the owners or charterers of the other of such vessels 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.

The principles involved in this clause shall apply to the case where both vessels are the property, in part or in whole, of the same owners or charterers, all questions of responsibility and amount of liability as between the two 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 the majority (in amount) of Hull Underwriters interested: the two Arbitrators chosen to choose a third Arbitrator before entering upon the reference, and the decision of such single Arbitrator, or of any two of such three Arbitrators, appointed as above, to be final and binding.

Provided always that this clause shall in no case extend to any sum which the Assured or the Surety may become liable to pay or shall pay in consequence of, or with respect to:

- (a) removal or disposal of obstructions, wrecks or their cargoes under statutory powers or otherwise pursuant to law;
- (b) injury to real or personal property of every description;
- (c) the discharge, spillage, emission or leakage of oil, petroleum products, chemicals or other substances of any kind or description whatsoever;
- (d) cargo or other property on or the engagements of the Vessel;
- (e) loss of life, personal injury or illness.

Provided further that exclusions (b) and (c) above shall not apply to injury to other vessels or property thereon except to the extent that such injury arises out of any action taken to avoid, minimize or remove any discharge, spillage, emission or leakage described in (c) above.

PILOTAGE AND TOWAGE

This insurance shall not be prejudiced by reason of any contract limiting in whole or in part the liability of pilots, tugs, towboats, or their owners when the Assured or the agent of the Assured accepts such contract in accordance with established local practice

Where in accordance with such practice, pilotage or towage services are provided under contracts requiring the Assured or the agent of the Assured:

- (a) to assume liability for damage resulting from collision of the Vessel insured with any other ship or vessel, including the towing vessel, or
- (b) to indemnify those providing the pilotage or towage services against loss or liability for any such damages,

it is agreed that amounts paid by the Assured or Surety pursuant to such assumed obligations shall be deemed payments "by way of damages to any other person or persons" and to have been paid "in consequence of the Vessel being at fault" within the meaning of the Collision Liability clause in this Policy

(Continued)

to the extent that such payments would have been covered if the Vessel had been legally responsible in the absence of any agreement. Provided always that in no event shall the aggregate amount of liability of the Underwriters under the Collision Liability clause, including this clause, be greater than the amount of any statutory limitation of liability to which owners are entitled or would be entitled if liability under any contractual obligation referred to in this clause were included among the liabilities subject to such statutory limitations.

CHANGE OF OWNERSHIP

In the event of any change, voluntary or otherwise, in the ownership or flag of the Vessel, or if the Vessel be placed under new management, or be chartered on a bareboat basis or requisitioned on that basis, or if the Classification Society of the Vessel or her class therein be changed, cancelled or withdrawn, then, unless the Underwriters agree thereto in writing, this Policy shall automatically terminate at the time of such change of ownership, flag, management, charter, requisition or classification; provided, however, that:

- (a) 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 until arrival at final port of discharge if with cargo, or at port of destination if in ballast;
- (b) in the event of an involuntary temporary transfer by requisition or otherwise, without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such transfer.

This insurance shall not inure to the benefit of any transferee or charterer of the Vessel and, if a loss payable hereunder should occur between the time of change or transfer and any deferred automatic termination, the Underwriters shall be subrogated to all of the rights of the Assured against the transferee or charterer in respect of all or part of such loss as is recoverable from the transferee or charterer, and in the proportion which the amount insured hereunder bears to the Agreed Value.

The term "new management" as used above refers only to the transfer of the management of the Vessel from one firm or corporation to another, and it shall not apply to any internal changes within the offices of the Assured.

ADDITIONAL INSURANCES

It is a condition of this Policy that no additional insurance against the risk of Total Loss of the Vessel shall be effected to operate during the currency of this Policy by or for account of the Assured, Owners, Managers, Operators or Mortgagees except on the interests and up to the amounts enumerated in the following Sections (a) to (g), inclusive, and no such insurance shall be subject to P.P.I., F.I.A. or other like term on any interests whatever excepting those enumerated in Section (a); provided always and notwithstanding the limitation on recovery in the Assured clause a breach of this condition shall not afford the Underwriters any defense to a claim by a Mortgagee who has accepted this Policy without knowledge of such breach:

- (a) DISBURSEMENTS, MANAGERS' COMMISSIONS, PROFITS OR EXCESS OR INCREASED VALUE OF HULL AND MACHINERY, AND/OR SIMILAR INTERESTS HOWEVER DESCRIBED, AND FREIGHT (INCLUDING CHARTERED FREIGHT OR ANTICIPATED FREIGHT) INSURED FOR TIME. An amount not exceeding in the aggregate 25% of the Agreed Value.
- (b) FREIGHT OR HIRE, UNDER CONTRACTS FOR VOYAGE. An amount 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 amount shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any amount permitted under this Section shall be reduced, as the freight or hire is earned, by the gross amount so earned. Any freight or hire to be earned under the form of Charters described in (d) below shall not be permitted under this Section (b) if any part thereof is insured as permitted under said Section (d).
- (c) ANTICIPATED FREIGHT IF THE VESSEL SAILS IN BALLAST AND NOT UNDER CHARTER. An amount not exceeding the anticipated gross freight on next cargo passage, such amount to be reasonably estimated on the basis of the current rate of freight at time of insurance, plus the charges of insurance. Provided, however, that no insurance shall be permitted by this Section if any insurance is effected as permitted under Section (b).
- (d) TIME CHARTER HIRE OR CHARTER HIRE FOR SERIES OF VOYAGES. An amount not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any amount permitted under this Section shall be reduced as the hire is earned under the charter by 50% of the gross amount so earned but, where the charter is for a period exceeding 18 months, the amount insured need not be reduced while it does not exceed 50% of the gross hire still to be earned under the charter. An insurance permitted by this Section may begin on the signing of the charter.
- (e) PREMIUMS. An amount not exceeding the actual premiums of all interest insured for a period not exceeding 12 months (excluding premiums insured as permitted under the foregoing Sections but including, if required, the premium or estimated calls on any Protection and Indemnity or War Risks and Strikes insurance) reducing pro rata monthly.
- (f) RETURNS OF PREMIUM. An amount not exceeding the actual returns which are recoverable subject to "and arrival" or equivalent provision under any policy of insurance.
- (g) INSURANCE IRRESPECTIVE OF AMOUNT AGAINST:—Risks excluded by War, Strikes and Related Exclusions clause; risks enumerated in the American Institute War Risks and Strikes Clauses; and General Average and Salvage Disbursements.

WAR STRIKES AND RELATED EXCLUSIONS

The following conditions shall be paramount and shall supersede and nullify any contrary provisions of the Policy.

This Policy does not cover any loss, damage or expense caused by, resulting from, or incurred as a consequence of:

- (a) Capture, seizure, arrest, restraint or detainment, or any attempt thereat; or
- (b) Any taking of the Vessel, by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; or
- (c) Any mine, bomb or torpedo not carried as cargo on board the Vessel; or
- (d) Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
- (e) Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy; or
- (f) Strikes, lockouts, political or labor disturbances, civil commotions, riots, martial law, military or usurped power; or
- (g) Malicious acts or vandalism, unless committed by the Master or Mariners and not excluded elsewhere under this War Strikes and Related Exclusions clause; or
- (h) Hostilities or warlike operations (whether there be a declaration of war or not) but this subparagraph (h) not to exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating object, or stranding, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power which act is independent of the nature of the voyage or service which the Vessel concerned or, in the case of a collision, any other vessel involved therein, is performing. As used herein, "power" includes any authority maintaining, naval, military or air forces in association with a power.

If war risks or other risks excluded by this clause are hereafter insured by endorsement on this Policy, such endorsement shall supersede the above conditions only to the extent that the terms of such endorsement are inconsistent therewith and only while such endorsement remains in force.

1/4/90

TANK CLEANING AND/OR GAS-FREEING CLAUSE

In cases where repairs and/or inspection on the Assured's account which require the tanks being cleaned and/or gas-freed, whether they are immediately necessary to make the Vessel seaworthy or not, are executed concurrently with other repairs for the cost of which the Company are liable and which also require the tanks being cleaned and/or gas-freed, the cost of such cleaning and/or gas-freeing as is common to both repairs and /or inspection shall be divided equally between the Assured and the Company.

1/4/2010

EXCESS COLLISION LIABILITY CLAUSE (A)**Article 1.**

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) by reason of such liability exceeding the insured value on hull and machinery, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

1/4/2010

EXCESS COLLISION LIABILITY CLAUSE (B)**Article 1.**

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clause 6-4-3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) by reason of such liability exceeding the total sum of insured value on hull and machinery and that on disbursements, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon.

The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime

Claims, 1976 (hereinafter "1996 Protocol") and the total sum of insured value on hull and machinery and that on disbursements (in case of the Japanese Law regarding Limitation of Liability of Shipowners etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the total sum of insured value on hull and machinery and that on disbursements, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

13/5/2004

EXCESS COLLISION LIABILITY CLAUSE (C)**Article 1.**

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under the Collision Liability Clause (4/90) by reason of such liability exceeding the insured value on hull and machinery, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

1/4/2010

**EXCESS COLLISION LIABILITY CLAUSE (A)
(for 3/4 RDC)****Article 1.**

This insurance is extended to cover collision liability (three-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) by reason of such three-fourths liability exceeding three-fourths of the insured value on hull and machinery, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the

(Continued)

insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

1/4/2010

EXCESS COLLISION LIABILITY CLAUSE (B) (for 3/4 RDC)

Article 1.

This insurance is extended to cover collision liability (three-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clause-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clause 6-4-3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) by reason of such three-fourths liability exceeding three-fourths of the total sum of insured value on hull and machinery and that on disbursements, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the total sum of insured value on hull and machinery and that on disbursements (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in applied law and the total sum of insured value on hull and machinery and that on disbursements, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

1/4/2017

SMALL GENERAL AVERAGE CLAUSES

Article 1.

Notwithstanding Clause 11 of the Institute Time Clauses-Hulls 1/10/83, the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010), where there is a loss which would be deemed as a general average loss, the Company shall be liable to indemnify the Assured for the

whole of such losses (excluding commission and interest) within the limit of the amount specially agreed in the Policy, provided that the Person effecting the insurance or the Assured have waived their right of contribution from the other parties.

Article 2.

In cases where York-Antwerp Rules, 2004 shall be applied in respect of general average subject to contract of carriages, and irrespective of the provisions of Rule VI. (Salvage Remuneration) of the Rules, or in cases where York-Antwerp Rules, 2016 shall be applied in respect of general average subject to contract of carriages, and irrespective of the provisions of Rules VI. (Salvage Remuneration) of the Rules, the Person effecting the insurance or the Assured pays the proportion of salvage due from other parties and do not debit that salvage to other parties, full amount of salvage (including the proportion of salvage due from the Vessel) shall be deemed to be included in general average under the proceeding Article 1.

1/4/84

FIRE AND POLLUTION HAZARD CLAUSES (A)

Article 1.

In the event of the Vessel suffering loss or damage as the result of the undermentioned emergency measures taken by the Japanese or foreign government authorities (hereinafter referred to as "loss of damage caused by emergency measures"), such loss or damage shall be deemed to be caused by the maritime accident which has necessitated the emergency measures and shall be indemnified subject to the terms and conditions of this insurance.

Provided, however, that the cost of repairs arising from the loss or damage caused by emergency measures is recoverable only when the Company is liable to pay, under the provisions of this insurance, the cost of repairs of the damage to the Vessel caused by the maritime accident which has necessitated such emergency measures.

- (1) Emergency measures taken to extinguish a fire which is covered by this insurance and/or to prevent the fire from spreading and/or to save human life when it has broken out on the Vessel.
- (2) Emergency measures taken for the same purpose as is stipulated in paragraph (1) when the Vessel is about to catch fire in consequence of the damage to the Vessel which was caused by the maritime accident covered by this insurance (hereinafter referred to as "damage by insured perils").
- (3) Emergency measures taken to prevent or to mitigate pollution, where the Vessel has suffered damage by insured perils and the oil or any other substance which has leaked or been discharged from the Vessel pollutes or threatens to pollute seas, waters, rivers, etc.

Article 2.

Notwithstanding the preceding Article 1, the Company shall not be liable for loss or damage caused by emergency measures in case such emergency measures have resulted from want of due diligence by the Person(s) effecting this insurance, the Assured, the Owners or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat thereof. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of these clauses should they hold shares in the Vessel.

Article 3.

The Company shall not be liable for the cost or expense incurred as the result of the emergency measures unless these are recoverable under the provisions of the other clauses of this insurance.

Article 4.

These clauses shall prevail notwithstanding anything contained in this insurance inconsistent therewith.

1/8/84

FIRE AND POLLUTION HAZARD CLAUSES (B)**Article 1.**

In the event of the Vessel suffering loss or damage as the result of the undermentioned emergency measures taken by the Japanese or foreign government authorities, total loss (actual or constructive) of the Vessel in consequence thereof shall be deemed to be caused by the maritime accident which has necessitated the emergency measures and shall be indemnified for subject to the terms and conditions of this insurance.

- (1) Emergency measures taken to extinguish a fire which is covered by this insurance and/or to prevent the fire from spreading and/or to save human life when it has broken out on the Vessel.
- (2) Emergency measures taken for the same purpose as is stipulated in paragraph (1) when the Vessel is about to catch fire in consequence of the damage to the Vessel which was caused by the maritime accident covered by this insurance (hereinafter referred to as "damage by insured perils").
- (3) Emergency measures taken to prevent or to mitigate pollution, where the Vessel has suffered damage by insured perils and the oil or any other substance which has leaked or been discharged from the Vessel pollutes or threatens to pollute seas, waters, rivers, etc.

Article 2.

Notwithstanding the preceding Article 1, the Company shall not be liable for loss or damage caused by emergency measures in case such emergency measures have resulted from want of due diligence by the Person(s) effecting this insurance, the Assured, the Owners or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat thereof. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of these clauses should they hold shares in the Vessel.

Article 3.

The Company shall not be liable for the cost or expense incurred as the result of the emergency measures unless these are recoverable under the provisions of the other clauses of this insurance.

Article 4.

These clauses shall prevail notwithstanding anything contained in this insurance inconsistent therewith.

1/4/90

DISBURSEMENTS WARRANTY CLAUSE (A)

It is understood and agreed that this insurance is subject to the following conditions and the failure to comply therewith shall render this Company not liable to pay for any loss or damage occurring thereafter: –

There shall be no insurance that may be taken out with the object of covering interest of the owner or charterer-by-demise of the Vessel, irrespective of whether it be Disbursements, Profits, Increased value or otherwise and also irrespective of whosoever the Assured may be, except for the insurance on freight or charter money for voyage for the amount actually at risk.

1/4/90

DISBURSEMENTS WARRANTY CLAUSE (B)

It is understood and agreed that this insurance is subject to the following conditions and the failure to comply therewith shall render this Company not liable to pay for any loss or damage occurring thereafter: –

There shall be no insurance for a sum exceeding 25%

of the value as stated herein that may be taken out with the object of covering interest of the owner or charterer-by-demise of the Vessel, irrespective of whether it be Disbursements, Profits, Increased value or otherwise and also irrespective of whosoever the Assured may be, except for the insurance on freight or charter money for voyage for the amount actually at risk.

1/4/98

DISBURSEMENTS SPECIAL CLAUSE**Article 1.**

It is warranted that (1) the insurance(s) of Hull and Machinery of the Vessel exist(s) validly and (2) insured amount of this insurance (plus, if any, the insured amount(s) of other similar insurance(s) that may be taken out with the object of covering interest of Owner(s) and/or Bareboat Charterer(s) of the Vessel, irrespective of whether it be Disbursements, Profits or Excess or Increased Value of Hull and Machinery or otherwise) shall in no circumstances exceed in the aggregate 25% of the insured value in the existing insurance(s) on Hull and Machinery of the Vessel.

Article 2.

In case of any breach of the above warranty, no claim shall be recoverable under this insurance.

**FISHING GEAR AND
FISHING CRAFT EXCLUSION CLAUSE**

Fishing gear which is used for the purpose of fishing only and is not permanently fixed to the Vessel and fishing craft which is carried on board the Vessel shall not be deemed to be included in the subject-matter insured.

1/4/97

LAI D UP RETURN CLAUSES (HULLS)**Article 1.**

In the case of insurance effected for a period of one year, if the Vessel is laid up for a period of 30 or more consecutive days during the insured period, the Company shall return the premium specified in the succeeding Article after natural expiry of the insurance, provided that no actual total loss or constructive total loss of the Vessel (irrespective of whether resulting from any of the Accidents or not) has occurred during the insured period.

Article 2.

The return premium shall be *as arranged* for each period of 30 consecutive days separately (any fraction of 30 days shall be ignored). However, if any period not to return premiums is included in such period of 30 consecutive days, premium amount correspondent to the period not to return premiums calculated on daily pro rata basis shall be deducted from the return premium.

Article 3.

In asking for a return of premium under the preceding two Articles the Assured shall, within reasonable delay, give notice of the fact to the Company in writing and obtain the Company's approval to the laying-up location and mooring arrangements.

Article 4.

At the termination of laying-up, the Assured shall, within reasonable delay, give notice of the fact to the Company in writing with the certificates by the authorities and/or necessary documents.

Article 5.

No premium return, under preceding Articles 1 and 2 above, shall be made in the event of failure by the Assured to comply with

(Continued)

the whole or a part of any condition in the laying-up endorsement, except when the Company's agreement has been obtained.

Article 6.

Provided always that

- (1) The term "laying-up" refers the condition that the Vessel is not navigating, that is, laying-up on a slipway or in a drydock, mooring, or anchoring etc. for repair (irrespective of whether resulting from any of the Accident or not; hereinafter to be so interpreted), reconstruction, or inspection.
- (2) The term "laying-up endorsements" refers the endorsements issued by the Company in accordance with the preceding Article 3.
- (3) The term "period not to return premium" refers;
 - a. period of repair or reconstruction, but excluding the period under repair due to wear and tear and/or to recommendation by the classification society of the Vessel.
 - b. period of laying-up in the non-approved area.

1/4/1997

LAID UP RETURN CLAUSES (DISBURSEMENTS)

Article 1.

The Company shall return the premium specified in the succeeding Article after natural expiry of the insurance, provided that a return of premium shall be made under the LAID UP RETURN CLAUSES (HULLS) attached hereto.

Article 2.

The return premium shall be as arranged for each period of 30 consecutive days separately (any fraction of 30 days shall be ignored). However, if any period not to return premiums is included in such period of 30 consecutive days, premium amount correspondent to the period not to return premiums calculated on daily pro rata basis shall be deducted from the return premium.

1/4/2010

DEDUCTIBLE CLAUSES (A)

Article 1.

- 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 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No. 5 (4/2010) (hereinafter referred to as the "I. T. C. amended No. 5")) exceeds the Deductible specified in the Schedule in which case this sum shall be deducted.
- 2 The sum of all claims in Article 1-1 shall be always limited to the insured value specified in the Schedule. Provided that each amount of claims under Clauses 8.1, 8.3 and 13 of the I. T. C. amended No.5 shall be limited to the insured value specified in the Schedule respectively, independently of other claims under the other terms and conditions of this insurance.

Article 2.

Article 1-1 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 of the I. T. C. amended No. 5 arising from the same accident or occurrence, or to a claim under Expense of Sighting the Bottom Clause.

1/4/2010

DEDUCTIBLE CLAUSES (B)

Article 1.

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 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) (hereinafter referred to as the "I.T.C. amended No.5")) exceeds the Deductible (A) specified in the Schedule in which case this sum shall be deducted.
2. Where any claim for the cost of repairs arising from perils enumerated in the following clauses (hereinafter referred to as the "the cost of repairs peculiar to the clauses") is included in all claims in Article 1-1, the claim for the cost of repairs peculiar to the clauses shall be subject to the Deductible (B) specified in the Schedule. 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 (A) specified in the Schedule.
 - (1) Additional Particular Average Clauses (B)
 - (2) Additional Particular Average Clauses (B-2)
 - (3) Additional Particular Average Clauses (C)
 - (4) Special Clauses for the Cost of Repairs of Damage caused by Explosion (A)
 - (5) Special Clauses for the Cost of Repairs of Damage caused by Explosion (B)
 - (6) Special Clauses for the Cost of Repairs of Damage caused by Explosion (C)
3. The sum of all claims in Articles 1-1 and 1-2 shall be always limited to the insured value specified in the Schedule. Provided that each amount of claims under Clauses 8.1, 8.3 and 13 of the I.T.C. amended No.5 shall be limited to the insured value specified in the Schedule respectively, independently of other claims under the other terms and conditions of this insurance.

Article 2.

Articles 1-1 and 1-2 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 of the I.T.C. amended No.5 arising from the same accident or occurrence, or to a claim under Expense of Sighting the Bottom Clause.

1/4/2010

DEDUCTIBLE CLAUSES (C)

Article 1.

The provision of Clause 12.1 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010) (hereinafter referred to as the "I.T.C. amended No.6") shall be deleted.

Article 2.

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 of the I.T.C. amended No.6) exceeds the Deductible specified in the Schedule in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom of the Vessel, with the consent of the Company, immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.
2. The sum of all claims in Article 2-1 shall be always limited to the insured value specified in the Schedule. Provided that

each amount of claims under Clauses 8.1, 8.3 and 13 of the I.T.C. amended No.6 shall be limited to the insured value specified in the Schedule respectively, independently of other claims under the other terms and conditions of this insurance.

Article 3.

Article 2-1 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 of the I.T.C. amended No.6 arising from the same accident or occurrence.

1/4/2010

DEDUCTIBLE CLAUSES (D)

Article 1.

The provision of Clause 12.1 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010) (hereinafter referred to as the "I.T.C. amended No.6") shall be deleted.

Article 2.

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 Causes 8, 11 and 13 of the I.T.C. amended No.6) exceeds the Deductible (A) specified in the Schedule in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom of the Vessel, with the consent of the Company, immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.
2. Where any claim for the cost of repairs arising from perils enumerated in Clauses 6.1.6, 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5 of the I.T.C. amended No.6 and heavy weather and perils enumerated in the Institute Additional Perils Clauses-Hulls 1/10/83 Amended (4/2010) (hereinafter referred to as the "the cost of repairs peculiar to the I.T.C. amended No.6") is included in all claims in Article 2-1, the claim for the cost of repairs peculiar to the I.T.C. amended No.6 shall be subject to the Deductible (B) specified in the Schedule. 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 (A) specified in the Schedule.
3. The sum of all claims in Articles 2-1 and 2-2 shall be always limited to the insured value specified in the Schedule. Provided that each amount of claims under Clauses 8.1, 8.3 and 13 of the I.T.C. amended No.6 shall be limited to the insured value specified in the Schedule respectively, independently of other claims under the other terms and conditions of this insurance.

Article 3.

Articles 2-1 and 2-2 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 of the I.T.C. amended No.6 arising from the same accident or occurrence.

1/4/2010

DEDUCTIBLE CLAUSES (F)

Article 1.

No claim for the cost of the repairs arising from perils enumerated in Clause 6 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010) and perils enumerated in the Institute Additional Perils Clauses-Hulls (for use only with the Institute Time Clauses-Hulls 1/10/83 or 1/11/95), or the Institute

Additional Perils Clauses-Hulls Amended (4/2010) (for use only with the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6) shall be payable under this insurance unless the aggregate, which shall be limited to the insured value of the Vessel, of all such costs of the repairs arising out of each separate accident or occurrence exceeds the deductible (A) specified in the schedule in which case this sum shall be deducted.

Article 2

Notwithstanding the provision of the Article 1, if the claim for the cost of repairs includes "the cost of repairs arising from perils enumerated in Clause 6.2 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010) or heavy weather, and perils enumerated in the Institute Additional Perils Clauses-Hulls (for use only with the Institute Time Clauses-Hulls 1/10/83 or 1/11/95), or the Institute Additional Perils Clauses-Hulls Amended (4/2010) (for use only with the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6) (hereinafter called the Specific Cost), deductible(B) specified in the schedule shall be deducted from the Specific Cost arising out of each separate accident or occurrence, in turn deductible(A) specified in the schedule shall be deducted from the aggregate of (1) the remainder after deductible(B) is deducted from the Specific Cost and (2) the cost of repairs excluding the Specific Cost arising out of the above accident or occurrence and also arising from perils enumerated in Clause 6 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010). The remainder after deductible(A) and (B) are duly deducted shall be payable as the cost of repairs under this insurance.

Article 3

The expense of sighting the bottom of the Vessel, with the consent of the Underwriters, immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.

Article 4

The provision of Clause 12.1 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clause Class No.6 (4/2010) shall be deleted.

1/4/2010

DEDUCTIBLE CLAUSES (G)

Article 1.

No claim for the cost of the repairs arising from perils enumerated in Clause 6 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010) and perils enumerated in the Institute Additional Perils Clauses-Hulls (for use only with the Institute Time Clauses-Hulls 1/10/83 or 1/11/95), or the Institute Additional Perils Clauses-Hulls Amended (4/2010) (for use only with the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No. 6) shall be payable under this insurance unless the aggregate, which shall be limited to the insured value of the Vessel, of all such claims arising out of each separate accident or occurrence exceeds the deductible specified in the schedule in which case this sum shall be deducted.

Article 2.

The expense of sighting the bottom of the Vessel, with the consent of the Underwriters, immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.

Article 3.

The provision of Clause 12.1 of the Institute Time Clauses-

(Continued)

Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010) shall be deleted.

1/4/2010

DEDUCTIBLE CLAUSES (H)

Article 1.

No claim for the cost of the repairs arising from perils enumerated in Clause 6 of the Institute Time Clauses - Hulls 1/10/83 Amended for Japanese Clause Class No.5 (4/2010) shall be payable under this insurance unless the aggregate, which shall be limited to the insured value of the Vessel, of all such claims arising out of each separate accident or occurrence exceeds the deductible specified in the schedule in which case this sum shall be deducted.

Article 2.

The expense of sighting the bottom of the Vessel, with this consent of the Underwriters. Immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.

Article 3.

The provision of Clause 12.1 of the Institute Time Clauses - Hulls 1/10/83 Amended for Japanese Clause Class No.5 (4/2010) shall be deleted.

1/4/2010

DEDUCTIBLE CLAUSES (A) (For 3/4ths Collision Liability)

Article 1

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 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) (hereinafter referred to as the "I.T.C. amended No.5")) exceeds the Deductible specified in the Schedule in which case this sum shall be deducted.
2. The sum of all claims in Article 1-1 shall be always limited to the insured value specified in the Schedule. Provided that each amount of claims under Clauses 8.1, 8.3 and 13 of the I.T.C. amended No.5 shall be limited to the following sum respectively, independently of other claims under the other terms and conditions of this insurance.
 - (a) amount of claims under Clause 8.1
three-fourths of the insured value specified in the Schedule
 - (b) amount of claims under Clause 8.3
three-fourths of the insured value specified in the Schedule
 - (c) amount of claims under Clause 13
the insured value specified in the Schedule

Article 2

Article 1-1 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 of the I.T.C. amended No.5 arising from the same accident or occurrence, or to a claim under Expense of Sighting the Bottom Clause.

1/4/2010

DEDUCTIBLE CLAUSES (C) (For 3/4ths Collision Liability)

Article 1

The provision of Clause 12.1 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No. 6 (4/2010) (hereinafter referred to as the "I.T.C. amended No. 6") shall be deleted.

Article 2

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 of the I.T.C. amended No. 6) exceeds the Deductible specified in the Schedule in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom of the Vessel, with the consent of the Company, immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.
2. The sum of all claims in Article 2-1 shall be always limited to the insured value specified in the Schedule. Provided that each amount of claims under Clauses 8.1, 8.3 and 13 of the I.T.C. amended No. 6 shall be limited to the following sum respectively, independently of other claims under the other terms and conditions of this insurance.
 - (a) amount of claims under Clause 8.1
three-fourths of the insured value specified in the Schedule
 - (b) amount of claims under Clause 8.3
three-fourths of the insured value specified in the Schedule
 - (c) amount of claims under Clause 13
the insured value specified in the Schedule

Article 3

Article 2-1 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 of the I.T.C. amended No. 6 arising from the same accident or occurrence.

1/10/83

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 compromised total loss of the Vessel.

17/4/72

MACHINERY DAMAGE CO-INSURANCE CLAUSE FOR USE WITH AMERICAN INSTITUTE HULL CLAUSES

In the event of a claim for loss of or damage to any boiler, shaft, machinery or associated equipment, arising from any of the causes enumerated in the Additional Perils (Inchmaree) Clause (except contact with aircraft, rockets or similar missiles, or with any land conveyance, drydocks, graving docks, ways, gridirons or pontoons) attributable in part or in whole to negligence of Masters, Officers or Crew and recoverable under this insurance only by reason of the Additional Perils (Inchmaree) Clause, then the Assured shall, in addition to the deductible, also bear in respect of each accident or occurrence and amount equal to 10% of the balance of such claim. This clause shall not apply to a claim for total or constructive total loss of the Vessel.

1/10/83

INSTITUTE ADDITIONAL PERILS CLAUSES-HULLS Amended (4/2010) (For use only with the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6)

1. In consideration of an additional premium this insurance is extended to cover
 - 1.1 the cost of repairing or replacing
 - 1.1.1 any boiler which bursts or shaft which breaks
 - 1.1.2 any defective part which has caused loss or damage to the Vessel covered by Clause 6.2.2 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010)
2. Except as provided in 1.1.1 and 1.1.2 nothing in these Additional Perils Clauses shall allow any claim for the cost of repairing or replacing any part found to be defective as a result of a fault or error in design or construction and which has not caused loss of or damage to the Vessel.
3. The cover provided in Clause 1 is subject to all other terms, conditions and exclusions contained in this insurance and subject to the proviso that the loss or damage has not resulted from want of due diligence by the Assured, Owners 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.

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM) 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 |
| 1.1 | the cost of repairing or replacing | 2 |
| 1.1.1 | any boiler which bursts or shaft which breaks | 3 |
| 1.1.2 | 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. | 4 |
| | | 5 |
| 1.2 | loss of or damage to the Vessel caused by any accident or by negligence, incompetence or error of judgement of any person whatsoever. | 6 |
| | | 7 |
| 2 | Except as provided in 1.1.1 and 1.1.2, nothing in these Additional Perils Causes shall allow any claim for the cost of repairing or replacing any part found to be defective as a result of a fault or error in design or construction and which has not caused loss of or damage to the Vessel. | 8 |
| | | 9 |
| | | 10 |
| 3 | The cover provided in Clause 1 is subject to all other terms, conditions and exclusions contained in this insurance and subject to the provision that the loss or damage has not resulted from want of due diligence by the Assured, Owners of Managers. Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause should they hold shares in the Vessel. | 11 |
| | | 12 |
| | | 13 |
| | | 14 |

1/11/95

INSTITUTE ADDITIONAL PERILS CLAUSES-HULLS (For use only with the Institute Time Clauses-Hulls 1/11/95)

1. In consideration of an additional premium this insurance is extended to cover
 - 1.1 the cost of repairing or replacing
 - 1.1.1 any boiler which bursts or shaft which breaks
 - 1.1.2 any defective part which has caused loss of or damage to the Vessel covered by Clause 6.2.1 of the Institute Time Clauses-Hulls 1/11/95.
 - 1.2 loss of or damage to the Vessel caused by any accident or by negligence, incompetence or error of judgment of any person whatsoever.
2. Except as provided in 1.1.1 and 1.1.2, nothing in these Additional Perils Clauses shall allow claim for the cost of repairing or replacing any part found to be defective as a result of a fault or error in design or construction and which has not caused loss of or damage to the Vessel.
3. The cover provided in Clause 1 is subject to all other terms, conditions and exclusions contained in this insurance and subject to the proviso that the loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers. Masters Officers Crew or Pilots not to be considered Owners within the meaning of this Clause should they hold shares in the Vessel.

**AMERICAN HULL INSURANCE SYNDICATE LINER
NEGLIGENCE CLAUSE FOR ATTACHMENT TO
AMERICAN INSTITUTE HULL CLAUSES
(January 18, 1970)**

In consideration of additional premium of *as arranged*, it is understood and agreed that the ADDITIONAL PERILS (INCHMAREE) clause of the attached Policy is deleted and in place thereof the following inserted:

"Subject to the conditions of this Policy, this insurance also covers:

- a. Breakdown of motor generators or other electrical machinery and electrical connections thereto; bursting of boilers; breakage of shafts; or any latent defect in the machinery or hull;
- b. Loss of or damage to the subject matter insured directly caused by;
 1. Accidents on shipboard or elsewhere, other than breakdown of or accidents to nuclear installations or reactors on board the Insured Vessel;
 2. Negligence, error of judgment or incompetence of any person; excluding under both "a" and "b" above only the cost of repairing, replacing or renewing any part condemned solely as a result of a latent defect, wear and tear, gradual deterioration or fault or error in design or construction.

provided such loss or damage (either as described in said "a" or "b" or both) has not resulted from want of due diligence by the Assured(s), the Owner(s) or Manager(s) of the Vessel, or any of them. Masters, mates engineers, pilots or crew not to be considered as part owners within the meaning of this clause should they hold shares in the Vessel.

All other terms and conditions remaining unchanged.

COLLISION LIABILITY CLAUSES (4/90)

- 1 Subject to the terms and conditions of this insurance, the Company agrees to indemnify the Assured for four-fourths of any sum or sums which the Assured becomes legally liable to pay to any other person or persons by way of damages for

- 1.1 loss of or damage to any other vessel or property on any other vessel
- 1.2 delay to or loss of use of any such other vessel
- 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.

- 2 The indemnity provided by these clauses 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:

- 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 these clauses 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.

- 2.2 In no case shall the Company's total liability under Clauses 1 and 2 exceed their proportionate part of four-fourths of the insured value of the Vessel hereby insured in respect of any one collision.

- 3 The Company will also pay four-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 Company.

- 4 Should the Vessel hereby insured come into collision with another vessel belonging wholly or in part to the same Owners or under the same management, the Assured shall have the same rights under these clauses 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 shall be referred to a sole arbitrator to be agreed upon between the Company and the Assured.

- 5 Provided always that these clauses shall in no case extend to any sum which the Assured shall pay for or in respect of

- 5.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
- 5.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
- 5.3 the cargo or other property on, or the engagements of the insured Vessel
- 5.4 loss of life, personal injury or illness
- 5.5 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).

1/4/2010

3/4THS COLLISION LIABILITY CLAUSE (A)

The provisions of Clause 8 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) shall be replaced by the followings.

8 3/4THS 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~~ **DELETED**
- 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).

* which the Assured becomes legally liable to pay to any other person or persons

1/4/2010

3/4THS COLLISION LIABILITY CLAUSE (B)

The provisions of Clause 6.4.3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No5 (4/90) or No.6 (4/90) shall be replaced by the followings.

- 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-fourths 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.

1/6/91

EXCESS LIABILITIES CLAUSES

(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
 - 1.1.1 General Average, Salvage and Salvage Charges not recoverable in full under Clause 11 of the Institute Time Clauses-Hulls 1/10/83 by reason of the difference between the insured value of the Vessel (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 Institute Time Clauses-Hulls 1/10/83 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 these Excess Liabilities Clauses 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.
 - 1.1.2 Sue and Labour Charges not recoverable in full under Clause 13 of the Institute Time Clauses-Hulls 1/10/83 by reason of the difference between the insured value of the Vessel and the value of the Vessel adopted for the purpose of ascertaining the amount recoverable

under Clause 13 of the Institute Time Clauses-Hulls 1/10/83, the liability under these Excess Liabilities Clauses 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.

- 1.1.3 Collision Liability (three-fourths) not recoverable in full under Clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 by reason of three-fourths liability exceeding three-fourths of the insured value of the Vessel, in which case the amount recoverable under these Excess Liabilities Clauses shall be such proportion of the difference so arising as the amount insured hereunder bears to the total sum insured against excess liabilities.

- 1.2 The Underwriters' liability under 1.1.1, 1.1.2 and 1.1.3 separately, in respect of any one claim, shall not exceed the amount insured hereunder.

2. The cover provided in Clause 1 above is subject to all other terms, conditions and exclusions contained in this insurance.

3. Notwithstanding the provision of Clause 2 above,

- 3.1 in no case shall claim recoverable under these Excess Liabilities Clauses be deducted as provided under Clause 12 of the Institute Time Clauses-Hulls 1/10/83.

- 3.2 in no case shall a return be allowed when the Vessel is lying as provided under Clause 22 of the Institute Time Clauses-Hulls 1/10/83.

G.A. etc. CONTRIBUTION CLAUSE

Notwithstanding anything herein contained to the contrary it is understood and agreed that the vessel hereunder shall be considered fully insured for the purpose of contribution to General Average, Salvage, Salvage Charges and Sue and Labour expenses.

INSTITUTE GENERAL AVERAGE-POLLUTION EXPENDITURE CLAUSE

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

In consideration of an additional premium to be agreed, where the contract of affreightment provides for adjustment according to the York-Antwerp Rules 1994 this insurance is extended to cover vessel's proportion of general average expenditure, reduced in respect of any under insurance, which is allowable under Rule XI (d) of the York-Antwerp Rules 1994 and which would be recoverable under Clause 10 of the Institute Time Clauses-Hulls 1/11/95 but for Clause 10.5.2 therein.

This clause is subject to English law and practice.

WAGES AND MAINTENANCE RECOVERABLE IN PARTICULAR AVERAGE

It is agreed that the following sentence is added at the end of the clause 16 of the Institute Time Clauses-Hulls 1/10/83.

This exclusion shall not apply to overtime or similar extraordinary payments to Officers or Crew members incurred in shifting the vessel for tank cleaning or repairs or while specifically engaged in these activities, either in port or at sea.

1/4/90

HATCH COVER CLAUSE**Article 1.**

Where the hatch covers of the Vessel are removed to a quay for the purpose of loading, discharging or shifting cargo, losses to such hatch covers removed from the Vessel shall be deemed losses to the Vessel; provided, however, the Company shall not be liable to indemnify the Assured losses to the hatch covers caused by dropping whilst being slinged by the derrick boom of the Vessel or a crane on land, under the Special Clauses of Hull Insurance Class No.5.

Article 2.

Losses to the Vessel caused by collision with the Vessel's own hatch covers outboard the Vessel shall be deemed losses to the Vessel caused by collision with any external object other than water.

DREDGER CLAUSE (A)

Notwithstanding anything herein contained to the contrary, the Company shall not be liable to indemnify the Assured for the cost of repairs of damage to the Vessel caused by collision or contact of the dredging machine of the Vessel with earth or any other object in earth during dredging operation.

17/10/05

JH2005/046
17th October 2005

Violent Theft, Piracy and Barratry Exclusion - for use with the Institute Time Clauses Hulls 1/10/83

Where the hull and machinery insurance of the vessel is written on terms which include the Institute Time Clauses Hulls 1/10/83, the said clauses are hereby amended as follows:

- 1 Clause 4.1 shall be deleted and *replaced* by the following:
"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 1/10/83 as amended by the violent theft, piracy and barratry extension clause JW 2005/002 such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society,"
- 2 Clause 6.1.3 shall be deleted
- 3 Clause 6.1.5 shall be deleted
- 4 Clause 6.2.5 shall be deleted
- 5 "23(a)," shall be *inserted* between "23," and "24" in Clause 21.1.8
- 6 The words "(barratry and piracy excepted)" shall be deleted from Clause 23.2
- 7 A new Clause 23(a) shall be *inserted* after Clause 23 and before Clause 24 as follows:

"23(a) VIOLENT THEFT, PIRACY AND BARRATRY EXCLUSION

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

23(a).1 violent theft by persons from outside the Vessel

23(a).2 piracy

23(a).3 barratry of Master Officers or Crew."

4/12/08

JWRC 01
4 December 2008

**Violent Theft, Piracy and Barratry Exclusion
- for use with Institute Time Clauses Hulls Disbursements
and Increased Value
(Total Loss only, including Excess Liabilities) 1/10/83**

Where the disbursements insurance of the vessel is written on terms which include the Institute Time Clauses Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83, the said clauses are hereby amended as follows:

- 1 Clause 4.1 shall be deleted and *replaced* by the following:
"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, withdrawal or expiry 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 1/10/83 (amended to cover Disbursements including Excess Liabilities) as amended by the violent theft, piracy and barratry extension clause JWRC 02 such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society."
- 2 Clause 6.1.3 shall be deleted
- 3 Clause 6.1.5 shall be deleted
- 4 Clause 6.2.5 shall be deleted
- 5 The words "(barratry and piracy excepted)" shall be deleted from Clause 12.2
- 6 A new Clause 12(a) shall be *inserted* after Clause 12 and before Clause 13 as follows:
"12(a) VIOLENT THEFT, PIRACY AND BARRATRY EXCLUSION
In no case shall this insurance cover loss damage liability or expense caused by
12(a).1 violent theft by persons from outside the Vessel
12(a).2 piracy
12(a).3 barratry of Master Officers or Crew"

(2) VOYAGE RISKS

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE VOYAGE CLAUSES

HULLS

~~DELETED~~

~~This insurance is subject to English law and practice~~

1	NAVIGATION	1
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.	2 3 4 5 6 7
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.	8 9 10 11 12 13
2	CHANGE OF VOYAGE	14
	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.	15 16 17
3	ASSIGNMENT	18
	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.	19 20 21 22
4	PERILS	23
4.1	This insurance covers loss of or damage to the subject-matter insured caused by	24
4.1.1	perils of the seas rivers lakes or other navigable waters	25
4.1.2	fire, explosion	26
4.1.3	violent theft by persons from outside the Vessel	27
4.1.4	jettison	28
4.1.5	piracy	29
4.1.6	breakdown of or accident to nuclear installations or reactors	30
4.1.7	contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	31 32
4.1.8	earthquake volcanic eruption or lightning.	33
4.2	This insurance covers loss of or damage to the subject-matter insured caused by	34
4.2.1	accidents in loading discharging or shifting cargo or fuel	35
4.2.2	bursting of boilers breakage of shafts or any latent defect in the machinery or hull	36
4.2.3	negligence of Master Officers Crew or Pilots	37
4.2.4	negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	38 39
4.2.5	barratry of Master Officers or Crew,	40
	provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	41 42
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.	43 44
5	POLLUTION HAZARD	45
	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	46 47 48 49

(Continued)

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. 50 51

6 3/4THS COLLISION LIABILITY 52

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 53 54

6.1.1 loss of or damage to any other vessel or property on any other vessel 56

6.1.2 delay to or loss of use of any such other vessel or property thereon 57

6.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, 58 59

where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel. 60 61

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: 62 63

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. 64 65 66 67 68

6.2.2 In no case shall the Underwriters' total liability under Clauses 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. 69 70

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. 71 72 73

EXCLUSIONS 74

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 75 76

6.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever 77

6.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels 78

6.4.3 the cargo or other property on, or the engagements of, the insured Vessel 79

6.4.4 loss of life, personal injury or illness 80

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). 81 82

7 SISTERSHIP 83

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. 84 85 86 87 88

8 NOTICE OF CLAIM AND TENDERS 89

8.1 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. 90 91 92

8.2 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. 93 94 95 96

8.3 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. 97 98 99 100 101 102
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. 103 104 105 106 107
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. 108 109

8.4 In the event of failure to comply with the conditions of this Clause 8 a deduction of 15% shall be made from the amount of the ascertained claim. 110 111

9	GENERAL AVERAGE AND SALVAGE	112
9.1	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.	113 114 115
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.	116 117 118
9.3	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.	119 120 121 122 123 124
9.4	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.	125 126
10	DEDUCTIBLE	127
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, 9 and 11) 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 11 arising from the same accident or occurrence.	128 129 130 131 132 133 134
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.	135 136 137 138 139 140
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.	141 142 143
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.	144 145 146 147
11	DUTY OF ASSURED (SUE AND LABOUR)	148
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.	149 150 151
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.	152 153 154 155
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.	156 157 158
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.	159 160 161 162 163 164 165
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 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	166 167 168 169 170

	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.	171 172
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.	173 174 175
12	NEW FOR OLD	176
	Claims payable without deduction new for old.	177
13	BOTTOM TREATMENT	178
	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	179 180
13.1	gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,	181 182
13.2	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,	183 184 185 186
13.3	supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 13.1 and 13.2 above,	187 188
	shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.	189
14	WAGES AND MAINTENANCE	190
	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.	191 192 193 194
15	AGENCY COMMISSION	195
	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.	196 197 198 199
16	UNREPAIRED DAMAGE	200
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.	201 202 203
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.	204 205 206
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.	207 208
17	CONSTRUCTIVE TOTAL LOSS	209
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.	210 211 212
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.	213 214 215 216
18	FREIGHT WAIVER	217
	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.	218 219
19	DISBURSEMENTS WARRANTY	220
19.1	Additional insurances as follows are permitted:	221
19.1.1	<i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	222 223
19.1.2	<i>Freight, Chartered Freight or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 19.1.1.	224 225

19.1.3	<i>Freight or Hire, under contracts for voyage.</i> 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 19.1.2 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.	226 227 228 229 230 231 232 233
19.1.4	<i>Anticipated Freight if the Vessel sails in ballast and not under Charter.</i> 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 19.1.2 to be taken into account and only the excess thereof may be insured.	234 235 236 237
19.1.5	<i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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 19.1.2 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 19.1.2 and 19.1.5 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.	238 239 240 241 242 243 244
19.1.6	<i>Premiums.</i> 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.	245 246 247 248
19.1.7	<i>Returns of Premium.</i> 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.	249 250 251
19.1.8	<i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 20, 21, 22 and 23 below.	252 253
19.2	Warranted that no insurance on any interests enumerated in the foregoing 19.1.1 to 19.1.7 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.	254 255 256 257 258 259
The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.		260 261
20	WAR EXCLUSION	262
	In no case shall this insurance cover loss damage liability or expense caused by	263
20.1	war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	264 265
20.2	capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	266 267
20.3	derelict mines torpedoes bombs or other derelict weapons of war.	268
21	STRIKES EXCLUSION	269
	In no case shall this insurance cover loss damage liability or expense caused by	270
21.1	strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	271
21.2	any terrorist or any person acting from a political motive.	272
22	MALICIOUS ACTS EXCLUSION	273
	In no case shall this insurance cover loss damage liability or expense arising from	274
22.1	the detonation of an explosive	275
22.2	any weapon of war	276
	and caused by any person acting maliciously or from a political motive.	277
23	NUCLEAR EXCLUSION	278
	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.	279 280

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

**INSTITUTE VOYAGE CLAUSES
HULLS
(Amended for Japanese Clauses Class No. 5 (4/2010))**

DELETED

~~This insurance is subject to English law and practice~~

1	NAVIGATION	1
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.	2
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.	3
2	CHANGE OF VOYAGE	4
	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.	5
3	ASSIGNMENT	6
	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
4	PERILS	8
4.1	This insurance covers loss of or damage to the subject-matter insured caused by	9
4.1.1	perils of the seas rivers lakes or other navigable waters	10
4.1.2	fire, explosion	11
4.1.3	DELETED	12
4.1.4	violent theft by persons from outside the Vessel	13
4.1.5	jettison	14
4.1.6	DELETED	15
4.1.7	piracy	16
4.1.8	DELETED	17
4.1.9	breakdown of or accident to nuclear installations or reactors	18
4.1.10	contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation	19
4.1.11	earthquake volcanic eruption or lightning.	20
4.2	This insurance covers loss of or damage to the subject-matter insured caused by	21
4.2.1	accidents in loading discharging or shifting cargo or fuel	22
4.2.2	bursting of boilers breakage of shafts or any latent defect in the machinery or hull*	23
4.2.3	negligence of Master Officers Crew or Pilots	24
4.2.4	negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	25
4.2.5	barratry of Master Officers or Crew,	26
	provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	27
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.	28
**		29
5	POLLUTION HAZARD	30
	DELETED	31
	DELETED	32
	This insurance covers loss of or damage to the Vessel caused by any governmental authority acting under the	33

* except any accident to painting only (including such accident arising from the cause mentioned in 4.2.4 below)

** 4.4 Notwithstanding any provision herein no claim under this Clause 4 shall in any case be allowed in respect of particular average unless caused by the Vessel sinking, stranding, grounding, burning, being on fire or in collision or contact with any external substance other than water.

~~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 5 should they hold shares in the Vessel.~~

6 ~~3/4THS~~* 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 Clauses 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 AND TENDERS

8.1 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.

8.2 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.

8.3 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~~

* four-fourths

** which the Assured becomes legally liable to pay to any other person or persons

*** of the Company

	damages for detention and/or loss of profit and/or running expenses, for the period covered by the tender allowance or any part thereof.	106
	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.	107
	DELETED	108
	DELETED	109
8.4	In the event of failure to comply with the conditions of this Clause 8 a deduction of 15% shall be made from the amount of the ascertained claim.	110
	DELETED	111
9	GENERAL AVERAGE AND SALVAGE	112
9.1	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.	113
	DELETED	114
	DELETED	115
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.	116
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		118
9.3	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.	119
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9.4	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.	125
		126
10	DEDUCTIBLE	127
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, 9 and 11) 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 11 arising from the same accident or occurrence.	128
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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.	135
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		137
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		140
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.	141
		142
		143
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.	144
		145
		146
		147
11	DUTY OF ASSURED (SUE AND LABOUR)	148
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.	149
		150
		151
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.	152
	DELETED	153
	DELETED	154
	DELETED	155
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.	156
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		158
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	159
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DELETED		
	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 labouing 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.	162 163 164 165
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 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.	166 167 168 169 170 171 172
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.	173 174 175
12 NEW FOR OLD	Claims payable without deduction new for old.	176 177
13 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	178 179 180
13.1	gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,	181 182
13.2	gritblasting and/or other surface preparation of: DELETED 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,	183 184 185 186
13.3	supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 13.1 and 13.2 above,	187 188
	shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.	189
14 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.	190 191 192 193 194
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.	195 196 197 198 199
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.	200 201 202 203
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.	204 205 206
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.	207 208
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.	209 210 211 212
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.	213 214 215 216

18 FREIGHT WAIVER	217
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.	218 219
19 DISBURSEMENTS WARRANTY	220
19.1 Additional insurances as follows are permitted:	221
19.1.1 <i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	222 223
19.1.2 <i>Freight, Chartered Freight or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 19.1.1.	224 225
19.1.3 <i>Freight or Hire, under contracts for voyage.</i> 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 19.1.2 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.	226 227 228 229 230 231 232 233
19.1.4 <i>Anticipated Freight if the Vessel sails in ballast and not under Charter.</i> 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 19.1.2 to be taken into account and only the excess thereof may be insured.	234 235 236 237
19.1.5 <i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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 19.1.2 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 19.1.2 and 19.1.5 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.	238 239 240 241 242 243 244
19.1.6 <i>Premiums.</i> 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.	245 246 247 248
19.1.7 <i>Returns of Premium.</i> 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.	249 250 251
19.1.8 <i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 20, 21, 22 and 23 below.	252 253
19.2 Warranted that no insurance on any interests enumerated in the foregoing 19.1.1 to 19.1.7 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.	254 255 256 257 258 259
The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	260 261
20 WAR EXCLUSION	262
In no case shall this insurance cover loss damage liability or expense caused by	263
20.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	264 265
20.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	266 267
DELETED DELETED	
20.3 derelict mines torpedoes bombs or other derelict weapons of war.	268
*	
21 STRIKES EXCLUSION	269
In no case shall this insurance cover loss damage liability or expense caused by	270
21.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	271
21.2 any terrorist or any person acting from a political motive.	272

* 20.4 violent theft by persons from outside the Vessel or piracy.

22	MALICIOUS ACTS EXCLUSION	273
	In no case shall this insurance cover loss damage liability or expense arising from	274
22.1	the detonation of an explosive	275
22.2	any weapon of war	276
	and caused by any person acting maliciously or from a political motive.	277
23	NUCLEAR EXCLUSION	278
	In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing	279
	atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.	280

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE MACHINERY DAMAGE ADDITIONAL DEDUCTIBLE CLAUSE
(For use only with the Institute Voyage 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, 1
electrical equipment or wiring, boiler condenser heating coil or associated pipework, arising from any of the perils 2
enumerated in Clauses 4.2.2 to 4.2.5 inclusive of the Institute Voyage Clauses – Hulls 1/10/83 or from fire or 3
explosion when either has originated in a machinery space, shall be subject to a deductible of 4
Any balance remaining, after application of this deductible, with any other claim arising from the same accident or 5
occurrence, shall then be subject to the deductible in Clause 10.1 of the Institute Voyage Clauses – Hulls 1/10/83. 6

The provisions of Clauses 10.3 and 10.4 of the Institute Voyage Clauses – Hulls 1/10/83 shall apply to recoveries and 7
interest comprised in recoveries against any claim which is subject to this Clause. 8

This Clause shall not apply to a claim for total or constructive total loss of the Vessel. 9

1/4/90

SPECIAL CLAUSE IN RESPECT OF THE TERMS OF VOYAGE

In the event of a breach of whole or a part of “The Terms of Voyage” specified in this Policy, the Company shall not be liable to indemnify any loss occurring thereafter, except where the Company’s consent in writing has been given.

(3) PORT RISKS

20/7/87

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE TIME CLAUSES HULLS PORT RISKS

DELETED

~~This insurance is subject to English law and practice~~

1	NAVIGATION	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.	2 3
2	TERMINATION	4
	This Clause 2 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.	5 6
	Unless Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of	7
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.	8 9 10 11 12
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.	13 14 15 16
3	ASSIGNMENT	17
	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.	18 19 20 21
4	PERILS	22
4.1	This insurance covers loss of or damage to the subject-matter insured caused by	23
4.1.1	perils of the seas rivers lakes or other navigable waters	24
4.1.2	fire lightning explosion	25
4.1.3	violent theft by persons from outside the Vessel	26
4.1.4	jettison	27
4.1.5	piracy	28
4.1.6	breakdown of or accident to nuclear installations or reactors	29
4.1.7	contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation.	30 31
4.2	This insurance covers loss of or damage to the subject-matter insured caused by	32
4.2.1	accidents in loading discharging or shifting cargo or fuel	33
4.2.2	bursting of boilers breakage of shafts or any latent defect in the machinery or hull	34
4.2.3	negligence of Master Officers Crew or Pilots	35
4.2.4	negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder	36 37
4.2.5	barratry of Master Officers or Crew,	38
	provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.	39 40
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.	41 42
5	EARTHQUAKE AND VOLCANIC ERUPTION EXCLUSION	43
	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.	44 45

(Continued)

6	POLLUTION HAZARD	46
	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.	47 48 49 50 51 52
7	COLLISION LIABILITY	53
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	54 55
7.1.1	loss of or damage to any other vessel or property on any other vessel	56
7.1.2	delay to or loss of use of any such other vessel or property thereon	57
7.1.3	general average of, salvage of, or salvage under contract of, any such other vessel or property thereon,	58 59
	where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel.	60 61
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:	62 63
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.	64 65 66 67 68
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.	69 70
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.	71 72 73
	EXCLUSIONS	74
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	75 76
7.4.1	removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever	77
7.4.2	any real or personal property or thing whatsoever except other vessels or property on other vessels	78
7.4.3	the cargo or other property on, or the engagements of, the insured Vessel	79
7.4.4	loss of life, personal injury or illness	80
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).	81 82
8	SISTERSHIP	83
	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.	84 85 86 87 88
9	PROTECTION AND INDEMNITY	89
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:	90 91 92 93
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	94 95 96
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	97 98 99
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	100 101
9.1.4	loss of life, personal injury, illness or payments made for life salvage	102
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.	103 104 105
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:	106 107
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,	108 109

	refugees, or persons saved at sea	110
9.2.2	additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore	111
		112
9.2.3	finer 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	113
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9.2.4	the expenses of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured	117
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		119
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.	120
		121
	EXCLUSIONS	122
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:	123
		124
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	125
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		127
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	128
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9.3.3	punitive or exemplary damages, however described	132
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	133
		134
		135
9.3.5	property, owned by builders or repairers or for which they are responsible, which is on board the Vessel	136
		137
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	138
		139
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	140
		141
		142
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	143
		144
9.3.9	finer or penalties arising from overloading or illegal fishing	145
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)	146
		147
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.	148
		149
		150
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 insurance.	151
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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.	153
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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.	156
		157
		158
9.7	PROVIDED ALWAYS THAT	159
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 a 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.	160
		161
		162
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.	163
		164
10	NOTICE OF CLAIM AND TENDERS	165
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.	166
		167
		168
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.	169
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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.	173 174 175 176 177 178
	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.	179 180 181 182 183
	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.	184 185
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.	186 187
11	GENERAL AVERAGE AND SALVAGE	188
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.	189 190 191
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.	192 193 194
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.	195 196
12	DEDUCTIBLE	197
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.	198 199 200 201 202 203 204
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.	205 206 207
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.	208 209 210 211
13	DUTY OF ASSURED (SUE AND LABOUR)	212
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.	213 214 215
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) 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.	216 217 218 219 220
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.	221 222 223
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.	224 225 226 227 228 229 230
13.5	When a claim for total loss of the Vessel is admitted under this insurance and expenses have been	231

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.	232 233 234 235 236 237
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.	238 239 240
14 NEW FOR OLD	241
Claims payable without deduction new for old.	242
15 BOTTOM TREATMENT	243
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	244 245
15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,	246 247
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,	248 249 250 251
15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,	252 253
shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.	254
16 WAGES AND MAINTENANCE	255
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.	256 257 258 259 260
17 AGENCY COMMISSION	261
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.	262 263 264 265
18 UNREPAIRED DAMAGE	266
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.	267 268 269
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.	270 271 272
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.	273 274
19 CONSTRUCTIVE TOTAL LOSS	275
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.	276 277 278
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.	279 280 281 282
20 DISBURSEMENTS WARRANTY	283
20.1 Additional insurances as follows are permitted:	284
20.1.1 <i>Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.</i> A sum not exceeding 25% of the value stated herein.	285 286
20.1.2 <i>Earnings or Anticipated Freight, insured for time.</i> A sum not exceeding 25% of the value as stated	287

	herein less any sum insured, however described, under 20.1.1.	288
20.1.3	<i>Freight or Hire, under contracts for voyage.</i> 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 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 20.1.2 to be taken into account and only the excess thereof may be insured.	289 290 291 292 293 294
20.1.4	<i>Time Charter Hire or Charter Hire for Series of Voyages.</i> 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.	295 296 297 298
20.1.5	<i>Premiums.</i> 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.	299 300 302 303
20.1.6	<i>Returns of Premium.</i> 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.	304 305 306
20.1.7	<i>Insurance irrespective of amount against:</i> Any risks excluded by Clauses 5, 22, 23, 24 and 25.	307 308
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.	309 310 311 312 313 314
21	RETURNS FOR CANCELLATION	315
	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.	316 317 318
	The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.	319 320
22	WAR EXCLUSION	321
	In no case shall this insurance cover loss damage liability or expense caused by	322
22.1	war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	323 324
22.2	capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat	325 326
22.3	derelict mines torpedoes bombs or other derelict weapons of war.	327
23	STRIKES EXCLUSION	328
	In no case shall this insurance cover loss damage liability or expense caused by	329
23.1	strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	330
23.2	any terrorist or any person acting from a political motive.	331
24	MALICIOUS ACTS EXCLUSION	332
	In no case shall this insurance cover loss damage liability or expense arising from	333
24.1	the detonation of an explosive	334
24.2	any weapon of war	335
	and caused by any person acting maliciously or from a political motive.	336
25	NUCLEAR EXCLUSION	337
	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.	338 339

(4) PROTECTION AND INDEMNITY

20/7/87

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE PROTECTION AND INDEMNITY CLAUSES
HULLS – TIME Amended (1/06) (for Class No.2 RDC)

DELETED

~~This insurance is subject to English law and practice~~

1. PROTECTION AND INDEMNITY

- 1.1 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:
- 1.1.1 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 of the Institute Time Clauses Hulls 1/10/83 with 4/4th substituted for 3/4th in line nos. 80, 81, 98 and 99~~ ^{DELETED} ~~Clause 8 of the Institute Time Clauses Hulls 1/10/83 with 4/4th substituted for 3/4th in line nos. 80, 81, 98 and 99~~
- 1.1.2 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 ^{DELETED}
- 1.1.3 liability assumed by the Assured under contracts ^{DELETED} ~~of customary towage for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading~~
- 1.1.4 loss of life, personal injury, illness or payments made for life salvage
- ~~1.1.5 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.~~
- ***
- 1.2 The Underwriters agree to indemnify the Assured for any of the following arising from an accident or occurrence during the period of this insurance:
- 1.2.1 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
- 1.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore
- ~~1.2.3 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 on board 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~~
- 1.2.4 the expenses of the removal of the wreck of the Vessel ^{****} from any place owned, leased or occupied by the Assured
- 1.2.5 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

- 1.3 Notwithstanding the provisions of Clauses 1.1 and 1.2 this Clause 1 does not cover any liability cost or expense arising in respect of:
- ~~1.3.1 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~~
- 1.3.2 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
- 1.3.3 punitive or exemplary damages, however described

* Collision Liability Clauses (4/90) attached to this Policy.

** for the customary towage of the Vessel

*** 1.1.6 liabilities, costs and expense incurred by the other Vessel as set out in Clause 1.2.7 and/or 1.2.8

**** or her cargo

***** 1.2.6 reasonable costs incurred by the Assured in respect of saving of the life

1.2.7 liability of the Assured to pay special compensation to a salvor of the Vessel in respect of work done or measures taken to prevent or minimize damage to the environment, but only to the extent that such liability is imposed on the Assured pursuant to Article 14 of the International Convention on Salvage, 1989, Article 805 of the Commercial Code or the equivalent terms of a standard form of Salvage Agreement approved by the Underwriters

1.2.8 liability of the Assured to pay special compensation to a salvor of the Vessel under the terms of the Special Compensation P&I Clubs Clause (SCOPIC) of Lloyd's Standard Form of Salvage Agreement or the similar terms of a standard form of Salvage Agreement approved by the Underwriters

(Continued)

- 1.3.4 cargo or other property carried, to be carried or which has been carried on board the Vessel but this ^{*} Clause 1.3.4 shall not exclude any claim in respect of the extra ^{**} cost of removing cargo from the wreck of the Vessel ^{DELETED}
- 1.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the Vessel
- 1.3.6 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 ^{DELETED}
- 1.3.7 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, ^{DELETED} belonging to persons on board the Vessel, or non-essential personal effects of any Master, Officer or crew member
- 1.3.8 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
- 1.3.9 fines or penalties arising from overloading or illegal fishing ^{DELETED}
- 1.3.10 pollution or contamination of any real or personal property or thing whatsoever ^{DELETED} ^{***} (This Clause 1.3.10 shall not exclude any amount recoverable under Clause 1.1.5)
- 1.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable by reason of the agreed value and/or the amount insured in respect of the Vessel being inadequate
- ~~1.3.12 earthquake or volcanic eruption.~~ ^{DELETED}

1.4 PROVIDED ALWAYS THAT

- 1.4.1 prompt notice must be given to the Underwriters of every casualty event or claim upon the Assured which may give rise to a claim hereunder and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured hereunder.
- 1.4.2 the Assured shall not admit liability for or settle any claim for which he may be insured hereunder without the prior written consent of the Underwriters.

2. LIMITS

- 2.1 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this insurance in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.
- 2.2 In no case shall the Underwriters' liability under this insurance exceed their proportionate part of the amount insured hereunder in respect of each separate accident or occurrence or series of accidents arising out of the same event.

3. DEDUCTIBLE

- 3.1 Notwithstanding the provisions of Clause 1 no claim shall be payable under this insurance unless such claim, or the aggregate of all such claims arising out of each separate accident or occurrence, exceeds
the amount specified in the Schedule
..... in which case this sum shall be deducted.
- 3.2 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.
- 3.3 Interest 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.

4. 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 without the prior written agreement to the Underwriters. This Clause 4 shall not exclude customary towage in connection with loading and discharging.

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

* , or property in the care, custody or control of the Assured or as to which the Assured is for any purpose exercising physical control

** the expenses of the removal of the wreck of the cargo

*** (This Clause 1.3.10 shall not exclude any amount recoverable under Clause 1.1.6, 1.2.7 and 1.2.8)

**** 1.3.13 passenger on board the Vessel

1.3.14 when the Vessel is towing another vessel or object, liability for losses to any other person or persons caused by such vessel or object

1.3.15 liability assumed by the Assured under any contract or agreement excluding the case in Clause 1.1.3

1.3.16 any direct or indirect payment by the Assured under the Workmen's Accident Compensation Insurance Law, the Seamen's Insurance Law and other ordinance of Japan or any other country, in respect of accident to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured in on or about or in connection with the Vessel or her cargo materials or repairs

- 5.1 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 6 of the Institute Time Clauses – Hulls 1/10/83 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.
- 5.2 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.

6. 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.

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 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.

8. DUTY OF ASSURED

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

9. 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 5 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.

10. WAR, STRIKES, MALICIOUS ACTS AND NUCLEAR RISKS PARAMOUNT EXCLUSION

In no case shall this insurance cover liability cost or expense arising as a result of the operation of one or more of the following perils:

- 10.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 10.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
 - 10.3 derelict mines torpedoes bombs or other derelict weapons of war
 - 10.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 10.5 any terrorist or any person acting from a political motive
 - 10.6 the use of any weapon of war, or the detonation of an explosive, by any person acting maliciously or from a political motive
 - 10.7 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
-

INSTITUTE PROTECTION AND INDEMNITY CLAUSES

HULLS – TIME Amended (1/06)

DELETED

~~This insurance is subject to English law and practice~~

1. PROTECTION AND INDEMNITY

- 1.1 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:
- 1.1.1 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 of the Institute Time Clauses Hulls 1/10/83 with 4/4ths substituted for 3/4ths in line nos. 80, 81, 98 and 99
 - 1.1.2 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
 - 1.1.3 liability assumed by the Assured under contracts ^{DELETED} ~~of customary towage for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading~~
 - 1.1.4 loss of life, personal injury, illness or payments made for life salvage
 - ~~1.1.5 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.~~

**

- 1.2 The Underwriters agree to indemnify the Assured for any of the following arising from an accident or occurrence during the period of this insurance:
- 1.2.1 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
 - 1.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore
 - ~~1.2.3 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~~
 - 1.2.4 the expenses of the removal of the wreck of the Vessel ^{DELETED} ~~from any place owned, leased or occupied by the Assured~~
 - 1.2.5 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

- 1.3 Notwithstanding the provisions of Clauses 1.1 and 1.2 this Clause 1 does not cover any liability cost or expense arising in respect of:
- ~~1.3.1 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~~
 - 1.3.2 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
 - 1.3.3 punitive or exemplary damages, however described
 - 1.3.4 cargo or other property carried, to be carried or which has been carried on board the Vessel but this ^{DELETED} ~~Clause 1.3.4 shall not exclude any claim in respect of the extra ***** cost of removing cargo from the wreck of the Vessel~~
 - 1.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the Vessel
 - 1.3.6 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

* for the customary towage of the Vessel

** 1.1.6 liabilities, costs and expense incurred by the other Vessel as set out in Clause 1.2.7 and/or 1.2.8

*** or her cargo

**** 1.2.6 reasonable costs incurred by the Assured in respect of saving of the life

1.2.7 liability of the Assured to pay special compensation to a salvor of the Vessel in respect of work done or measures taken to prevent or minimize damage to the environment, but only to the extent that such liability is imposed on the Assured pursuant to Article 14 of the International Convention on Salvage, 1989, Article 805 of the Commercial Code or the equivalent terms of a standard form of Salvage Agreement approved by the Underwriters

1.2.8 liability of the Assured to pay special compensation to a salvor of the Vessel under the terms of the Special Compensation P&I Clubs Clause (SCOPIC) of Lloyd's Standard Form of Salvage Agreement or the similar terms of a standard form of Salvage Agreement approved by the Underwriters

***** , or property in the care, custody or control of the Assured or as to which the Assured is for any purpose exercising physical control

***** the expenses of the removal of the wreck of the cargo

- 1.3.7 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, ~~DELETED~~ ~~belonging to persons on board the Vessel,~~ or non-essential personal effects of any Master, Officer or crew member
- 1.3.8 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
- 1.3.9 fines or penalties arising from overloading or illegal fishing
- 1.3.10 pollution or contamination of any real or personal property or thing whatsoever * ~~DELETED~~ ~~(This Clause 1.3.10 shall not exclude any amount recoverable under Clause 1.1.5)~~
- 1.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable by reason of the agreed value and/or the amount insured in respect of the Vessel being inadequate
- ~~1.3.12 earthquake or volcanic eruption.~~ ~~DELETED~~

**

1.4 PROVIDED ALWAYS THAT

- 1.4.1 prompt notice must be given to the Underwriters of every casualty event or claim upon the Assured which may give rise to a claim hereunder and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured hereunder.
- 1.4.2 the Assured shall not admit liability for or settle any claim for which he may be insured hereunder without the prior written consent of the Underwriters.

2. LIMITS

- 2.1 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this insurance in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.
- 2.2 In no case shall the Underwriters' liability under this insurance exceed their proportionate part of the amount insured hereunder in respect of each separate accident or occurrence or series of accidents arising out of the same event.

3. DEDUCTIBLE

- 3.1 Notwithstanding the provisions of Clause 1 no claim shall be payable under this insurance unless such claim, or the aggregate of all such claims arising out of each separate accident or occurrence, exceeds
..... the amount specified in the Schedule in which case this sum shall be deducted.
- 3.2 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.
- 3.3 Interest 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.

4. 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 without the prior written agreement to the Underwriters. This Clause 4 shall not exclude customary towage in connection with loading and discharging.

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. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage covered by Clause 6 of the Institute Time Clauses – Hulls 1/10/83 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.
- 5.2 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

* (This Clause 1.3.10 shall not exclude any amount recoverable under Clause 1.1.6, 1.2.7 and 1.2.8)

** 1.3.13 passenger on board the Vessel

1.3.14 when the Vessel is towing another vessel or object, liability for losses to any other person or persons caused by such vessel or object

1.3.15 liability assumed by the Assured under any contract or agreement excluding the case in Clause 1.1.3

1.3.16 any direct or indirect payment by the Assured under the Workmen's Accident Compensation Insurance Law, the Seamen's Insurance Law and other ordinance of Japan or any other country, in respect of accident to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured in on or about or in connection with the Vessel or her cargo materials or repairs

Vessel is in port or at sea.

6. 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.

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 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.

8. DUTY OF ASSURED

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

9. 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 5 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.

10. WAR, STRIKES, MALICIOUS ACTS AND NUCLEAR RISKS PARAMOUNT EXCLUSION

In no case shall this insurance cover liability cost or expense arising as a result of the operation of one or more of the following perils:

- 10.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - 10.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
 - 10.3 derelict mines torpedoes bombs or other derelict weapons of war
 - 10.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 10.5 any terrorist or any person acting from a political motive
 - 10.6 the use of any weapon of war, or the detonation of an explosive, by any person acting maliciously or from a political motive
 - 10.7 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
-

1/1/06

POLLUTION RISKS CLAUSE

Notwithstanding the provision of Clause 1.3.10 of the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) or the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) (for Class No.2 RDC) attached to this Policy, this insurance shall cover liability cost or expense arising in consequence of pollution or contamination of oil or other substance, subject to the provisions of the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) or the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/60) (for Class No.2 RDC) attached to this Policy.

1/1/06

**LIABILITY CLAUSE IN RESPECT OF
CONTRACT OF USE OF CRANE**

Notwithstanding the provision of Clause 1.3.15 of the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) or the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) (for Class No.2 RDC) attached to this Policy, this insurance shall cover liability assumed by the Assured under his contract of use with owner or operator or crane or other appliance used in the operation of loading or discharging the Vessel, subject to the provisions of the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) or the Institute Protection and Indemnity Clauses Hulls - Time 20/7/87 Amended (1/06) (for Class No.2 RDC) attached to this Policy.

(5) LOSS OF TIME / HIRE

Loss of Charter Hire Insurance — Including War

(ABS 1/10/83 Wording)

DELETED

~~This insurance is subject to English law and practice~~

1. If in consequence of any of the following events: DELETED
 - (a) ~~loss, damage or occurrence covered by Institute Time Clauses—Hulls (1/10/83) or Norwegian Hull Form or American Institute Hull Clauses (2nd June 1977) and also loss damage or occurrence covered by Institute War and Strikes Clauses—Hulls (1/10/83) or American Institute Hull War and Strikes Clauses (1/12/77) plus Addenda 1 and 2,~~
DELETED
 (Option of clause to be exercised at inception)
 - (b) breakdown of machinery, including electrical machinery or boilers, provided that such breakdown has not resulted from wear and tear or want of due diligence by the Assured,
 occurring during the period of this insurance the Vessel is prevented from earning hire for a period in excess of as in Schedule days in respect of any accident, then this insurance shall pay as in Schedule of the sum hereby insured for each 24 hours after the expiration of the said days during which the Vessel is so prevented from earning hire for not exceeding a further as in Schedule days in respect of any one accident or occurrence (and not exceeding as in Schedule days in all during the currency of this Insurance (irrespective of the expiry date of this insurance)), provided that the repairs in respect of which a claim is made hereunder are completed within 12 months of the expiry of the period covered by this policy.
2. No claim to attach to this insurance if the occurrence in respect of which such claim arises is the cause of the vessel becoming a Total Loss (Actual or Constructive).
3. In all cases where a recovery is obtained from third parties in respect of loss of earnings or demurrage such recovery shall be apportioned between the Assured and the Underwriters as their respective interests may appear.
4. Subject to current Institute Trading Warranties and, in respect of War risks, subject to current London Market War Risk Trading Warranties.
5. 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.
6. The expression 'one accident' shall be deemed to include all heavy weather damage occurring during a single sea passage between two successive ports as defined in Clause 12.2 of Institute Time Clauses—Hulls (1/10/83).
7. If this insurance attaches or expires during a passage as defined above heavy weather damage occurring on the same passage but outside the period covered by this insurance may be added for the purpose of calculating the loss provided the damage sustained during the period covered hereunder has not been repaired during the passage, but only the proportion of the loss arising from damage occurring during the currency of this insurance shall be payable hereunder.
8. It is understood and agreed that if the Vessel is prevented from earning hire on separate occasions, which shall not in any event exceed three, in respect of any one accident or occurrence falling within this insurance, for the purpose of ascertaining the amount claimable hereunder the total time that the Vessel is off hire shall be taken into account, provided that the repairs are completed within 12 months of the expiry of this insurance.
9. Should the Vessel at the expiration of this insurance be at sea or in distress, or at port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata daily premium to her port of destination, but in no event shall such extension affect or postpone the operation of the Institute Notice of Cancellation and Automatic Termination of Cover Clause for War.
10. In the event of the Vessel named herein being sold or unchartered, other than by reason of Total or Constructive Total Loss of Vessel, this insurance is automatically cancelled. In such event Underwriters agree to return pro rata nett monthly premium, provided there are no claims on the Vessel during the currency of the insurance prior to cancellation. In no other event shall there be any return of premium (except as provided under Clause 14.3 below).
 This clause shall prevail notwithstanding any provisions whether written, typed or printed in the insurance inconsistent therewith unless especially agreed by Underwriters.
11. Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of 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 1 of this insurance such automatic termination shall only operate should the Vessel sail from her next port without the prior approval of the Classification Society.

12. The Assured shall effect, or cause to be effected, all repairs (temporary or permanent) with due diligence and dispatch. Underwriters to have the right to require the Assured to incur any expense which would reduce Underwriters' liability under this insurance provided such expense is for Underwriters' account.
 13. This insurance excludes:
 - 13.1 loss damage liability or expense arising from
 - 13.1.1 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
 - 13.1.2 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 Russian Federation, the People's Republic of China
 - 13.1.3 requisition or pre-emption
 - 13.1.4 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
 - 13.1.5 arrest restraint detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations
 - 13.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
 - 13.2 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
 - 13.3 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.
 - ~~14. 14.1 Cover hereunder in respect of the risks of war, etc., 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 Underwrites). The Underwriters agree however to reinstate cover 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.~~
 - ~~14.2 Whether or not such notice of cancellation has been given cover hereunder in respect of the risks of war, etc., shall TERMINATE AUTOMATICALLY~~
 - ~~14.2.1 upon the occurrence of any hostile detonation of any nuclear weapon of war as defined in Clause 13.1.1 wheresoever or whenssoever such detonation may occur and whether or not the Vessel may be involved~~
 - ~~14.2.2 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 Russian Federation, the People's Republic of China~~
 - ~~14.2.3 in the event of the Vessel being requisitioned, either for title or use.~~
 - ~~14.3 In the event either of cancellation by notice or of automatic termination of this insurance by reason of the operation of this Clause 14, pro rata net return of premium shall be payable to the Assured.~~
 15. ~~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.~~
-

Loss of Charter Hire Insurance — Excluding War

(ABS 1/10/83 Wording)

DELETED

~~This insurance is subject to English law and practice~~

DELETED

1. If in consequence of any of the following events:
 - (a) ~~loss, damage or occurrence covered by Institute Time Clauses—Hulls (1/10/83) or Norwegian Hull Form or American Institute Hull Clauses (2nd June 1977);~~
 (Option of clause to be exercised at inception)
 - (b) breakdown of machinery, including electrical machinery or boilers, provided that such breakdown has not resulted from wear and tear or want of due diligence by the Assured,

occurring during the period of this insurance the Vessel is prevented from earning hire for a period in excess of as in Schedule days in respect of any accident, then this insurance shall pay as in Schedule of the sum hereby insured for each 24 hours after the expiration of the said days during which the Vessel is so prevented from earning hire for not exceeding a further as in Schedule days in respect of any one accident or occurrence (and not exceeding as in Schedule days in all during the currency of this Insurance (irrespective of the expiry date of this insurance)), provided that the repairs in respect of which a claim is made hereunder are completed within 12 months of the expiry of the period covered by this insurance.
2. No claim to attach to this insurance if the occurrence in respect of which such claim arises is the cause of the vessel becoming a Total Loss (Actual or Constructive).
3. In all cases where a recovery is obtained from third parties in respect of loss of earnings or demurrage such recovery shall be apportioned between the Assured and the Underwriters as their respective interests may appear.
4. Subject to current Institute Trading Warranties.
5. 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.
6. The expression 'one accident' shall be deemed to include all heavy weather damage occurring during a single sea passage between two successive ports as defined in Clause 12.2 of Institute Time Clauses—Hulls (1/10/83).
7. If this insurance attaches or expires during a passage as defined above heavy weather damage occurring on the same passage but outside the period covered by this insurance may be added for the purpose of calculating the loss provided the damage sustained during the period covered hereunder has not been repaired during the passage, but only the proportion of the loss arising from damage occurring during the currency of this insurance shall be payable hereunder.
8. It is understood and agreed that if the Vessel is prevented from earning hire on separate occasions, which shall not in any event exceed three, in respect of any one accident or occurrence falling within this insurance, for the purpose of ascertaining the amount claimable hereunder the total time that the Vessel is off hire shall be taken into account, provided that the repairs are completed within 12 months of the expiry of this insurance.
9. Should the Vessel at the expiration of this insurance be at sea or in distress, or at port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata daily premium to her port of destination.
10. In the event of the Vessel named herein being sold or unchartered, other than by reason of Total or Constructive Total Loss of Vessel, this insurance is automatically cancelled. In such event Underwriters agree to return pro rata nett monthly premium, provided there are no claims on the Vessel during the currency of the insurance prior to cancellation. In no other event shall there be any return of premium.
 This clause shall prevail notwithstanding any provisions whether written, typed or printed in the insurance inconsistent therewith unless especially agreed by Underwriters.
11. Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of 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 1 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.
12. The Assured shall effect, or cause to be effected, all repairs (temporary or permanent) with due diligence and dispatch. Underwriters to have the right to require the Assured to incur any expense which would reduce Underwriters' liability under this insurance provided such expense is for Underwriters' account.
13. In no case shall this insurance cover loss damage liability or expense caused by
 - 13.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.

- 13.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
 - 13.3 derelict mines torpedoes bombs or other derelict weapons of war.
 - 14. In no case shall this insurance cover loss damage liability or expense caused by
 - 14.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
 - 14.2 any terrorist or any person acting from a political motive.
 - 15. In no case shall this insurance cover loss damage liability or expense arising from
 - 15.1 the detonation of an explosive
 - 15.2 any weapon of warand caused by any person acting maliciously or from a political motive.
 - 16. 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.
-

**LAID UP RETURN CLAUSES
(Loss of Charter Hire)**

Article 1.

In the case of insurance effected for a period of one year, if the Vessel is laid up for a period of 30 or more consecutive days during the insured period, the Company shall return the premium specified in the succeeding Article after natural expiry of the insurance, provided that no actual total loss or constructive total loss of the Vessel (irrespective of whether resulting from any of the Accidents or not) has occurred during the insured period.

Article 2.

The return premium shall be *as arranged* for each period of 30 consecutive days separately (any fraction of 30 days shall be ignored). However, if any period not to return premiums is included in such period of 30 consecutive days, premium amount correspondent to the period not to return premiums calculated on daily pro rata basis shall be deducted from the return premium.

Article 3.

In asking for a return of premium under the preceding two Articles the Assured shall, within reasonable delay, give notice of the fact to the Company in writing and obtain the Company's approval to the laying-up location and mooring arrangements.

Article 4.

At the termination of laying-up, the Assured shall, within reasonable delay, give notice of the fact to the Company in writing with the certificates by the authorities and/or necessary documents.

Article 5.

No premium return, under preceding Articles 1 and 2 above, shall be made in the event of failure by the Assured to comply with the whole or a part of any condition in the laying-up endorsement, except when the Company's agreement has been obtained.

Article 6.

Provided always that

- (1) The term "laying-up" refers the condition that the Vessel is not navigating, that is, laying-up on a slipway or in a drydock, mooring, or anchoring etc. for repair (irrespective of whether resulting from any of the Accident or not; hereinafter to be so interpreted), reconstruction, or inspection.
- (2) The term "laying-up endorsements" refers the endorsements issued by the Company in accordance with the preceding Article 3.
- (3) The term "period not to return premium" refers;
 - a. period of repair or reconstruction, but excluding the period under repair due to wear and tear and/or to recommendation by the classification society of the Vessel.
 - b. period of laying-up in the non-approved area.

4/12/08

JWRC 04
4 December 2008

**ADDENDUM TO LOSS OF
CHARTER HIRE INSURANCE
INCLUDING WAR
(ABS 1/10/83 Wording)**

Clause 1. (a) is amended to read;

loss, damage or occurrence covered by Institute Time Clauses-Hulls 1/10/83 including JH2005/046 (17/10/05) and also loss damage or occurrence covered by Institute War and Strikes Clauses - Hulls 1/10/83 including JW2005/002 (17/10/05)

4/12/08

JWRC 03
4 December 2008

**ADDENDUM TO LOSS OF
CHARTER HIRE INSURANCE
EXCLUDING WAR
(ABS 1/10/83 Wording)**

Clause 1. (a) is amended to read;

loss, damage or occurrence covered by Institute Time Clauses-Hulls 1/10/83 including JH2005/046 (17/10/05)

1/4/2016

**SPECIAL CLAUSE IN RESPECT OF
SUSPENSION OF COVER**

It is understood and agreed that the Underwriters shall not be liable for any loss of hire in consequence of loss, damage or occurrence covered by Institute War and Strikes Clauses - Hulls (1/10/83) or American Institute Hull War and Strikes Clauses (1/12/77) plus Addenda 1 and 2, occurred during the voyage which is covered by BLOCKING AND TRAPPING ETC. WORDING (LOSS OF HIRE / LOSS OF TIME) undertaken by the same Underwriters and arranged by the Person effecting the insurance or the Assured. It is further understood and agreed that the foregoing loss of hire remains covered under this Policy once the Vessel completes the voyage above-mentioned.

(6) WAR AND STRIKES

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE WAR AND STRIKES CLAUSES Hulls-Time

DELETED

~~This insurance is subject to English law and practice~~

1 PERILS	1
Subject always to the exclusions hereinafter referred to, this insurance covers loss of or damage to the Vessel caused by	2
	3
1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	4
	5
1.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat	6
1.3 derelict mines torpedoes bombs or other derelict weapons of war	7
1.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	8
1.5 any terrorist or any person acting maliciously or from a political motive	9
1.6 confiscation or expropriation.	10
2 INCORPORATION	11
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.	12
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.	13
	14
	15
	16
3 DETAINMENT	17
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.	18
	19
	20
	21
4 EXCLUSIONS	22
This insurance excludes	23
4.1 loss damage liability or expense arising from	24
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	25
	26
4.1.2 the outbreak of war (whether there be a declaration of war or not) between any of the following countries:	27
	28
United Kingdom, United States of America, France,	29
the Russian Federation,	30
the People's Republic of China	31
4.1.3 requisition or pre-emption	32
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	33
	34
4.1.5 arrest restraint detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations	35
	36
4.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause	37
	38
4.1.7 piracy (but this exclusion shall not affect cover under Clause 1.4).	39
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,	40
	41
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,	42
	43
4.4 any claim for expenses arising from delay except such expenses as would be recoverable in principle in	44

(Continued)

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 wheresoever 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 Russian Federation,
 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.

1/10/83

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE WAR AND STRIKES CLAUSES

Hulls – Time Amended (4/2010)

DELETED

~~This insurance is subject to English law and practice~~

1 PERILS	1
Subject always to the exclusions hereinafter referred to, this insurance covers loss of or damage to the Vessel caused by	2
	3
1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	4
	5
1.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat	6
DELETED DELETED	
1.3 derelict mines torpedoes bombs or other derelict weapons of war	7
1.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	8
1.5 any terrorist or any person acting maliciously or from a political motive	9
1.6 confiscation or expropriation.	10
*	
2 INCORPORATION	11
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.	12
	13
DELETED	14
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.	15
	16
3 DETAINMENT	17
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.	18
	19
	20
	21
4 EXCLUSIONS	22
This insurance excludes	23
4.1 loss damage liability or expense arising from	24
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	25
	26
4.1.2 the outbreak of war (whether there be a declaration of war or not) between any of the following countries:	27
	28
United Kingdom, United States of America, France,	29
the Union of Soviet Socialist Republics,	30
the People's Republic of China	31
4.1.3 requisition or pre-emption	32
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	33
	34
4.1.5 arrest restraint detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations	35
	36
4.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause	37
	38
DELETED	
4.1.7 piracy (but this exclusion shall not affect cover under Clause 1.4):	39
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	40
	41
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,	42
	43

* 1.7 violent theft by persons from outside the Vessel or piracy

** the Institute Time Clause-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and the attached clauses thereof which are applied to marine insurance on the Vessel

*** of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.6 (4/2010)

(Continued)

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*.	44 45
5	TERMINATION	46
5.1	This insurance may be cancelled by either ^{DELETED} the Underwriters or the Assured ^{DELETED} 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 ^{DELETED} 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.	47 48 49 50 51
5.2	Whether or not such notice of cancellation has been given this insurance shall TERMINATE AUTOMATICALLY	52 53
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	54 55 56
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	57 58 59 60 61
5.2.3	in the event of the Vessel being requisitioned, either for title or use.	62
5.3	In the event either ^{DELETED} 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 ^{DELETED} pro rata net return of premium shall be payable to the Assured.	63 64 65

* 1994

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

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE WAR AND STRIKES CLAUSES

Hulls – Time Amended to cover Disbursements etc. against T.L.O. (4/2010)

DELETED

~~This insurance is subject to English law and practice~~

1 PERILS	1
Subject always to the exclusions hereinafter referred to, this insurance covers loss of or damage to the Vessel caused by*	2
	3
1.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power	4
	5
1.2 capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat	6
DELETED DELETED	
1.3 derelict mines torpedoes bombs or other derelict weapons of war	7
1.4 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions	8
1.5 any terrorist or any person acting maliciously or from a political motive	9
1.6 confiscation or expropriation.	10
**	
2 INCORPORATION	11
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.	12
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.	13
	14
	15
	16
3 DETAINMENT	17
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.	18
	19
	20
	21
4 EXCLUSIONS	22
This insurance excludes	23
4.1 loss damage liability or expense arising from	24
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	25
4.1.2 the outbreak of war (whether there be a declaration of war or not) between any of the following countries:	26
	27
United Kingdom, United States of America, France,	28
the Union of Soviet Socialist Republics,	29
the People's Republic of China	30
4.1.3 requisition or pre-emption	31
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	32
4.1.5 arrest restraint detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations	33
4.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause	34
DELETED	35
4.1.7 piracy (but this exclusion shall not affect cover under Clause 1.4):	36
	37
	38
	39
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****	40
	41

* total loss (actual or constructive) of the subject-matter insured caused by

** 1.7 violent theft by persons from outside the Vessel or piracy

*** Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) except Clauses 1.2, 2, 3, 4, 6, 11, 12, 13, 14, 15 and Laid up Return Clauses (Disbursements), Termination Clause and the Institute Radioactive Contamination Exclusion Clause

**** Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90)

(Continued)

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,	42 43
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*.	44 45
5	TERMINATION	46
5.1	This insurance may be cancelled by either ^{DELETED} the Underwriters or the Assured ^{DELETED} 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 ^{DELETED} 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.	47 48 49 50 51
5.2	Whether or not such notice of cancellation has been given this insurance shall TERMINATE AUTOMATICALLY	52 53
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	54 55 56
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	57 58 59 60 61
5.2.3	in the event of the Vessel being requisitioned, either for title or use.	62
5.3	In the event either ^{DELETED} 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, ^{DELETED} pro rata net return of premium shall be payable to the Assured.	63 64 65

* 1994

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.

BLOCKING AND TRAPPING ETC. WORDING (LOSS OF HIRE/LOSS OF TIME) (1/4/2014)

1. Interest Insured Hereunder

(as specified in the Schedule) in respect of the Vessel specified in the Schedule (hereinafter called the Vessel). Schedule also to contain daily indemnity and excess, the voyage or period and the geographical limits of the Policy and to form part of this Policy.

2. Coverage

(A) If in consequence of

- (i) a peril covered under the Institute War and Strikes Clauses Hulls-Time (1/10/83), piracy, violent theft and barratry of Master Officer or Crew but average irrespective of percentage
- (ii) the confiscation, expropriation, nationalisation or detention of the Vessel by, or under the order of any government or local authority
- (iii) the closure, blockage or blockade (other than civil blockade) of the area or the means of exit therefrom or of any port, canal, channel, river, waterway or other place or of the means of exit therefrom within the area described in the Schedule or any part thereof

during the currency of this Policy the Vessel be prevented from earning hire or reward, or be prevented from earning anticipated hire or reward, or be obliged to continue to expend charterage, or be obliged to continue expenditure in excess of the excess period stipulated in the Schedule, then this Policy will pay the daily indemnity stated in the Schedule for each period of twenty four consecutive hours during which the Vessel is so prevented, or so obliged, for not exceeding the number of periods of twenty four hours stated in the Schedule in respect of any occurrence, and subject to the overall limit stated therein.

(B) Clause 13 of the Institute Time Clauses-Hulls (1/10/83) is deemed to be incorporated in this insurance in so far as it does not conflict with the provision of these clauses.

However, no claim shall be payable under this insurance in respect of charges incurred by the Assured in accordance with Clause 13 of the said Clauses unless with the prior consent of Underwriters.

3. Exclusions

No claims shall be payable under this Policy

- (A) if such perils or combination of such perils shall have been effective at the time of attachment of this insurance
- (B) in respect of any claims 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
- (C) unless the repairs in respect of which a claim is made hereunder shall be completed within 12 months of the expiry of the period covered by this Policy
- (D) in respect of any period after the Vessel having become a Total Loss (Actual or Constructive or Arranged or Compromised)
- (E) due to loss damage liability or expense arising from
 - (i) 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
 - (ii) 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 Russian Federation, the People's Republic of China
 - (iii) requisition or pre-emption
 - (iv) confiscation and/or nationalisation and/or any other act of government or local authority of the country stated in the space of "Flag" in the Schedule
 - (v) capture, seizure, arrest, restraint, detainment, confiscation or nationalisation by the government of the country in which the Vessel is owned or registered
 - (vi) arrest, restraint or detainment under quarantine regulations or by reason of infringement of any customs or trading regulations
 - (vii) the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause.

4. Warranties

- (A) The Assured shall make all reasonable efforts to obtain the release of the Vessel, and shall subrogate to Underwriters all rights against any other parties.
- (B) Warranted that the Assured comply in all respects with the laws (local or otherwise) of the country in whose waters the Vessel is situated and should failure so to do prejudice this insurance to extent of a loss, no liability will attach hereunder.
- (C) Warranted all necessary permits obtained.

5. Termination

- (A) 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.
- (B) Whether or not such notice of cancellation has been given this insurance shall TERMINATE AUTOMATICALLY
 - (i) upon the occurrence of any hostile detonation of any nuclear weapon of war as defined in Clause 3 (E) (i) wheresoever or whensoever such detonation may occur and whether or not the Vessel may be involved
 - (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 Russian Federation, the People's Republic of China
 - (iii) in the event of the Vessel being requisitioned, either for title or use
 - (iv) upon any sale or other change of management or ownership unless with the prior consent of Underwriters.
- ~~(C) In the event either of cancellation by notice or of automatic termination of this insurance pro rata net return of premium~~

(Continued)

shall be payable to the Assured, provided that no claims shall attach to the Vessel concerned. In no other circumstance shall
DELETED
any return of premium be due once this insurance is effected except with the specific agreement of Underwriters.

AMERICAN HULL INSURANCE SYNDICATE

ADDENDUM TO AMERICAN INSTITUTE HULL WAR RISKS AND STRIKES CLAUSES - DECEMBER 1, 1977 (APRIL 1, 1984)

It is understood and agreed that the American Institute Hull War Risks and Strikes Clauses of December 1, 1977, for attachment to American Institute Hull Clauses (June 2, 1977), and to which this Addendum is attached are amended as follows:

- 1) For the purpose of this Addendum only, line 241 of the American Institute Hull Clauses (June 2, 1977) – EXCLUSION (a) – shall be deemed amended by adding “confiscation or expropriation.”
- 2) In addition to the risks enumerated in the above described War Risks and Strikes Clauses, the following is added: “7. Confiscation or expropriation.”
- 3) In the event that the Vessel shall have been the subject of capture, seizure, arrest, restraint, detainment, confiscation or expropriation, and the Assured, by reason thereof, has lost the free use and disposal of the Vessel for a continuous period of twelve (12) months (even though condemnation has not occurred), 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.
“Restraint” as used in this paragraph 3 shall be deemed to include the inability of the Vessel to sail from any port or place to the high seas because of closure of the connecting waterway to all vessels of similar size or draft due to blockage of such waterway caused by hostilities or warlike operations.
- 4) Clause (f) of the EXCLUSIONS shall be amended to read as follows:
“Capture, seizure, arrest, restraint, detainment, confiscation or expropriation, by the Government of the United States or of the country in which the Vessel is owned or registered.”
- 5) The Warranty at line 42 shall be amended to read: “Warranted not to abandon in case of capture, seizure, arrest, restraint, detainment, confiscation or expropriation until after condemnation of the property insured, or, in circumstances set forth in 3) above, after twelve (12) months, whichever first occurs.”
- 6) The period of fourteen (14) days provided for in subparagraph “D” of the AUTOMATIC TERMINATION AND CANCELLATION Clauses, shall be amended to seven (7) days wherever appearing therein.

ALL OTHER TERMS, LIMITATIONS,
CONDITIONS AND EXCEPTIONS
REMAINING UNCHANGED.

1/4/2010

LONDON BLOCKING AND TRAPPING ADDENDUM

(FOR USE WITH INSTITUTE WAR AND STRIKES CLAUSES,
HULLS-TIME 1/10/83 AMENDED (4/2010))

It is hereby agreed that the inability of the Vessel to sail from any port, canal, waterway or other place to the high seas for a continuous period of 12 months as a result of the closure of the connecting channel to all vessels of such size or draft is within the term “restraint” appearing in Clause 3 of the Institute War and Strikes Clauses-Hulls-Time 1/10/83 Amended (4/2010) provided that such closure has arisen through the blockage of the waterway by a warlike act or act of national defence.

1/4/09

WAR RISK PROTECTION AND INDEMNITY CLAUSES (CREW LIABILITY)

(Liability of Indemnification)

Article 1.

Notwithstanding the provision of Clause 3 of the WAR RISK PROTECTION AND INDEMNITY CLAUSES (HULLS), the Company shall indemnify the Assured, according to Clause 1 of the WAR RISK PROTECTION AND INDEMNITY CLAUSES (HULLS) and these WAR RISK PROTECTION AND INDEMNITY CLAUSES (CREW LIABILITY), for any sum or sums paid by the Assured to Master, Officers or Crew of the Vessel (hereinafter called the “seaman”) or their bereaved families by reason of the Assured assuming the liabilities mentioned in (1), (2) and (6) below under the statutory obligation or under the Labour Agreement, the Employment Regulations, the Accident Compensation Regulations or the Contracts of Service or Employment, including such expenses incurred by the Assured as listed below, incidental to the liabilities or otherwise.

Provided always that

- (a) such payments of liabilities or expenses shall have been made by the Assured with the prior written consent of the Company
 - (b) the amount recoverable under the Workmen’s Accident Compensation Insurance Law, the Seamen’s Insurance Law and other workmen’s accident compensation laws or ordinances of Japan or any other country shall not be indemnified hereunder.
- (1) Liability for loss of life of the seaman (including presumption of death due to being missing; hereinafter to be so interpreted)
 - (2) Liability for the permanent physical handicaps of the seaman in the performance of his duties
 - (3) Compensation for medical treatment (as provided for in Articles 89 and 90 of the Seamen’s Law of Japan), injury or sickness allowances, convalescence allowances and travelling expenses for nursing in cases where the seaman has sustained an injury or contracted a sickness in the performance of his duties
 - (4) Expenses incurred in saving the life of the seaman, searching for dead body of the seaman, delivering the remains of, ashes of, and articles left by the seaman and funeral expenses
 - (5) Missing allowances in cases where the seaman has become missing in the performance of his duties
 - (6) Liability for loss of or damage to the effects of the seaman
 - (7) Necessary expenses incurred in sending a substitute to replace the seaman in consequence of his loss of life, injury or sickness
 - (8) Wages payable to the seaman who has lost employment in consequence of an Actual or Constructive Total Loss of the Vessel

(Legal Costs)

Article 2.

The Company shall also pay the necessary or useful costs incurred by the Assured, in taking proceedings or defensive legal action with the prior written consent of Company or referring the dispute to arbitration upon consultation with the Company, for the purpose of averting or minimising a loss which would be recoverable under these clauses.

(Relation to Other Insurances)

Article 3.

In case of the whole or a part of the sums to be paid under these clauses being recoverable under other insurances, the Company shall only pay the sums which exceed the amount recoverable under such insurances.

(Continued)

(Limit of Liability for Indemnification)

Article 4.

The indemnity under these clauses shall be in addition to the indemnity recoverable under the other terms and conditions of this insurance, but it shall be always limited to the following amount per capita in respect of any one accident:

- (1) the limit of liability specified in the Schedule in respect of the aggregate sums of the liabilities and the expenses mentioned in Article 1. (1) to (3) and (8)
- (2) the amount equivalent to 20% of the limit of liability specified in the Schedule in respect of the aggregate sums of the liabilities and the expenses mentioned in Article 1. (4) to (7) and Article 2. in addition to the indemnity recoverable under (1) above.

1/12/75

WAR RISK PROTECTION AND INDEMNITY CLAUSES (DISBURSEMENTS)

1. If the amount of the liability for Protection and Indemnity Risks under the War Risk Protection and Indemnity Clauses (Hulls) attached hereto exceeds the sum insured by the Hull War Risk Policy, this insurance is extended to cover the excess.
2. The liability of Underwriters under these clauses in respect of any accident or series of accidents arising out of the same casualty shall be limited to the sum hereby insured.
3. This Protection and Indemnity insurance shall terminate automatically at the same time as the Disbursements Insurance against War Risks and upon the terms and conditions provided for in the Automatic Termination Clauses of the Disbursements War Risk Policy.

1/4/2014

WAR RISK PROTECTION AND INDEMNITY CLAUSES (HULLS)

1. This insurance is extended to cover the liability of the Assured for Protection and Indemnity against the risks excluded from the Marine Protection and Indemnity Policy by reason of the F.C. and S. Clause and the liability of the Assured for Protection and Indemnity Risks as a result of strikes, lockout, political or labour disturbances, riots, civil commotions or acts of persons acting maliciously. In the event that Protection and Indemnity Risks are not insured against Marine Perils, this insurance shall be construed as if such insurance had been covered by The United Kingdom Mutual Steam Ship Assurance Association (Europe) Limited Protection and Indemnity Club.
2. In the event that the Marine Protection and Indemnity Policy omits and/or excludes any of Protection and Indemnity Risks covered by the United Kingdom Mutual Steam Ship Assurance Association (Europe) Limited, such omitted and/or excluded Protection and Indemnity Risks shall be deemed to be included in such insurance.
3. Notwithstanding the provisions of Clause 1, this insurance is not extended to cover the liability of the Assured to the crew of the insured vessel except for Contractual Repatriation Expense of any member of the crew as a result of the perils covered by the above.
4. Claims for which these Underwriters shall be liable under these clauses shall not be subject to any deduction.
5. The liability of Underwriters under these clauses in respect of any accident or series of accidents arising out of the same

casualty shall be limited to the sum hereby insured.

6. This Protection and Indemnity insurance shall terminate automatically at the same time as the Hull insurance against War Risks and upon the terms and conditions provided for in the Automatic Termination Clause of the Hull War Risk Policy.

1/4/05

INSTITUTE NOTICE OF CANCELLATION, AUTOMATIC TERMINATION OF COVER AND WAR AND NUCLEAR EXCLUSIONS CLAUSE - HULLS, ETC. Amended

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

1. 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 (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 the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

2. Automatic Termination of Cover

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

- 2.1 upon the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China

- 2.2 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.

3. Five Powers War and Nuclear Exclusions

This insurance excludes

- 3.1 loss damage liability or expense arising from
 - 3.1.1 the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China
 - 3.1.2 requisition either for title or use.
- ~~3.2 loss damage liability or expense directly or indirectly caused by or arising from~~
 - 3.2.1 ionising, radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 3.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 3.2.3 any weapon of war employing atomic or nuclear fusion and/or fusion or other like reaction or radioactive force or matter.

4. Law and Practice DELETED

~~This clause is subject to English law and practice.~~

Cover in respect of the risks of war etc. shall not become effective if subsequent to acceptable 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.

1/4/05

**INSTITUTE NOTICE OF CANCELLATION,
AUTOMATIC TERMINATION OF COVER AND WAR
AND NUCLEAR EXCLUSIONS CLAUSE-HULLS, ETC.
(For I.W.S.C. Amended etc.)**

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

1. 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 (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 the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

2. Automatic Termination of Cover

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

- 2.1 upon the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China
- 2.2 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.

3. Five Powers War and Nuclear Exclusions

This insurance excludes

- 3.1 loss damage liability or expense arising from
 - 3.1.1 the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China
 - 3.1.2 requisition either for title or use.
- ~~3.2 loss damage liability or expense directly or indirectly caused by or arising from

 - 3.2.1 ionising, radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 3.2.2 the radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 3.2.3 any weapon of war employing atomic or nuclear fusion and/or fusion or other like reaction or radioactive force or matter.~~

~~4. Law and Practice~~ DELETED

~~This clause is subject to English law and practice.~~

Cover in respect of the risks of war etc. shall not become effective if subsequent to acceptable 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.

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

It is hereby agreed that the inability of the Vessel to sail from any port, canal, waterway or other place to the high seas for a continuous period of 12 months as a result of the closure of the

connecting channel to all vessels of such size or draft is within the term "restraint" appearing in Clause 3 of the Institute War and Strikes Clauses-Hulls 1.10.83 provided that such closure has arisen through the blockage of the waterway by a warlike act, or act of national defence.

1/4/2010

INCORPORATION CLAUSE

The Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) (including 4/4ths Collision Clause) except Clauses 1.2, 2, 3, 6, 12, 23, 24 and 25 are deemed to be incorporated in this insurance in so far as they do not conflict with the provisions of the Institute War and Strikes Clauses Hulls-Time 1/10/83 Amended (4/2010)

Held covered in case of breach of warranty as to towage or salvage service provided notice be given to the Underwriters immediately after receipt of advices and any additional premium required by them be agreed.

**HULL WAR SPECIAL CLAUSE IN RESPECT
OF FISHING OR REEFER BOAT**

The Company shall not be liable to pay for any loss or damage caused in consequence of the Vessel being engaged in, or about to be engaged in illegal fishing (including carriage of fish and/or fishery products from fishing grounds) which is in violation of the laws or regulations of Japan or any other country, or of the treaties ratified between Japan and other country, or in consequence of the Vessel being charged with such violation irrespective of actual guilt.

17/10/05

JW2005/002
17th October 2005

**Violent Theft, Piracy and Barratry Extension - for use with
the Institute War & Strikes Clauses Hulls - Time 1/10/83**

Where the war and strikes insurance of the vessel is written on terms which include the Institute War & Strikes Clauses Hulls - Time 1/10/83, the said clauses are hereby amended as follows:

- 1 Three new clauses shall be inserted after clause 1.6 as follows:
 - 1.7 *violent theft by persons from outside the Vessel*
 - 1.8 *piracy*
 - 1.9 *barratry of Master Officers or Crew*
- 2 Clause 4.1.7 shall be deleted
- 3 Clause 4.2 shall be deleted and replaced by the following:

"loss damage liability or expense covered by the Institute Time Clauses Hulls Time 1/10/83 (including 4/4ths Collision Clause) or which would be recoverable thereunder but for Clause 12 thereof, as amended by the violent theft, piracy and barratry exclusion clause JH2005/046,"
- 4 A new clause 4(a) shall be inserted after clause 4 as follows:

"4(a) No claim arising from a peril insured against under clause 1.7 or clause 1.8 above shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including any associated sue and labour; general average and salvage or collision liability claims) exceeds the deductible amount agreed (if any) in which case this sum shall be deducted. This clause 4(a) 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 sue and labour claim arising from the same accident or occurrence."

4/12/08

JWRC 02
4 December 2008

**Violent Theft, Piracy and Barratry Extension - for use with
the Institute War & Strikes Clauses Hulls - Time
(Amended to cover Disbursements including
Excess Liabilities) 1/10/83**

Where the war and strikes insurance of the vessel is written on terms which include the Institute War & Strikes Clauses Hulls - Time (Amended to cover Disbursements including Excess Liabilities) 1/10/83, the said clauses are hereby amended as follows:

1. Three new clauses shall be *inserted* after clause 1.6 as follows:
 “1.7 violent theft by persons from outside the Vessel
 1.8 piracy
 1.9 barratry of Master Officers or Crew”
2. Clause 4.1.7 shall be deleted
3. Clause 4.2 shall be deleted and *replaced* by the following:
 “loss damage liability or expense covered by the Institute
 Time Clauses Hulls Disbursements and Increased Value (Total
 Loss only, including Excess Liabilities) 1/10/83 (including
 4/4ths Collision Clause), as amended by the violent theft,
 piracy and barratry exclusion clause JWRC 01,”

(7) BUILDERS' RISKS

1/6/88

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE CLAUSES FOR BUILDERS' RISKS

Amended (4/2010)

DELETED

~~(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.

(Continued)

~~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 the 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 Underwrites 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 ^{DELETED} *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 at a premium to be arranged, provided previous notice be given to the Underwriters.

* the period specified in the Schedule.

** , or tidal wave arising therefrom

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 *the amount specified in the Schedule* 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.~~
DELETED
- 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

- 13.1 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 provides 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.

* 1994

** of the Company

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 for the purpose of entering or leaving port or manoeuvring 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
 - 19.2.5 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

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 or 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 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.

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 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 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

* If several parties are named as Assured(s) in the Schedule, only ship-builder(s) are deemed to be as Assured(s) hereupon.

** sub-contractors

*** before the Vessel is launched

**** The Underwriters' liability under Clause 19.1.4 in respect of each separate accident or occurrence or series of accidents arising out of the same event, shall not exceed the amount of Limit of Liability specified in the Schedule.

- 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 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 or indirectly 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

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

INSTITUTE WAR CLAUSES BUILDERS' RISKS Amended (4/2010)

DELETED

~~(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 exclusions 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 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 arrest 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 Russian Federation, 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 for 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***.

* Amended (4/2010)

** , and the attached clauses thereof which are applied to marine insurance on the subject-matter insured (excluding the Institute Strikes Clauses Builders' Risks 1/6/88 Amended (4/2010))

*** 1994

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 Russian Federation, 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.

1/6/88

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

**INSTITUTE STRIKES CLAUSES
BUILDERS' RISKS Amended (4/2010)**

~~DELETED
(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 Clauses 19.5 and 19.6 of the Institute Clauses for Builders' Risks 1/6/88^Λ, the liability under Clause 19 of the Institute Clauses for Builders' Risks 1/6/88^Λ* which is excluded by Clause 22.1.

3 INCORPORATION

The Institute Clauses for Builders' Risks 1/6/88^Λ* 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^Λ
- 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

- 7.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 7.2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

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

* Amended (4/2010)

** 1994

1/4/2010

**INSURED VALUE CLAUSES
(For Builders' Risks Insurance)**

Article 1.

The insured value shall be determined at not less than the building contract price of the Vessel (if any parts are to be supplied by the Orderer, the value thereof shall be added to the building contract price of the vessel; hereinafter to be so interpreted).

Article 2.

In the event of reduction in the insured value and/or the insured amount, the Company shall return to the Person effecting the insurance the balance of the premium calculated on the basis of the existing rate and the revised rate, notwithstanding the provision of the Article 3 of DUTY OF ASSURED AND RIGHTS OF INSURER CLAUSES.

1/4/2010

PERILS CLAUSE (Earthquake Risks Only)

The provisions of Clauses 5 and 6 of the Institute Clauses for Builders' Risks 1/6/88 Amended (4/2010) shall be replaced by the following.

5 PERILS

- 5.1 SUBJECT ALWAYS TO ITS TERMS, CONDITIONS AND EXCLUSIONS this insurance covers loss of or damage to the subject-matter insured caused by earthquake, volcanic eruption or tidal wave arising therefrom and discovered during the period of this insurance. In no case shall this insurance cover the cost of renewing faulty welds.
- 5.2 In case of failure of launch caused by earthquake, volcanic eruption or tidal wave arising therefrom, the Underwriters to bear all subsequent expenses incurred in completing launch.

6 EXCLUSION

This insurance excludes loss damage liability or expense covered by the Institute Clauses for Builders' Risks 1/6/88 Amended (4/2010) and the attached clauses thereof under separate insurance Policy (POLICY NO.: as in Schedule) on the subject-matter insured or which would be recoverable thereunder but for Clause 10 thereof.

1/4/2010

PROCEEDING CLAUSE

Notwithstanding the provisions of the Clause 9 of the Institute Clauses for Builders' Risks 1/6/88 Amended (4/2010), it is agreed that the Vessel shall have leave to proceed under own power within a distance by water of the number of nautical miles specified in the Schedule, or in tow within a distance by water of 25 nautical miles of the port or place of construction, loaded or in ballast, as often as required, for fitting out, docking, trials or delivery without notice to the Company.

1/4/2010

**REPAIR CLAUSES
(For I. B. C Amended (4/2010))**

Article 1.

Notwithstanding anything to the contrary contained in this insurance, it is understood and agreed that the cost of repairing damage to the Vessel caused by an insured peril shall be adjusted subject to Japanese law and practice.

Article 2.

1. If the Vessel sustains damage by an insured peril, the Assured shall repair the damage without delay.
2. The Company shall indemnify the Assured for the cost of repairs of such damage as referred to in the preceding paragraph after the repairs have been completed but in case the Assured fails to repair the damage without delay and repairs it later the Company shall indemnify the Assured for the cost of repairs within the limit of the estimated cost of repairs which would have been required had the repairs been made without delay.

Article 3.

Notwithstanding the preceding Article 2, if the Vessel damaged by an insured peril is sold in the unrepaired condition, the Company shall indemnify the Assured for the reasonable estimated cost of repairs within the limit of the reasonable depreciation in value of the Vessel due to the said damage, provided that the Company should have been liable to indemnify the Assured for the cost of repairs had the repairs been made.

However, this Article 3 shall not affect Clauses 11.2 and 11.3 of the Institute Clauses for Builders' Risks 1/6/88 Amended (4/2010).

1/10/92

**SUBJECT-MATTER INSURED CLAUSE
(For Builders' Risks Insurance)**

The subject-matters insured by this insurance shall be those enumerated below which belong to the Assured (including those supplied by the Orderer of the Vessel, if any) and which are within the trading warranty specified in the Schedule

- (1) hull, machinery, electric apparatus, navigational aids, equipment, fittings, etc. of the Vessel and building materials thereof
- (2) blueprints, moulds and wooden models used for building the Vessel
- (3) fuel and lubricating oil used in trial trip or voyage for fitting out, docking or delivering the Vessel

1/10/92

**SUBJECT-MATTER INSURED CLAUSE
(For Repairing Risks Insurance)**

1. The subject-matters insured by this insurance shall include those enumerated below and which are within the trading warranty specified in the Schedule in addition to the hull and machinery of the Vessel.
 - (1) parts or materials removed from the Vessel
 - (2) repairing materials of the Vessel supplied by the Assured
2. The parts or materials, which provided for in item (1) of preceding paragraph and have been removed and shall not be reinstalled, shall be excluded from the subject-matter insured on and after it is decided they are not to be reinstalled.

1/10/92

**SUBJECT-MATTER INSURED CLAUSE
(For Shiprepairers' Risks Insurance)**

1. The subject-matters insured by this insurance shall include those enumerated below which belong to the Assured (including those supplied by the Orderer of the Vessel, if any) and which are within the trading warranty specified in the Schedule.
 - (1) hull, machinery electric apparatus, navigational aids, equipment, fittings, etc. of the Vessel and repairing materials thereof
 - (2) parts or materials removed from the Vessel
 - (3) blueprints, moulds and wooden models used for repairing the Vessel.
 - (4) fuel and lubricating oil used in trial trip or voyage for fitting out, docking or delivering the Vessel.
2. The parts or materials, which provided for in item (2) of preceding paragraph and have been removed and shall not be reinstalled, shall be excluded from the subject-matter insured on and after it is decided they are not to be reinstalled.

1/4/91

**CONSTRUCTIVE TOTAL LOSS CLAUSE
(For Repairing Risks Insurance)**

There shall be no recovery for a Constructive Total Loss under this insurance unless the expense of the recovering and restoring the Vessel to the condition she was in prior to the loss would exceed her value in that condition, which value shall be that of the Vessel at the time of inception of the work (as specified in the Schedule, but excluding removed parts or materials on and after it is decided they are not to be reinstalled.) plus expenses and the cost of labor actually expended for repair, conversion or reconversion and material actually incorporated in the Vessel at the time of the loss; but no claim for a Constructive Total Loss hereunder shall exceed this Policy's proportion of the value so computed, plus this Policy's proportion of any damage to material insured hereunder and not yet installed in the Vessel, plus any salvage and special charges, and sue and labor expenses.

1/4/91

**CONSTRUCTIVE TOTAL LOSS CLAUSE
(For Shiprepairers' Risks Insurance)**

There shall be no recovery for a Constructive Total Loss under this insurance unless the expense of the recovering and restoring the Vessel to the condition she was in prior to the loss would exceed her value in that condition, which value shall be that of the Vessel at the time of inception of the work (as specified in the Schedule, but excluding removed parts or materials on and after it is decided they are not to be reinstalled.) plus expenses and the cost of labor actually expended for repair, conversion or reconversion and material actually incorporated in the Vessel at the time of the loss including accrued overhead and profit on such labor and material; but no claim for a Constructive Total Loss hereunder shall exceed this Policy's proportion of the value so computed, plus this Policy's proportion of any damage to material insured hereunder and not yet installed in the Vessel, plus any salvage and special charges, and sue and labor expenses.

1/4/2010

EARTHQUAKE RISKS CLAUSE

Notwithstanding the provision of Clause 6 of the Institute Clauses for Builders' Risks 1/6/88 Amended (4/2010), this insurance covers loss damage liability or expense caused by earthquake or volcanic eruption, or tidal wave arising therefrom.

(8) OTHERS

1/4/96

CO-INSURERS CLAUSES

Article 1.

This insurance being a co-insurance of the insurance companies as specified in the Schedule (hereinafter referred to as "Co-insurers"), they, each for themselves and not one for the others, shall severally and independently have the rights and assume the liabilities in proportion to their respective insured amount or shares as specified in the Schedule

Article 2.

The insurance company which is designated as the leading company by the Person effecting the insurance at the time of effecting this insurance contract and which is specified as the leading company in the Schedule (hereinafter referred to as the "Leading Company"), shall execute the following matters on behalf of all Co-insurers.

- (1) receipt of application for insurance and issue and delivery of insurance policies etc.
- (2) receipt or return of insurance premiums
- (3) consent to alterations of insurance contract or cancellation of insurance contract
- (4) receipt of documents etc. connected with disclosure or notice based on provisions under insurance contract and consent to of such disclosure or notice
- (5) receipt of documents etc. connected with assignment of right of claims etc. and consent to such assignment, or receipt of documents etc. connected with establishment, assignment or extinguishment of right of pledge for right of claims etc. and consent to such establishment, assignment or extinguishment
- (6) issue and delivery of endorsements etc. on insurance policy
- (7) investigation of subject-matter insured and any other matters connected with insurance contract
- (8) receipt of documents etc. connected with notice of occurrence of accidents or losses and receipt of documents etc. connected with claims
- (9) survey for losses, assessment of losses, payment of claims etc. and preservation of right of Co-insurers
- (10) any other matters incidental to the above

Article 3.

The matters listed in the Article 2 above which may be executed by the Leading Company in connection with this insurance contract shall be deemed as executed by all Co-insurers.

Article 4.

Any notice or any other matters which may be given to the Leading Company by the Person effecting the insurance or the Assured etc. in connection with this insurance contract shall be deemed as given to all Co-insurers.

1/4/2016

PREMIUM CLAUSES

Article 1. (Payment of Premium)

The Person effecting the insurance shall pay the premium of the Policy and/or the Endorsement(s) attaching to and forming part of the Policy (hereinafter called the Endorsement(s)) in accordance with the terms of premium payment specified in the Policy and/or the Endorsement(s).

Article 2. (Indemnification of Loss before Payment of Premium)

1. If the Person effecting the insurance fails to pay the following premiums on or before the due date, the Company shall not be liable for any loss or damage occurring during the period from the due date to the time when the payment is made,

unless otherwise the Company expresses different intension due to some special circumstances.

- (1) total premium if premium payable in cash specified in the Policy
 - (2) 1st installment premium if premium payable in installments specified in the Policy
 - (3) premium specified in the Endorsement(s)
2. If the Person effecting the insurance fails to pay the 2nd or subsequent premium within two calendar months of the due date, the Company shall not be liable for any loss or damage occurring after the due date.

Article 3. (Cancellation of Insurance due to Non-payment of Premium)

1. If the Person effecting the insurance fails to pay the following premiums within one calendar month of the due date, the Company shall be entitled to cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation will take effect from the due date in case of (1) and (2), and from the effective date of the Endorsement(s) in case of (3).
 - (1) total premium if premium payable in cash specified in the Policy
 - (2) 1st installment premium if premium payable in installments specified in the Policy
 - (3) additional premium specified in the Endorsement(s)
2. If the Person effecting the insurance fails to pay the 2nd or subsequent installment premium within two calendar months of the due date, the Company shall be entitled to cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation will take effect from the due date of the installment premium.

Article 4. (Payment of Premium if the Insurance is cancelled due to Non-payment of Premium)

When the Company cancels this insurance in accordance with the provisions of Article 3, the Company shall not return the premium(s) and/or installment premium(s) already received. If any loss or damage occurs which the Company shall be liable for under this insurance before such cancellation takes effect, then the Company shall be entitled to debit the total of the unpaid premiums and/or the unpaid installment premium(s), whether overdue or not, to the Person effecting the insurance.

Article 5. (Partial Payment of Premium)

In cases where the premium(s) and/or installment premium(s) is/are overdue, when the Person effecting the insurance pays part of the overdue premium(s) and/or installment premium(s), the Company shall be deemed to receive it in following sequence:

- (1) The premium or the installment premium of which due date came earlier.
- (2) The premium or the installment premium specified in the Schedule, if the due dates fall on the same day.

Article 6. (Payment of Premium if the Vessel is lost)

In the event of a total or constructive total loss of the Vessel caused by a peril insured against, the Company shall be entitled to debit the total of the unpaid premiums and/or the unpaid installment premium(s), whether overdue or not, to the Person effecting the insurance.

Article 7. (Payment or Return of Premium if the Insurance is cancelled due to other than Non-payment of Premium)

1. In case where the Person effecting the insurance requests change of terms and conditions of this insurance, and where the Company, in the process of agreement to such request, once cancels this insurance to replace it with amended terms and conditions, the Company shall debit or return the balance

(Continued)

of the premium calculated for the expired period of this insurance and the premium already received, to the Person effecting the insurance.

2. In case where the Person effecting the insurance requests cancellation of this insurance:
 - (1) by reason of 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, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.
 - (2) by reason of other than the above (1), the Company shall debit or return the balance of the premium calculated for the expired period of this insurance in force subject to the following attached "Short Rate Scale" and the premium already received, to the Person effecting the insurance.

[SHORT RATE SCALE]

Expired Period of Insurance	Per Cent of Annual Premium
1 month and under	20%
2 months and under	30%
3 months and under	40%
4 months and under	50%
5 months and under	60%
6 months and under	70%
7 months and under	80%
8 months and under	90%
over 8 months	100%

1/4/2016

PREMIUM CLAUSES (For Deferred Due Date)

Article 1. (Payment of Premium)

1. The Person effecting the insurance shall pay the premium of the Policy and/or the Endorsement(s) attaching to and forming part of the Policy (hereinafter called the Endorsement(s)) in accordance with the terms of payment specified in the Policy and/or the Endorsement(s).
2. Notwithstanding the provision(s) of the preceding paragraph, it is agreed that the person effecting the insurance shall pay the premium specified in Article 1-1 to the Company on or before the last day of the following month of the due date (hereinafter referred to as "the deferred due date").
3. Notwithstanding the provision(s) of the preceding paragraph, when an indemnity for a loss or damage, occurring during the period from the due date to the deferred due date, is to be made before the deferred due date, the Person effecting the insurance shall pay the unpaid premium which was already due at the time such loss has occurred.

Article 2. (Indemnification of Loss before Payment of Premium)

If the Person effecting the insurance fails to pay the premiums specified in the Policy and/or the Endorsement(s) by the last day of the following month of the deferred due date, the Company shall not be liable for any loss or damage occurring after the due date.

Article 3. (Cancellation of Insurance due to Non-payment of Premium)

If the Person effecting the insurance fails to pay the premiums specified in the Policy and/or the Endorsement(s) by the last day of the following month of the deferred due date, the Company shall be entitled to cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation will take effect from the due date.

Article 4. (Payment of Premium if the Insurance is cancelled due to Non-payment of Premium)

When the Company cancels this insurance in accordance with the provisions of Article 3, the Company shall not return the premium(s) and/ or installment premium(s) already received. If any loss or damage occurs which the Company shall be liable for under this insurance before such cancellation takes effect, then the Company shall be entitled to debit the total of the unpaid premiums and/or the unpaid installment premium(s), whether overdue or not, to the Person effecting this insurance.

Article 5. (Partial Payment of Premium)

In case where the premium(s) and/or installment premium(s) is/are overdue, when the Person effecting the insurance pays part of the overdue premium(s) and/or installment premium(s), the Company shall be deemed to receive it in following sequence:

- (1) The premium or the installment premium of which deferred due date came earlier.
- (2) The premium or the installment premium specified in the Schedule, if the deferred due dates fall on the same day.

Article 6. (Payment of premium if the Vessel is lost)

In the event of a total or constructive total loss of the Vessel caused by a peril insured against, the Company shall be entitled to debit the total of the unpaid premiums and/or the unpaid installment premium(s), whether overdue or not, to the Person effecting the insurance.

Article 7. (Payment or Return of Premium if the Insurance is cancelled due to other than Non-payment of Premium)

1. In case where the Person effecting the insurance requests change of terms and conditions of this insurance, and where the Company, in the process of agreement to such request, once cancels this insurance to replace it with amended terms and conditions, the Company shall debit or return the balance of the premium calculated for the expired period of this insurance and the premium already received, to the Person effecting the insurance.
2. In case where the Person effecting the insurance requests cancellation of this insurance:
 - (1) by reason of 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, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.
 - (2) by reason of other than the above (1) the Company shall debit or return the balance of the premium calculated for the expired period of this insurance in force subject to the following attached "Short Rate Scale" and the premium already received, to the Person effecting the insurance.

Article 8. (Adjustment of Premium)

The provisions of preceding Article 1 to 7 shall not be applied to any return or additional premium(s) calculated in accordance with the terms of premium adjustment in this contract.

[Short Rate Scale]

Expired Period of Insurance	Per Cent of Annual Premium
1 month and under	20%
2 months and under	30%
3 months and under	40%
4 months and under	50%
5 months and under	60%
6 months and under	70%
7 months and under	80%
8 months and under	90%
over 8 months	100%

1/4/2018

PREMIUM CLAUSES (War Risks)

Article 1.

1. These clauses shall apply in the event of the Vessel sailing for, deviating towards, or being within the Territorial Waters of any of the countries or places described in the current exclusions set out in the WAR RISK NAVIGATION LIMITATIONS attached to the Policy (hereinafter referred to as "the Listed Areas") and the Person effecting the insurance or the Assured requires continuation of coverage for such voyage or deviation.
2. Notwithstanding the provisions of the WAR RISK NAVIGATION LIMITATIONS attached to the Policy, when the Vessel makes voyage or deviation which these clauses shall apply, in accordance with the preceding paragraph, the Person effecting the insurance or the Assured shall comply with the following provisions.
 - (1) The Person effecting the insurance or the Assured shall give notice of each voyage or deviation to the Listed Areas to the Company without delay.
 - (2) In case there will be any change to the preceding notice during the voyage or deviation, the Person effecting the insurance or the Assured shall give notice of the change to the Company without delay.
 - (3) The Person effecting the insurance or the Assured shall give definite notice of the voyage or deviation when completed to this Company without delay.

Article 2.

The premium in connection with the voyage or deviation to the Listed Areas as set forth in Paragraph 1 of the preceding Article shall be payable within 5 working days (working days of the Company) after the day on which the Company has asked payment based on the notice set forth in item(3) of Paragraph 2 of the said Article.

Article 3.

In the event of the whole or a part of any provision of the Premium Clauses being inconsistent with these Premium Clauses (War Risks), the latter shall prevail.

1/4/2018

PREMIUM CLAUSES (War Risks, For Deferred Due Date)

Article 1.

1. These clauses shall apply in the event of the Vessel sailing for, deviating towards, or being within the Territorial Waters of any of the countries or places described in the current exclusions set out in the WAR RISK NAVIGATION LIMITATIONS attached to the Policy (hereinafter referred to as "the Listed Areas") and the Person effecting the insurance or the Assured requires continuation of coverage for such voyage or deviation.
2. Notwithstanding the provisions of the WAR RISK NAVIGATION LIMITATIONS attached to the Policy, when the Vessel makes voyage or deviation which these clauses shall apply, in accordance with the preceding paragraph, the Person effecting the insurance or the Assured shall comply with the following provisions.
 - (1) The Person effecting the insurance or the Assured shall give notice of each voyage or deviation to the Listed Areas to the Company without delay.
 - (2) In case there will be any change to the preceding notice during the voyage or deviation, the Person effecting the insurance or the Assured shall give notice of the change to the Company without delay.
 - (3) The Person effecting the insurance or the Assured shall

give definite notice of the voyage or deviation when completed to this Company without delay.

Article 2.

The premium in connection with the voyage or deviation to the Listed Areas as set forth in Paragraph 1 of the preceding Article shall be payable on or before the last day of the following month in which the Company has received the notice set forth in item(3) of Paragraph 2 of the said Article.

Article 3.

In the event of the whole or a part of any provision of the Premium Clauses (For Deferred Due Date) being inconsistent with these Premium Clauses (War Risks, For Deferred Due Date), the latter shall prevail.

1/4/2016

PREMIUM CLAUSES (For use with Deferred Due Date of Blocking and Trapping on a per-voyage basis)

Article 1. (Payment of Premium)

1. The Person effecting the insurance shall pay the premium of the Policy and/or the Endorsement(s) attaching to and forming part of the Policy (hereinafter called the Endorsement(s)) in accordance with the terms of payment specified in the Policy and/or the Endorsement(s).
2. Notwithstanding the provision(s) of the preceding paragraph, it is agreed that the person effecting the insurance shall pay the premium specified in Article 1-1 to the Company on or before the last day of the following month of the date on which the Company receives definite notice of the voyage when completed (hereinafter referred to as "the deferred due date").
3. Notwithstanding the provision(s) of the preceding paragraph, when an indemnity for a loss or damage, occurring during the period from the due date to the deferred due date, is to be made before the deferred due date, the Person effecting the insurance shall pay the unpaid premium which was already due at the time such loss has occurred.

Article 2. (Indemnification of Loss before Payment of Premium)

If the Person effecting the insurance fails to pay the premiums specified in the Policy and/or the Endorsement(s) by the last day of the following month of the deferred due date, the Company shall not be liable for any loss or damage occurring after the due date.

Article 3. (Cancellation of Insurance due to Non-payment of Premium)

If the Person effecting the insurance fails to pay the premiums specified in the Policy and/or the Endorsement(s) by the last day of the following month of the deferred due date, the Company shall be entitled to cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation will take effect from the due date.

Article 4. (Payment of Premium if the Insurance is cancelled due to Non-payment of Premium)

When the Company cancels this insurance in accordance with the provisions of Article 3, the Company shall not return the premium(s) and/or installment premium(s) already received. If any loss or damage occurs which the Company shall be liable for under this insurance before such cancellation takes effect, then the Company shall be entitled to debit the total of the unpaid premiums and/or the unpaid installment premium(s), whether overdue or not, to the Person effecting this insurance.

Article 5. (Partial Payment of Premium)

In case where the premium(s) and/or installment premium(s) is/are overdue, when the Person effecting the insurance pays part

(Continued)

of the overdue premium(s) and/or installment premium(s), the Company shall be deemed to receive it in following sequence:

- (1) The premium or the installment premium of which deferred due date came earlier.
- (2) The premium or the installment premium specified in the Schedule, if the deferred due dates fall on the same day.

Article 6. (Payment of premium if the Vessel is lost)

In the event of a total or constructive total loss of the Vessel caused by a peril insured against, the Company shall be entitled to debit the total of the unpaid premiums and/or the unpaid installment premium(s), whether overdue or not, to the Person effecting the insurance.

Article 7. (Payment or Return of Premium if the Insurance is cancelled due to other than Non-payment of Premium)

1. In case where the Person effecting the insurance requests change of terms and conditions of this insurance, and where the Company, in the process of agreement to such request, once cancels this insurance to replace it with amended terms and conditions, the Company shall debit or return the balance of the premium calculated for the expired period of this insurance and the premium already received, to the Person effecting the insurance.
2. In case where the Person effecting the insurance requests cancellation of this insurance:
 - (1) by reason of 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, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.
 - (2) by reason of other than the above (1) the Company shall debit or return the balance of the premium calculated for the expired period of this insurance in force subject to the following attached "Short Rate Scale" and the premium already received, to the Person effecting the insurance.

[Short Rate Scale]

Expired Period of Insurance	Per Cent of Annual Premium
1 month and under	20%
2 months and under	30%
3 months and under	40%
4 months and under	50%
5 months and under	60%
6 months and under	70%
7 months and under	80%
8 months and under	90%
over 8 months	100%

1/4/2020

MINIMUM PREMIUM CLAUSES

Article 1.

1. Minimum Premium to apply to the policies is as below:
¥5,000 in respect of Hull War Risks/ War LOT/ Mine Risks Policies.
¥5,000 in respect of other than Hull War Risks/ War LOT/ Mine Risks Policies.
2. For the purpose of calculating the Minimum Premium with respect to non Japanese Yen Policies, the following exchange rate shall be applied unless otherwise agreed by the Company:

US Dollars	US\$ 1 = ¥103
Swiss Francs	S.Fr. 1 = ¥116
Singapore Dollars	S.\$ 1 = ¥77
Sterling Pounds	St.£ 1 = ¥136
Australian Dollars	A.\$ 1 = ¥77
Euro	€ 1 = ¥125

Hong Kong Dollars	HK\$1 = ¥13
Other Currencies	to be decided by the Company

Article 2.

Notwithstanding anything to the contrary contained in this insurance;

1. The Company shall be entitled to the Full Minimum Premium in case that the policies are cancelled, terminate, cease to exist at any cause.
2. In the event that the Paid Premium is larger than the Earned Premium, and the Earned Premium is less than the Minimum Premium, the return premium for cancellation shall be the balance of the Paid Premium and the Minimum Premium.
3. In the event that the Paid Premium is less than the Minimum Premium, the balance of the Minimum Premium and the Paid Premium is payable to the Company.

FULL PREMIUM IF LOST CLAUSE

In the event of a total or constructive total loss of the Vessel caused by a peril insured against, full annual premium shall be due and payable immediately.

FULL PREMIUM IF LOST CLAUSE (For Endorsement)

In the event of a total or constructive total loss of the Vessel caused by a peril insured against, full annual additional premium shall be due and payable immediately.

FULL PREMIUM IF CLAIM CLAUSE

In the event of where the Company indemnifies the Assured for loss which amount to the limit of liability specified in the Policy, full annual premium shall be due and payable immediately.

FULL PREMIUM IF CLAIM CLAUSE (For Endorsement)

In the event of where the Company indemnifies the Assured for loss which amount to the limit of liability specified in the Policy, full annual additional premium shall be due and payable immediately.

SPECIAL CLAUSE FOR THE BAREBOAT CHARTERER'S INTEREST

It is agreed that fuel, provisions, stores and all other articles belonging to the Bareboat Charterer and on board the Vessel for use and/or consumption in connection with her employment, shall be included in the subject-matter insured, as the Bareboat Charterer's Interest.

LEASED EQUIPMENT CLAUSE

This insurance is extended to cover 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, etc., unless its function is directly related to the propulsion of the vessel, in which event such equipment and apparatus shall be included in the agreed valuation of machinery.

1/4/05

ASSURED CLAUSE

In respect of liability covered under this insurance, the Person effecting the insurance shall be added to the Assured(s) and such coverage shall also be given to the Person effecting the insurance accordingly.

1/4/90

NO USE FOR PUSHER/PUSHED VESSEL CLAUSE

Warranted that the insured Vessel shall not be appropriated for pusher or pushed vessel during entire currency of this insurance.

In case of breach of this warranty the Company shall not indemnify the Assured for any loss or damage occurring thereafter unless the Company's written agreement has been given to authorize noncompliance with this warranty.

1/7/2006

OFFICERS AND CREW CLAUSE

Held covered in case of any breach of warranty as to officers and crew, provided notice be given to Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them to be agreed.

1/4/92

TERMINATION CLAUSE

Unless the Company agrees to the contrary in writing, this insurance shall terminate automatically at the time of any change, voluntary or otherwise, in ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the Vessel.

The Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such termination occurred.

1/4/90

RIGHTS AND DUTIES ON THE VESSEL CLAUSES**Article 1.**

The Assured may not make a claim for total loss by way of abandonment of the Vessel to the Company under this insurance.

Article 2.

When the Vessel becomes a total loss and the Company indemnifies therefor, the Company shall be entitled to choose whether or not to acquire the proprietary right of the Vessel.

Article 3.

In case that the Company does not acquire the proprietary right of the Vessel in accordance with the preceding Article, the Company shall so inform the Assured before making the payment of indemnity.

Article 4.

In case that the Company acquires the proprietary right of the Vessel in accordance with Article 2 above, the Company shall, by the payment of total loss, acquire the proprietary right of the Vessel in such proportion as the insured amount bears to the insured value.

Article 5.

When the Vessel becomes a total loss, the Assured or the

Beneficiary must inform the Company of the following facts before they make a claim for the indemnity of total loss:

- (1) Existence or non-existence of any preferential right, pledge, mortgage, right of charter-by-demise, lien and any other rights existing on the Vessel which may restrict the proprietary right thereof and, if there exists any, the contents thereof.
- (2) Existence or non-existence of any legal liabilities attaching to the Vessel either under the public or private law or any fact that may give rise to such liabilities.

Article 6.

The Company may withhold the payment of indemnity until the information is provided by the Assured or the Beneficiary in accordance with the preceding Article.

Article 7.

Even after the Company has acquired the proprietary right of the Vessel in accordance with Article 2 above, any sum of money necessary to satisfy or extinguish the rights enumerated in item (1) of Article 5 above, or, to discharge the liabilities stipulated in item (2) of Article 5 above, shall be borne by the Assured or the Beneficiary.

1/4/90

RIGHT OF CLAIM FOR COMPENSATION AGAINST A THIRD PARTY CLAUSE

If, in case where loss has been caused by the perils insured against, the Assured has acquired a right of claim for compensation against a third party and the Company has indemnified the Assured for the loss, the Company shall acquire such right, to the extent of the amount paid and in so far as the right of the Assured is not prejudiced.

1/4/2010

REPAIR CLAUSES**Article 1.**

Notwithstanding anything to the contrary contained in this insurance, it is understood and agreed that the cost of repairing damage to the Vessel caused by an insured peril shall be adjusted subject to Japanese law and practice.

Article 2.

1. If the Vessel sustains damage by an insured peril, the Assured shall repair the damage without delay.
2. The Company shall indemnify the Assured for the cost of repairs of such damage as referred to in the preceding paragraph after the repairs have been completed but in case the Assured fails to repair the damage without delay and repairs it later the Company shall indemnify the Assured for the cost of repairs within the limit of the estimated cost of repairs which would have been required had the repairs been made without delay.

Article 3.

Notwithstanding the preceding Article, if the Vessel damaged by an insured peril is sold in the unrepaired condition, the Company shall indemnify the Assured for the reasonable estimated cost of repairs within the limit of the reasonable depreciation in value of the Vessel due to the said damage, provided that the Company should have been liable to indemnify the Assured for the cost of repairs had the repairs been made.

However, this Article shall not affect Clauses 18.2 and 18.3 of the Institute Time Clauses – Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010).

1/4/2011

BOTTOM PAINTING CLAUSES (A)**Article 1.**

Only that part of the cost and painting expenses of boot topping and anticorrosive paints which is allocated to the damaged portion may be included in the “cost of repairs”

Article 2.

In cases where the repair of damage covered under this insurance requires the Vessel to be put in a drydock or on a slipway, the cost and painting expenses of anti-fouling paint (including the expense for scraping the bottom) may be included in the “cost of repairs” only up to the limit of amount undermentioned:

Type of vessel Tonnage applied in the calculation of hull rates*	unit Yen				
	A	B	C	D	E
	all types other than those in B to E	Containers, Pure Car Carrier and Car Ferry	L.N.G Carrier	Vessels without Engines	Catamaran type vessels
under 100 tons	400,000	500,000		300,000	800,000
100 tons and over	700,000	900,000		600,000	1,400,000
200 "	1,000,000	1,200,000		800,000	1,800,000
500 "	1,200,000	1,500,000		900,000	2,300,000
700 "	1,500,000	1,800,000		1,200,000	2,700,000
1,000 "	2,000,000	2,400,000		1,500,000	3,600,000
2,000 "	2,500,000	3,000,000		1,900,000	4,500,000
3,000 "	3,000,000	3,600,000		2,300,000	5,400,000
4,000 "	3,500,000	4,400,000		2,700,000	6,600,000
5,000 "	3,800,000	4,600,000		2,900,000	6,900,000
6,000 "	4,200,000	5,100,000		3,200,000	7,700,000
7,000 "	4,500,000	5,400,000		3,400,000	8,100,000
8,000 "	4,900,000	5,900,000		3,700,000	8,900,000
9,000 "	5,500,000	6,500,000		4,000,000	9,500,000
10,000 "	7,000,000	8,500,000		5,500,000	12,500,000
20,000 "	9,000,000	11,000,000		7,000,000	
30,000 "	11,000,000	13,000,000		8,000,000	
40,000 "	12,500,000	15,500,000	9,000,000	9,500,000	
50,000 "	14,000,000	17,000,000	10,000,000	10,500,000	
60,000 "	15,500,000	18,500,000	11,000,000	11,500,000	
70,000 "	17,000,000	20,000,000	12,000,000	12,500,000	
80,000 "	18,500,000	22,000,000	13,000,000	13,500,000	
90,000 "	19,500,000	23,500,000	14,000,000	14,500,000	
100,000 "	21,000,000		15,000,000		
110,000 "	22,500,000		16,000,000		
120,000 "	24,000,000		17,000,000		
130,000 "	25,000,000		18,000,000		
140,000 "	26,500,000		18,500,000		
150,000 "	28,000,000				
160,000 "	29,000,000				
170,000 "	30,500,000				
180,000 "	32,000,000				
190,000 "	33,500,000				

* the tonnage applied in the calculation of hull rates for a floating dock shall be deemed to be as follows;

$$\text{length (m)} \times \text{breadth (m)} \times \text{height of the side wall (m)} \div 2.832 \times 0.24$$

Article 3.

Where the repair of damage covered under this insurance is made concurrently with other work and/or inspection, one half of the following cost, expenses and charges shall be included in the “cost of repairs”.

- (1) the expenses for putting the Vessel in and out of a drydock or putting the Vessel on and off a slipway.
- (2) the charges for the use of a drydock or a slipway calculated according to the number of days which would have been required had the Vessel been separately drydocked or placed on a slipway solely for the repair of damage covered under this insurance, provided, however, that only one half of such charges are allowable for the number of days overlapping.
- (3) the cost and painting expenses of anti-fouling paint stipulated in Article 2 above.

Article 4.

Notwithstanding item (3) of the preceding Article, the whole cost and painting expenses of anti-fouling paint stipulated in Article 2 above shall be included in the “cost of repairs” when anti-fouling paint is painted only in the damaged area on the bottom.

1/4/2011

BOTTOM PAINTING CLAUSES (B)**Article 1.**

Only that part of the cost and painting expenses of boot topping and anticorrosive paints which is allocated to the damaged portion may be included in the “cost of repairs”.

Article 2.

In cases where the repair of damage covered under this insurance requires the Vessel to be put in a drydock or on a slipway, the cost and painting expenses of anti-fouling paint (including the expense for scraping the bottom) may be included in the “cost of repairs” only up to the limit of amount undermentioned;

Type of vessel Tonnage applied in the calculation of hull rates*	unit Yen			
	A	B	C	D
	all types other than those in B to E	Containers, Pure Car Carrier and Car Ferry	L.N.G Carrier	Catamaran type vessels
under 100 tons	400,000	500,000		800,000
100 tons and over	700,000	900,000		1,400,000
200 "	1,000,000	1,200,000		1,800,000
500 "	1,200,000	1,500,000		2,300,000
700 "	1,500,000	1,800,000		2,700,000
1,000 "	1,600,000	1,920,000	1,120,000	2,880,000
2,000 "	2,000,000	2,400,000	1,400,000	3,600,000
3,000 "	2,400,000	2,880,000	1,700,000	4,320,000
4,000 "	2,800,000	3,520,000	2,000,000	5,280,000
5,000 "	3,040,000	3,680,000	2,150,000	5,520,000
6,000 "	3,360,000	4,080,000	2,400,000	6,160,000
7,000 "	3,600,000	4,320,000	2,600,000	6,480,000
8,000 "	3,920,000	4,720,000	2,820,000	7,120,000
9,000 "	4,400,000	5,200,000	3,170,000	7,600,000
10,000 "	5,600,000	6,800,000	4,030,000	10,000,000
20,000 "	7,200,000	8,800,000	5,180,000	
30,000 "	8,800,000	10,400,000	6,340,000	
40,000 "	10,000,000	12,400,000	7,200,000	
50,000 "	11,200,000	13,600,000	8,000,000	
60,000 "	12,400,000	14,800,000	8,800,000	
70,000 "	13,600,000	16,000,000	9,600,000	
80,000 "	14,800,000	17,600,000	10,400,000	
90,000 "	15,600,000	18,800,000	11,200,000	
100,000 "	16,800,000		12,000,000	
110,000 "	18,000,000		12,800,000	
120,000 "	19,200,000		13,600,000	
130,000 "	20,000,000		14,400,000	
140,000 "	21,200,000		14,800,000	
150,000 "	22,400,000			
160,000 "	23,200,000			
170,000 "	24,400,000			
180,000 "	25,600,000			
190,000 "	26,800,000			

* the tonnage applied in the calculation of hull rates for a floating dock shall be deemed to be as follows;

$$\text{length (m)} \times \text{breadth (m)} \times \text{height of the side wall (m)} \div 2.832 \times 0.24$$

Article 3.

Where the repair of damage covered under this insurance is made concurrently with other work and/or inspection, one half of the following cost, expenses and charges shall be included in the “cost of repairs”.

- (1) the expenses for putting the Vessel in and out of a drydock or putting the Vessel on and off a slipway.
- (2) the charges for the use of a drydock or a slipway calculated according to the number of days which would have been required had the Vessel been separately drydocked or placed on a slipway solely for the repair of damage covered under this insurance, provided, however, that only one half of such charges are allowable for the number of days overlapping.
- (3) the cost and painting expenses of anti-fouling paint stipulated in Article 2 above.

Article 4.

Notwithstanding item (3) of the preceding Article, the whole cost and painting expenses of anti-fouling paint stipulated in Article 2 above shall be included in the “cost of repairs” when anti-fouling paint is painted only in the damaged area on the bottom.

1/4/93

BOTTOM TREATMENT CLAUSE

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

- 1.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 1.2 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,
- 1.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 1.1 and 1.2 above,

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

1/4/90

EXPENSE OF SIGHTING THE BOTTOM CLAUSE

It is agreed that the expense of sighting the bottom of the Vessel, with the consent of the Company, Immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.

1/4/2010

SCRAP VOYAGE CLAUSES**Article 1.**

1. 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, the total sum recoverable under this insurance on hull and machinery and also including disbursement if any (hereinafter called "this insurance" subject to any express stipulation in these clauses) in respect of a claim for total loss (actual or constructive) occurring subsequent to such sailing shall in no case exceed the least of the following:
 - (1) the price of the Vessel as being broken up stated in the contract of sale (hereinafter called "the price"), or
 - (2) such proportion of the price as the insured amount of this insurance bears to the total sum of the insured amount of this insurance and that of any other insurance on hull and machinery and also including disbursements of the Vessel if any, or
 - (3) the insured amount of this insurance.
2. The expenditure for the voyage may be included in the price with the consent of the Company prior to the Vessel sailing.
3. Nothing in this Article 1 shall affect claims under Clauses 8 and/or 13 of the Institute Time Clause-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clauses 6.4.2 and/or 6.4.3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) if attached to this Policy.

Article 2.

In case of Article 1, the following provisions shall apply in place of Clause 19 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6

(4/2010) and Clauses 9.1 and 9.2 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) if attached to this Policy.

- (1) In ascertaining whether the Vessel is a constructive total loss, the price or the insured value of this insurance on hull and machinery, whichever is the lesser 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.
- (2) No claim for constructive total loss based upon the reasonably necessary cost of recovery and/or repair of the Vessel as being broken up shall be recoverable hereunder unless such cost would exceed the price or the insured value of this insurance on hull and machinery, whichever is the lesser. 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.

Article 3.

In case previous notice of the Vessel sailing has been given to the Company and the limitation of the Company's liability has been recognized a return of premium for as arranged shall be allowed at the termination of this insurance provided that no claim arising from accident subsequent to such sailing is made under this insurance.

1/4/93

SCRAP VOYAGE CLAUSES (For Amended No.2)**Article 1.**

1. 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, the total sum recoverable under this insurance on hull and machinery (hereinafter called "this insurance" subject to any express stipulation in these clauses) in respect of a claim for total loss (actual or constructive) occurring subsequent to such sailing shall in no case exceed the least of the following:
 - (1) the price of the Vessel as being broken up stated in the contract of sale (hereinafter called "the price"), or
 - (2) such proportion of the price as the insured amount of this insurance bears to the total sum of the insured amount of this insurance and that of any other insurance on hull and machinery of the Vessel if any, or
 - (3) the insured amount of this insurance.
2. The expenditure for the voyage may be included in the price with the consent of the Company prior to the Vessel sailing.
3. Nothing in this Article 1 shall affect claims under Clause 11 of the Institute Time Clauses-Hulls Amended for Japanese Clauses Class No.2 (4/90) and the Collision Liability Clauses (4/90) if attached to this Policy.

Article 2.

In case of Article 1, the following provisions shall apply in place of Clause 12 of the Institute Time Clauses-Hulls Amended for Japanese Clauses Class No.2 (4/90).

- (1) In ascertaining whether the Vessel is a constructive total loss, the price or the insured value of this insurance on hull and machinery, whichever is the lesser 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.
- (2) No claim for constructive total loss based upon the reasonably necessary cost of recovery and/or repair of the Vessel as being broken up shall be recoverable hereunder unless such cost would exceed the price or the insured value of this insurance on hull and machinery, whichever is the lesser. 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.

(Continued)

Article 3.

In case previous notice of the Vessel sailing has been given to the Company and the limitation of the Company's liability has been recognized a return of premium for *as arranged* shall be allowed at the termination of this insurance provided that no claim arising from accident subsequent to such sailing is made under this insurance.

10/11/03

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

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

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

1/4/2010

CLASSIFICATION CLAUSES

Article 1.

It is a condition of this insurance that at the inception of the period of this insurance the Vessel is classed with a Classification Society agreed by the Underwriters.

Article 2.

The Underwriters shall not be liable to indemnify any loss or damage occurring subsequent to the happening of the following, unless the Underwriters' agreement in writing to reinstate the cover is obtained after such circumstances have ceased to exist:

- (1) change of the Classification Society of the Vessel to a Classification Society not agreed by the Underwriters.
- (2) withdrawal of her Class
- (3) suspension or discontinuance of her Class
- (4) any recommendations, requirements or restrictions imposed by the Vessel's Classification Society which relate to the Vessel's seaworthiness not being complied with by the dates required by that Society.

Article 3.

In the event of the case set out in the provision of Article 2(1) through Article 2(4) happening, the Underwriters may cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation shall take effect therefrom only for the future. The right to cancel the contract shall cease to exist, unless the Underwriters exercise it within one month from the date on which they became aware of the circumstances giving rise to their right of cancellation.

Article 4.

Notwithstanding of any other provision of this insurance being in consistent with this Article, when the Underwriters cancel this insurance in accordance with the provision of Article 3, the Underwriters shall return the proportion of the premium for the unexpired period of the insurance calculated on a pro rata daily basis as from the following day of the day on which the contract has been cancelled.

1/1/99

**ELECTRONIC DATE RECOGNITION
SPECIAL CLAUSE**

Article 1.

Electronic Date Recognition Problem of Electronic Devices or Components means the phenomenon that electronic devices or components (including hardware, integrated circuits, chips, software, operating systems, programmes, data, whether or not on board the insured vessel), due to being unable to recognize correctly, year, month, date or time, cease to function or do not function properly.

Article 2.

1. The Company does not cover any loss, damage, liability or expense, directly or indirectly caused by or in any way in consequence of the defect(s) in respect of Electronic Date Recognition Problem of Electronic Devices or Components, owned, leased or managed by the Person effecting the insurance, the Assured or the Manager of the insured vessel.
2. The Company does not cover any loss, damage, liability or expense, directly or indirectly caused by or in any way in consequence of any implemented or attempted measures taken in order to modify or recognize the defect(s), (whether or not they actually exist) in respect of Electronic Date Recognition Problem of Electronic Devices or Components owned, leased or managed by the Person effecting the insurance, the Assured or the Manager of the insured vessel.

Article 3.

1. Notwithstanding Article 2, the Company covers, subject to all other terms and conditions as specified in the Policy, loss, damage, liability or expense, which, the Assured can demonstrate, falls under one of the following conditions:
 - (1) loss, damage, liability, or expense has resulted, despite the fact that the Person effecting the insurance or the Assured, in order to correct the defect(s) of Electronic Date Recognition Problem of Electronic Devices or Components, had already taken the necessary or useful steps, with due diligence, in accordance with the measures or the procedures instructed by the manufacturer(s) of the electronic devices or components, or professional experts who have special knowledge of the manufacturing of those devices and components.
 - OR
 - (2) loss, damage, liability, or expense has resulted at a time when the Person effecting the insurance or the Assured, in order to correct the defect(s) of Electronic Date Recognition Problem of Electronic Devices or Components, had been taking the necessary or useful steps, with due diligence, in accordance with the measures or the procedures instructed by the manufacturer(s) of electronic devices or components, or professional experts who have special knowledge of the manufacturing of those devices and components.
2. Notwithstanding the preceding paragraph of this Article, the Company, in no circumstances, shall cover expense or loss of earnings in order to correct or recognize the following:
 - (1) defect(s) itself (themselves) in respect of Electronic Date Recognition Problem of Electronic Devices or Components

- (2) failure or malfunction of electronic devices or components caused by, directly or indirectly, defect(s) in respect of Electronic Date Recognition Problem of Electronic Devices or Components
- (3) loss of or damage to software, operating systems, programmes or data caused by, directly or indirectly, the defect(s) in respect of Electronic Date Recognition Problem of Electronic Devices or Components.

1/4/05

LAW AND JURISDICTION CLAUSES

Article 1.

English law and practice shall apply as to liability for and settlement of any and all insurance claims. In all other respects, including issues as to the existence and validity of this insurance and the duty of disclosure and any remedy available in case of breach of that duty, this insurance is subject to Japanese law and practice.

Article 2.

This insurance shall be subject to the exclusive jurisdiction of the Tokyo District Court of Japan, except as may be expressly provided herein to the contrary.

1/4/19

CONSUMPTION TAX CLAUSE

Article 1.

In case where the Underwriters indemnify the Assured for loss or damage under this Policy, the Underwriters shall not pay the sums of consumption tax. However, the preceding provision shall not be applied in case where one of the following facts exists and the Assured (including the claimant based upon this Policy, hereinafter to be so interpreted.) submits documents certifying it.

- (1) The Assured is a tax-exempt business operator or a business operator whom the simplified tax system applies to.
- (2) The Assured is an individual and not a taxable business operator.
- (3) The Assured is not able to apply for the whole or a part of the sums of deductible tax on purchases due to any reasons.
- (4) The Assured becomes liable for the sums of consumption tax.

Article 2.

Notwithstanding the provision of the preceding Article, the Underwriters shall be liable to indemnify the Assured for consumption tax of the following expenses.

- (1) Necessary or useful expenses, which the Person effecting the insurance or the Assured has incurred in fulfilling the duty of exercising or preserving a right of claim against third parties in respect of loss or damage recoverable under this Policy.
- (2) Necessary or useful expenses, which the Person effecting the insurance or the Assured with the prior written consent of the Underwriters, has incurred in protecting or defending against third parties in respect of loss or damage recoverable under this Policy.

1/4/2010

DUTY OF ASSURED AND RIGHTS OF INSURER CLAUSES

Article 1. (Duty of Disclosure)

The Person effecting the insurance and/or the Assured must disclose to the Company, before the insurance contract is concluded, every material circumstance which is known to the Person effecting the insurance and/or the Assured, and the Person

effecting the insurance and/or the Assured is deemed to know every circumstance which, in the ordinary course of business, ought to be known by the Person effecting the insurance and/or the Assured. Every circumstance is material which would influence the judgment of the Company in fixing the insurance terms and conditions, or determining whether the Company will take the risk.

Article 2. (Right of Inspection)

The Company shall be entitled to inspect the Vessel at any time during the period of this insurance, and, if the Person effecting the insurance and/or the Assured refuses an inspection without any justifiable reason, the Company may cancel this insurance contract by giving notice of cancellation in writing to the Person effecting the insurance. In the event of such cancellation, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.

Article 3. (Right of Reduction in Value)

When the value of the insured interest decreases substantially during the period of this insurance, the Company may request reduction of the insured value and/or the insured amount. In the event of such reduction in the insured value and/or the insured amount, the Company shall return the balance of the premium calculated on the basis of the existing rate and the revised rate, on a pro-rata daily basis for the unexpired period of this insurance, to the Person effecting the insurance.

Article 4. (Right of Subrogation)

When the Vessel becomes a total loss and the Company indemnifies therefor, the Company shall be entitled to choose whether or not to acquire the proprietary right of the Vessel.

1/4/2010

LIEN CLAUSES

Article 1.

These clauses shall be applied in case where the Company becomes liable to indemnify the Assured for any damage caused by reason of the Assured becoming liable (hereinafter referred as "liability damage").

Article 2.

1 In case where the Liability Damage Claimant (who is defined as the Person who has the right to demand from the Assured for liability damage, hereinafter to be so interpreted.) has lien over the right of the Assured to claim insurance proceeds against the Company (which is limited to liability damage, hereinafter to be so interpreted.) based upon the Insurance Contract Act in Japan, the Company shall pay insurance proceeds (which is limited to liability damage, hereinafter to be so interpreted.) in one of the following cases:

- (1) In case where the Company pays liability damage to the Assured, after the Assured paid such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount which the Assured has paid to the Liability Damage Claimant.
- (2) In case where the Company pays liability damage directly to the Liability Damage Claimant in accordance with the payment order by the Assured, before the Assured pays such damage to the Liability Damage Claimant.
- (3) In case where the Company pays liability damage directly to the Liability Damage Claimant by reason of the Liability Damage Claimant exercising lien over the right to claim insurance proceeds, before the Assured pays such damage to the Liability Damage Claimant.
- (4) In case where the Company pays liability damage to the Assured based upon the agreement by the Liability Damage Claimant for the Company to do so, before the Assured pays such damage to the Liability Damage

(Continued)

Claimant. However, the indemnity to be paid by the Company shall be limited to the amount agreed by the Liability Damage Claimant.

- 2 In case where the Liability Damage Claimant has lien or the same kind of special right which shall limit the right of the Assured to claim insurance proceeds against the Company based upon Foreign Laws or Treaties, the indemnity to be paid by the Company shall be subject to such laws or treaties.

1/4/2010

SPECIAL CLAUSES IN RESPECT OF THE AGREED MATTER EXTENDING OVER TWO SUCCESSIVE POLICIES

Article 1.

In the event of the period of insurance of the Policy expiring while the agreed matter stated in this Endorsement goes on, the Company shall not be liable to pay for any loss or damage occurring after such expiration, unless this Policy has been renewed with the Company or extended until the agreed matter has been completed.

Article 2.

In the event of this Policy being renewed, the Company's liability in respect of this Endorsement shall be subject to the terms and conditions of the renewed policy.

Article 3.

If the Company recognizes that the terms and conditions of the renewed Policy increase the Company's liability in respect of this Endorsement in comparison with this Policy, the Assured shall pay an additional premium required by the Company.

Article 4.

If the Company recognizes that the terms and conditions of the renewed Policy decrease the Company's liability in respect of this Endorsement in comparison with this Policy, the Company shall return a part of the additional premium already paid.

1/11/2010

SANCTION LIMITATION AND EXCLUSION CLAUSE

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

1/4/2013

IRANIAN OIL EXCLUSION CLAUSE

In the event of the Vessel being employed in a transport of crude oil, petroleum products, petrochemical products, natural gas and other gaseous hydrocarbons from Iran, no claim shall be recoverable under this insurance for loss, damage, liability or expense.

11/11/2019

MARINE CYBER EXCLUSION

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

1. In no case shall this insurance cover any loss, damage, liability or expense directly or indirectly caused by, contributed to by or arising from:
 - 1.1 the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system, or
 - 1.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

11/11/2019

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.

10/11/2003

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to clause 1.2 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.
- 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 other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

1/4/2014

SHIP TO SHIP OPERATION CLAUSE (For use only with Institute Clauses with or without amendments for Japanese Clauses)

Notwithstanding any provision to the contrary in this insurance, it is hereby understood and agreed that: –

- (1) for oil supply vessel, water supply vessel, excreta carrier, fishing vessel and reefer, the Vessel is employed in trading operations entailing cargo loading or discharging at sea from or into another ship (hereinafter called "Ship to Ship operations") without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel;
- (2) for the other type of vessels than above (1), the Vessel is employed in "Ship to Ship operations" without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel and;
 - (a) all safety rules and provisions as contained in the International Chamber of Shipping Ship-to-Ship Transfer Guide or the Oil Companies International Marine Forum Ship-to-Ship Transfer Guide or any equivalent guidance considered widely adopted for such operations are carefully observed and complied with;
 - or
 - (b) such operations are to be carried out in either of the following waters;
 - (i) Japanese Territorial Waters: port, harbour, Smooth Water Area (defined by The Ordinance for The Enforcement of The Ship Safety Act of Japan), bay or Seto Inland Sea.
 - (ii) Other than Japanese Territorial Waters: port, harbour, Persian Gulf or Red Sea.

1/4/2021

PORT RISK CLAUSES

Article 1.

In the event of a breach of the whole or a part of the undermentioned warranties, the Company shall not be liable to indemnify for any loss occurring thereafter, except where the Company's consent in writing has been given:

- (1) Warranted that the Vessel is moored at the place specified in the Policy in a proper way.
- (2) Warranted that the Vessel is moored in compliance with the mooring terms specified in the Policy.
- (3) Warranted that the Vessel is not appropriated, whether for profit-making or not, for storehouse, sleeping accommodation or any other purpose.

Article 2.

The Company shall not be liable to indemnify for any loss caused by earthquake, volcanic eruption (including tidal wave and fire arising therefrom).

Article 3.

When the Vessel has started loading cargoes or making any other preparation for voyage with an intention of operation, this insurance contract shall terminate forthwith, even though the period stated in the Policy has not expired.

LOSS PAYABLE CLAUSE (A)

1. In case where the Company shall be liable to indemnify for loss other than a total loss, the Company shall pay such loss to the loss payee specified in the Policy.
2. Notwithstanding the provision of the preceding Article, in the event of:
 - (1) pledge being established on the right of claim for this insurance,
 - or,
 - (2) the right of claims being assigned to the assignee by attached assignment,

the Company shall pay losses to the pledgee or the assignee or its order.

LOSS PAYABLE CLAUSE (B)

1. In case where the Company shall be liable to indemnify for loss, the Company shall pay such loss to the loss payee specified in the Policy.
2. Notwithstanding the provision of the preceding Article, in the event of:
 - (1) pledge being established on the right of claim for this insurance,
 - or,
 - (2) the right of claims being assigned to the assignee by attached assignment,

the Company shall pay losses to the pledgee or the assignee or its order.

LOSS PAYABLE CLAUSE (C)

1. In case where the Company shall be liable to indemnify for a total loss, the Company shall pay such loss to the Loss payee specified in the Policy.
2. In case where the Company shall be liable to indemnify for loss other than a total loss, the Company shall pay such loss to the Person effecting the insurance.
3. Notwithstanding the provisions of the preceding two Articles, in the event of:
 - (1) pledge being established on the right of claim for this insurance,
 - or,
 - (2) the right of claims being assigned to the assignee by attached assignment,

the Company shall pay losses to the pledgee or the assignee or its order.

SPECIAL CLAUSES FOR COMMON USE

DUTY OF ASSURED AND RIGHTS OF INSURER CLAUSE

Article 1. (Duty of Disclosure)

The Person effecting the insurance and/or the Assured must disclose to the Company, before the insurance contract is concluded, every material circumstance which is known to the Person effecting the insurance and/or the Assured, and the Person effecting the insurance and/or the Assured is deemed to know every circumstance which, in the ordinary course of business, ought to be known by the Person effecting the insurance and/or the Assured. Every circumstance is material which would influence the judgment of the Company in fixing the insurance terms and conditions, or determining whether the Company will take the risk.

Article 2. (Right of Inspection)

The Company shall be entitled to inspect the Vessel at any time during the period of this insurance, and, if the Person effecting the insurance and/or the Assured refuses an inspection without any justifiable reason, the Company may cancel this insurance contract by giving notice of cancellation in writing to the Person effecting the insurance. In the event of such cancellation, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.

Article 3. (Right of Reduction in Value)

When the value of the insured interest decreases substantially during the period of this insurance, the Company may request reduction of the insured value and/or the insured amount. In the event of such reduction in the insured value and/or the insured amount, the Company shall return the balance of the premium calculated on the basis of the existing rate and the revised rate, on a pro-rata daily basis for the unexpired period of this insurance, to the Person effecting the insurance.

Article 4. (Right of Subrogation)

When the Vessel becomes a total loss and the Company indemnifies therefor, the Company shall be entitled to choose whether or not to acquire the proprietary right of the Vessel.

SHIP TO SHIP OPERATION CLAUSE

Where the CONDITIONS is subject to Loss of Charter Hire Insurance (ABS 1/10/83 Wording), the following provisions are applied:

Notwithstanding any provision to the contrary in this insurance, it is hereby understood and agreed that: –

- (1) for oil supply vessel, water supply vessel, excreta carrier, fishing vessel and reefer, the Vessel is employed in trading operations entailing cargo loading or discharging at sea from or into another ship (hereinafter called “Ship to Ship operations”) without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel;
 - (2) for the other type of vessels than above (1), the Vessel is employed in “Ship to Ship operations” without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel and;
 - (a) all safety rules and provisions as contained in the International Chamber of Shipping Ship-to-Ship Transfer Guide or the Oil Companies International Marine Forum Ship-to-Ship Transfer Guide or any equivalent guidance considered widely adopted for such operations are carefully observed and complied with;
- or
- (b) such operations are to be carried out in either of the following waters;
 - (i) Japanese Territorial Waters: port, harbour, Smooth Water Area (defined by The Ordinance for The Enforcement of The Ship Safety Act of Japan), bay or Seto Inland Sea.
 - (ii) Other than Japanese Territorial Waters: port, harbour, Persian Gulf or Red Sea.

ASSURED CLAUSE

In respect of liability covered under this insurance, the Person effecting the insurance shall be added to the Assured(s) and such coverage shall also be given to the Person effecting the insurance accordingly.

CONSUMPTION TAX CLAUSE

Article 1.

In case where the Underwriters indemnify the Assured for loss or damage under this Policy, the Underwriters shall not pay the sums of consumption tax. However, the preceding provision shall not be applied in case where one of the following facts exists and the Assured (including the claimant based upon this Policy, hereinafter to be so interpreted.) submits documents certifying it.

- (1) The Assured is a tax-exempt business operator or a business operator whom the simplified tax system applies to.
- (2) The Assured is an individual and not a taxable business operator.
- (3) The Assured is not able to apply for the whole or a part of the sums of deductible tax on purchases due to any reasons.
- (4) The Assured becomes liable for the sums of consumption tax.

Article 2.

Notwithstanding the provision of the preceding Article, the Underwriters shall be liable to indemnify the Assured for consumption tax of the following expenses.

- (1) Necessary or useful expenses, which the Person effecting the insurance or the Assured has incurred in fulfilling the duty of exercising or preserving a right of claim against third parties in respect of loss or damage recoverable under this Policy.
- (2) Necessary or useful expenses, which the Person effecting the insurance or the Assured with the prior written consent of the Underwriters, has incurred in protecting or defending against third parties in respect of loss or damage recoverable under this Policy.

LIEN CLAUSES

Article 1.

These clauses shall be applied in case where the Company becomes liable to indemnify the Assured for any damage caused by reason of the Assured becoming liable (hereinafter referred as “liability damage”).

Article 2.

1. In case where the Liability Damage Claimant (who is defined as the Person who has the right to demand from the Assured for liability damage. hereinafter to be so interpreted.) has lien over the right of the Assured to claim insurance proceeds against the Company (which is limited to liability damage. hereinafter to be so interpreted.) based upon the Insurance Contract Act in Japan, the Company shall pay insurance proceeds (which is limited to liability damage. hereinafter to be so interpreted.) in one of the following cases:
 - (1) In case where the Company pays liability damage to the Assured, after the Assured paid such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount which the Assured has paid to the Liability Damage Claimant.
 - (2) In case where the Company pays liability damage directly to the Liability Damage Claimant in accordance with the payment order by the Assured, before the Assured pays such damage to the Liability Damage Claimant.
 - (3) In case where the Company pays liability damage directly to the Liability Damage Claimant by reason of the Liability Damage Claimant exercising lien over the right to claim insurance proceeds, before the Assured pays such damage to the Liability Damage Claimant.
 - (4) In case where the Company pays liability damage to the Assured based upon the agreement by the Liability Damage Claimant for the Company to do so, before the Assured pays such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount agreed by the Liability Damage Claimant.
2. In case where the Liability Damage Claimant has lien or the same kind of special right which shall limit the right of the Assured to claim insurance proceeds against the Company based upon Foreign Laws or Treaties, the indemnity to be paid by the Company shall be subject to such laws or treaties.

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

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

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

LAW AND JURISDICTION CLAUSES

Article 1.

English law and practice shall apply as to liability for and settlement of any and all insurance claims. In all other respects, including issues as to the existence and validity of this insurance and the duty of disclosure and any remedy available in case of breach of that duty, this insurance is subject to Japanese law and practice.

Article 2.

This insurance shall be subject to the exclusive jurisdiction of the Tokyo District Court of Japan, except as may be expressly provided herein to the contrary.

SPECIAL CLAUSES FOR USE WITH INSTITUTE TIME CLAUSES HULLS (1/10/83)

(Amended for Japanese Clauses)

DUTY OF ASSURED AND RIGHTS OF INSURER CLAUSES

Article 1. (Duty of Disclosure)

The Person effecting the insurance and/or the Assured must disclose to the Company, before the insurance contract is concluded, every material circumstance which is known to the Person effecting the insurance and/or the Assured, and the Person effecting the insurance and/or the Assured is deemed to know every circumstance which, in the ordinary course of business, ought to be known by the Person effecting the insurance and/or the Assured. Every circumstance is material which would influence the judgment of the Company in fixing the insurance terms and conditions, or determining whether the Company will take the risk.

Article 2. (Right of Inspection)

The Company shall be entitled to inspect the Vessel at any time during the period of this insurance, and, if the Person effecting the insurance and/or the Assured refuses an inspection without any justifiable reason, the Company may cancel this insurance contract by giving notice of cancellation in writing to the Person effecting the insurance. In the event of such cancellation, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.

Article 3. (Right of Reduction in Value)

When the value of the insured interest decreases substantially during the period of this insurance, the Company may request reduction of the insured value and/or the insured amount. In the event of such reduction in the insured value and/or the insured amount, the Company shall return the balance of the premium calculated on the basis of the existing rate and the revised rate, on a pro-rata daily basis for the unexpired period of this insurance, to the Person effecting the insurance.

Article 4. (Right of Subrogation)

When the Vessel becomes a total loss and the Company indemnifies therefor, the Company shall be entitled to choose whether or not to acquire the proprietary right of the Vessel.

CLASSIFICATION CLAUSES

Article 1.

It is a condition of this insurance that at the inception of the period of this insurance the Vessel is classed with a Classification Society agreed by the Underwriters.

Article 2.

The Underwriters shall not be liable to indemnify any loss or damage occurring subsequent to the happening of the following, unless the Underwriters' agreement in writing to reinstate the cover is obtained after such circumstances have ceased to exist:

- (1) change of the Classification Society of the Vessel to a Classification Society not agreed by the Underwriters.
- (2) withdrawal of her Class
- (3) suspension or discontinuance of her Class
- (4) any recommendations, requirements or restrictions imposed by the Vessel's Classification Society which relate to the Vessel's seaworthiness not being complied with by the dates required by that Society.

Article 3.

In the event of the case set out in the provision of Article 2(1) through Article 2(4) happening, the Underwriters may cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation shall take effect therefrom only for the future. The right to cancel the contract shall cease to exist, unless the Underwriters exercise it within one month from the date on which they became aware of the circumstances giving rise to their right of cancellation.

Article 4.

Notwithstanding of any other provision of this insurance being in consistent with this Article, when the Underwriters cancel this insurance in accordance with the provision of Article 3, the Underwriters shall return the proportion of the premium for the unexpired period of the insurance calculated on a pro rata daily basis as from the following day of the day on which the contract has been cancelled.

BERING SEA AND EAST ASIAN WATERS TRANSIT CLAUSE

Where the Trading Warranty is subject to Institute Warranties (1/7/76), the following provisions are applied:

Notwithstanding anything contained in this Insurance to the contrary, it is hereby agreed that when on through voyages between the ports or places within the INSTITUTE WARRANTIES under the Policy, the Vessel may navigate the Bering Sea and the East Asian Waters north of 46°N. Lat. and west of 180°E. Long. provided that

- 1) the Vessel has on board the appropriate hydrographic charts corrected up to date,
 - 2) entry to Bering Sea 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, and gyro compass, all fully operational and manned by qualified personnel.
- (In case of passing through Bering Sea, alternatively the Vessel may enter or leave through the Amchitka, Amukta or Attu Passes, but only when equipped and properly fitted with marine radar, loran or a satellite navigator, sonic depth sounding apparatus, gyro compass and a weather facsimile recorder, all fully operational and manned by qualified personnel).

BERING SEA TRANSIT CLAUSES (For I.T.C. Amended)

Where the Trading Warranty is subject to World-Wide Trading Warranties (1/4/97), the following provisions are applied:

Article 1.

Notwithstanding the provision of the Trading Warranty contained in the Policy, it is hereby agreed that when on through voyages to or from the ports within the TRADING WARRANTIES under the Policy, the Vessel may navigate the Bering Sea provided that

- (1) the Vessel has on board the appropriate hydrographic charts corrected up to date,
 - (2) the Vessel shall pass the following waters:
 - (a) Unimak Pass
 - (b) between Herbert Island and Yunaska Island
 - (c) Amukta Pass
 - (d) Amchaitka Pass
 - (e) between Bulir Island and Agattu Island
 - (f) between Agattu Island and Attu Island
 - (g) west of Attu Island
- and
- (3) the Vessel is equipped and properly fitted with the followings, all fully operational and manned by qualified personnel.
 - (a) In case of passing Unimak Pass, between Buldir Island and Agattu Island and west of Attu Island
 - 1) marine radar
 - 2) a satellite navigator or Loran
 - 3) sonic depth sounding apparatus
 - 4) gyro compass
 - (b) In case of passing between Herbert Island and Yunaska Island, Amuka Pass, Amuchitka Pass and between Agattu Island and Attu Island
 - 1) marine radar
 - 2) a satellite navigator or Loran
 - 3) sonic depth sounding apparatus
 - 4) gyro compass
 - 5) a weather facsimile recorder

Article 2.

In the event of a breach of whole or a part of the conditions stated in the above, the Company shall not be liable to indemnify for any loss or damage occurring thereafter, except when the Company's written consent has been obtained.

SHIP TO SHIP OPERATION CLAUSE

Notwithstanding any provision to the contrary in this insurance, it is hereby understood and agreed that: –

- (1) for oil supply vessel, water supply vessel, excreta carrier, fishing vessel and reefer, the Vessel is employed in trading operations entailing cargo loading or discharging at sea from or into another ship (hereinafter called "Ship to Ship operations") without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel;
 - (2) for the other type of vessels than above (1), the Vessel is employed in "Ship to Ship operations" without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel and;
 - (a) all safety rules and provisions as contained in the International Chamber of Shipping Ship-to-Ship Transfer Guide or the Oil Companies International Marine Forum Ship-to-Ship Transfer Guide or any equivalent guidance considered widely adopted for such operations are carefully observed and complied with;
- or
- (b) such operations are to be carried out in either of the following waters;
 - (i) Japanese Territorial Waters: port, harbour, Smooth Water Area (defined by The Ordinance for The Enforcement of The Ship Safety Act of Japan), bay or Seto Inland Sea.
 - (ii) Other than Japanese Territorial Waters: port, harbour, Persian Gulf or Red Sea.

TERMINATION CLAUSE

Unless the Company agrees to the contrary in writing, this insurance shall terminate automatically at the time of any change, voluntary or otherwise, in ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the Vessel.

The Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such termination occurred.

LEASED EQUIPMENT CLAUSE

This insurance is extended to cover 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, etc., unless its function is directly related to the propulsion of the vessel, in which event such equipment and apparatus shall be included in the agreed valuation of machinery.

(Continued)

FIRE AND POLLUTION HAZARD CLAUSES (A)

Where the hull and machinery insurance of the vessel is written on terms which include the Institute Time Clauses Hulls 1/10/83 (Amended for Japanese Clauses), the said clauses are hereby amended as follows:

Article 1.

In the event of the Vessel suffering loss or damage as the result of the undermentioned emergency measures taken by the Japanese or foreign government authorities (hereinafter referred to as "loss of damage caused by emergency measures"), such loss or damage shall be deemed to be caused by the maritime accident which has necessitated the emergency measures and shall be indemnified subject to the terms and conditions of this insurance.

Provided, however, that the cost of repairs arising from the loss or damage caused by emergency measures is recoverable only when the Company is liable to pay, under the provisions of this insurance, the cost of repairs of the damage to the Vessel caused by the maritime accident which has necessitated such emergency measures.

- (1) Emergency measures taken to extinguish a fire which is covered by this insurance and/or to prevent the fire from spreading and/or to save human life when it has broken out on the Vessel.
- (2) Emergency measures taken for the same purpose as is stipulated in paragraph (1) when the Vessel is about to catch fire in consequence of the damage to the Vessel which was caused by the maritime accident covered by this insurance (hereinafter referred to as "damage by insured perils").
- (3) Emergency measures taken to prevent or to mitigate pollution, where the Vessel has suffered damage by insured perils and the oil or any other substance which has leaked or been discharged from the Vessel pollutes or threatens to pollute seas, waters, rivers, etc.

Article 2.

Notwithstanding the preceding Article 1, the Company shall not be liable for loss or damage caused by emergency measures in case such emergency measures have resulted from want of due diligence by the Person(s) effecting this insurance, the Assured, the Owners or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat thereof. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of these clauses should they hold shares in the Vessel.

Article 3.

The Company shall not be liable for the cost or expense incurred as the result of the emergency measures unless these are recoverable under the provisions of the other clauses of this insurance.

Article 4.

These clauses shall prevail notwithstanding anything contained in this insurance inconsistent therewith.

FIRE AND POLLUTION HAZARD CLAUSES (B)

Where the disbursements insurance of the vessel is written on terms which include the Institute Time Clauses Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83(Amended for Japanese Clauses), the said clauses are hereby amended as follows:

Article 1.

In the event of the Vessel suffering loss or damage as the result of the undermentioned emergency measures taken by the Japanese or foreign government authorities, total loss (actual or constructive) of the Vessel in consequence thereof shall be deemed to be caused by the maritime accident which has necessitated the emergency measures and shall be indemnified for subject to the terms and conditions of this insurance.

- (1) Emergency measures taken to extinguish a fire which is covered by this insurance and/or to prevent the fire from spreading and/or to save human life when it has broken out on the Vessel.
- (2) Emergency measures taken for the same purpose as is stipulated in paragraph (1) when the Vessel is about to catch fire in consequence of the damage to the Vessel which was caused by the maritime accident covered by this insurance (hereinafter referred to as "damage by insured perils").
- (3) Emergency measures taken to prevent or to mitigate pollution, where the Vessel has suffered damage by insured perils and the oil or any other substance which has leaked or been discharged from the Vessel pollutes or threatens to pollute seas, waters, rivers, etc.

Article 2.

Notwithstanding the preceding Article 1, the Company shall not be liable for loss or damage caused by emergency measures in case such emergency measures have resulted from want of due diligence by the Person(s) effecting this insurance, the Assured, the Owners or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat thereof. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of these clauses should they hold shares in the Vessel.

Article 3.

The Company shall not be liable for the cost or expense incurred as the result of the emergency measures unless these are recoverable under the provisions of the other clauses of this insurance.

Article 4.

These clauses shall prevail notwithstanding anything contained in this insurance inconsistent therewith.

COLLISION LIABILITY

Where 4/4ths Collision Liability is covered, but Disbursements Insurance is NOT written, the following provisions are applied:

EXCESS COLLISION LIABILITY CLAUSE (A)**Article 1.**

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) by reason of such liability exceeding the insured value on hull and machinery, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon.

The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or dose not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

Where 4/4ths Collision Liability is covered, and Disbursements Insurance is also written, the following provisions are applied:

EXCESS COLLISION LIABILITY CLAUSE (B)**Article 1.**

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clause 6-4-3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5(4/90) or No.6(4/90) by reason of such liability exceeding the total sum of insured value on hull and machinery and that on disbursements, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon.

The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the total sum of insured value on hull and machinery and that on disbursements (in case of the Japanese Law regarding Limitation of Liability of Shipowners etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the total sum of insured value on hull and machinery and that on disbursements, whether the Assured proceeds for limitation of liability allowed under the law or dose not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

Where 3/4ths Collision Liability is covered, but Disbursements Insurance is NOT written, the following provisions are applied:

3/4THS COLLISION LIABILITY CLAUSE (A)

The provisions of Clause 8 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) shall be replaced by the followings.

8 3/4THS 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:*

(Continued)

- 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).*

** which the Assured becomes legally liable to pay to any other person or persons*

EXCESS COLLISION LIABILITY CLAUSE (A) (for 3/4 RDC)

Article 1.

This insurance is extended to cover collision liability (three-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) by reason of such three-fourths liability exceeding three-fourths of the insured value on hull and machinery, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

Where 3/4ths Collision Liability is covered, and Disbursements Insurance is also written, the following provisions are applied:

3/4THS COLLISION LIABILITY CLAUSE (B)

The provisions of Clause 6.4.3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) shall be replaced by the followings.

- 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-fourths 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.***

EXCESS COLLISION LIABILITY CLAUSE (B) (for 3/4 RDC)

Article 1.

This insurance is extended to cover collision liability (three-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clause 6-4-3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) by reason of such three-fourths liability exceeding three-fourths of the total sum of insured value on hull and machinery and that on disbursements, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the total sum of insured value on hull and machinery and that on disbursements (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in applied law and the total sum of insured value on hull and machinery and that on disbursements, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

ASSURED

In respect of liability covered under this insurance, the Person effecting the insurance shall be added to the Assured(s) and such coverage shall also be given to the Person effecting the insurance accordingly.

RIGHTS AND DUTIES ON THE VESSEL CLAUSES**Article 1.**

The Assured may not make a claim for total loss by way of abandonment of the Vessel to the Company under this insurance.

Article 2.

When the Vessel becomes a total loss and the Company indemnifies therefor, the Company shall be entitled to choose whether or not to acquire the proprietary right of the Vessel.

Article 3.

In case that the Company does not acquire the proprietary right of the Vessel in accordance with the preceding Article, the Company shall so inform the Assured before making the payment of indemnity.

Article 4.

In case that the Company acquires the proprietary right of the Vessel in accordance with Article 2 above, the Company shall, by the payment of total loss, acquire the proprietary right of the Vessel in such proportion as the insured amount bears to the insured value.

Article 5.

When the Vessel becomes a total loss, the Assured or the Beneficiary must inform the Company of the following facts before they make a claim for the indemnity of total loss:

- (1) Existence or non-existence of any preferential right, pledge, mortgage, right of charter-by-demise, lien and any other rights existing on the Vessel which may restrict the proprietary right thereof and, if there exists any, the contents thereof.
- (2) Existence or non-existence of any legal liabilities attaching to the Vessel either under the public or private law or any fact that may give rise to such liabilities.

Article 6.

The Company may withhold the payment of indemnity until the information is provided by the Assured or the Beneficiary in accordance with the preceding Article.

Article 7.

Even after the Company has acquired the proprietary right of the Vessel in accordance with Article 2 above, any sum of money necessary to satisfy or extinguish the rights enumerated in item (1) of Article 5 above, or, to discharge the liabilities stipulated in item (2) of Article 5 above, shall be borne by the Assured or the Beneficiary.

RIGHT OF CLAIM FOR COMPENSATION AGAINST A THIRD PARTY CLAUSE

If, in case where loss has been caused by the perils insured against, the Assured has acquired a right of claim for compensation against a third party and the Company has indemnified the Assured for the loss, the Company shall acquire such right, to the extent of the amount paid and in so far as the right of the Assured is not prejudiced.

REPAIR CLAUSES**Article 1.**

Notwithstanding anything to the contrary contained in this insurance, it is understood and agreed that the cost of repairing damage to the Vessel caused by an insured peril shall be adjusted subject to Japanese law and practice.

Article 2.

1. If the Vessel sustains damage by an insured peril, the Assured shall repair the damage without delay.
2. The Company shall indemnify the Assured for the cost of repairs of such damage as referred to in the preceding paragraph after the repairs have been completed but in case the Assured fails to repair the damage without delay and repairs it later the Company shall indemnify the Assured for the cost of repairs within the limit of the estimated cost of repairs which would have been required had the repairs been made without delay.

Article 3.

Notwithstanding the preceding Article, if the Vessel damaged by an insured peril is sold in the unrepaired condition, the Company shall indemnify the Assured for the reasonable estimated cost of repairs within the limit of the reasonable depreciation in value of the Vessel due to the said damage, provided that the Company should have been liable to indemnify the Assured for the cost of repairs had

(Continued)

the repairs been made.

However, this Article shall not affect Clauses 18.2 and 18.3 of the Institute Time Clauses - Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010).

EXPENSE OF SIGHTING THE BOTTOM CLAUSE

It is agreed that the expense of sighting the bottom of the Vessel, with the consent of the Company, Immediately after her stranding, grounding, collision or contact with any external object other than water, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.

TANK CLEANING AND/OR GAS-FREEING CLAUSE

Where the Insured Vessel is Tanker for explosive liquid cargo, the following provisions are applied:

In cases where repairs and/or inspection on the Assured's account which require the tanks being cleaned and/or gas-freed, whether they are immediately necessary to make the Vessel seaworthy or not, are executed concurrently with other repairs for the cost of which the Company are liable and which also require the tanks being cleaned and/or gas-freed, the cost of such cleaning and/or gas-freeing as is common to both repairs and/or inspection shall be divided equally between the Assured and the Company.

BOTTOM TREATMENT CLAUSE

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

- 1.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 1.2 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,

1.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 1.1 and 1.2 above, shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

CONSUMPTION TAX CLAUSE

Article 1.

In case where the Underwriters indemnify the Assured for loss or damage under this Policy, the Underwriters shall not pay the sums of consumption tax. However, the preceding provision shall not be applied in case where one of the following facts exists and the Assured (including the claimant based upon this Policy. hereinafter to be so interpreted.) submits documents certifying it.

- (1) The Assured is a tax-exempt business operator or a business operator whom the simplified tax system applies to.
- (2) The Assured is an individual and not a taxable business operator.
- (3) The Assured is not able to apply for the whole or a part of the sums of deductible tax on purchases due to any reasons.
- (4) The Assured becomes liable for the sums of consumption tax.

Article 2.

Notwithstanding the provision of the preceding Article, the Underwriters shall be liable to indemnify the Assured for consumption tax of the following expenses.

- (1) Necessary or useful expenses, which the Person effecting the insurance or the Assured has incurred in fulfilling the duty of exercising or preserving a right of claim against third parties in respect of loss or damage recoverable under this Policy.
- (2) Necessary or useful expenses, which the Person effecting the insurance or the Assured with the prior written consent of the Underwriters, has incurred in protecting or defending against third parties in respect of loss or damage recoverable under this Policy.

LIEN CLAUSES

Article 1.

These clauses shall be applied in case where the Company becomes liable to indemnify the Assured for any damage caused by reason of the Assured becoming liable (hereinafter referred as "liability damage").

Article 2.

1. In case where the Liability Damage Claimant (who is defined as the Person who has the right to demand from the Assured for liability damage. hereinafter to be so interpreted.) has lien over the right of the Assured to claim insurance proceeds against the Company (which is limited to liability damage. hereinafter to be so interpreted.) based upon the Insurance Contract Act in Japan, the Company shall pay insurance proceeds (which is limited to liability damage. hereinafter to be so interpreted.) in one of the following cases:

- (1) In case where the Company pays liability damage to the Assured, after the Assured paid such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount which the Assured has paid to the Liability Damage Claimant.
- (2) In case where the Company pays liability damage directly to the Liability Damage Claimant in accordance with the payment order by the Assured, before the Assured pays such damage to the Liability Damage Claimant.
- (3) In case where the Company pays liability damage directly to the Liability Damage Claimant by reason of the Liability Damage Claimant exercising lien over the right to claim insurance proceeds, before the Assured pays such damage to the Liability Damage Claimant.

- (4) In case where the Company pays liability damage to the Assured based upon the agreement by the Liability Damage Claimant for the Company to do so, before the Assured pays such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount agreed by the Liability Damage Claimant.
2. In case where the Liability Damage Claimant has lien or the same kind of special right which shall limit the right of the Assured to claim insurance proceeds against the Company based upon Foreign Laws or Treaties, the indemnity to be paid by the Company shall be subject to such laws or treaties.

SCRAP VOYAGE CLAUSES

Article 1.

1. 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, the total sum recoverable under this insurance on hull and machinery and also including disbursement if any (hereinafter called "this insurance" subject to any express stipulation in these clauses) in respect of a claim for total loss (actual or constructive) occurring subsequent to such sailing shall in no case exceed the least of the following:
 - (1) the price of the Vessel as being broken up stated in the contact of sale (hereinafter called "the price"), or
 - (2) such proportion of the price as the insured amount of this insurance bears to the total sum of the insured amount of this insurance and that of any other insurance on hull and machinery and also including disbursements of the Vessel if any, or
 - (3) the insured amount of this insurance.
2. The expenditure for the voyage may be included in the price with the consent of the Company prior to the Vessel sailing.
3. Nothing in this Article 1 shall affect claims under Clauses 8 and/or 13 of the Institute Time Clause-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clauses 6.4.2 and/or 6.4.3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) if attached to this Policy.

Article 2.

In case of Article 1, the following provisions shall apply in place of Clause 19 of the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clauses 9.1 and 9.2 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) if attached to this Policy.

- (1) In ascertaining whether the Vessel is a constructive total loss, the price or the insured value of this insurance on hull and machinery, whichever is the lesser 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.
- (2) No claim for constructive total loss based upon the reasonably necessary cost of recovery and/or repair of the Vessel as being broken up shall be recoverable hereunder unless such cost would exceed the price or the insured value of this insurance on hull and machinery, whichever is the lesser. 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.

Article 3.

In case previous notice of the Vessel sailing has been given to the Company and the limitation of the Company's liability has been recognized a return of premium for as arranged shall be allowed at the termination of this insurance provided that no claim arising from accident subsequent to such sailing is made under this insurance.

DISBURSEMENT WARRANTY CLAUSE (A)

Where the hull and machinery insurance of the vessel is written on terms which include the Institute Time Clauses Hulls 1/10/83 (Amended for Japanese Clauses), the said clauses are hereby amended as follows:

It is understood and agreed that this insurance is subject to the following conditions and the failure to comply therewith shall render this Company not liable to pay for any loss or damage occurring thereafter: –

There shall be no insurance that may be taken out with the object of covering interest of the owner or charterer-by-demise of the Vessel, irrespective of whether it be Disbursements, Profits, Increased value or otherwise and also irrespective of whosoever the Assured may be, except for the insurance on freight or charter money for voyage for the amount actually at risk.

DISBURSEMENT WARRANTY CLAUSE (B)

Where the disbursements insurance of the vessel is written on terms which include the Institute Time Clauses Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 (Amended for Japanese Clauses), the said clauses are hereby amended as follows:

It is understood and agreed that this insurance is subject to the following conditions and the failure to comply therewith shall render this Company not liable to pay for any loss or damage occurring thereafter: –

There shall be no insurance for a sum exceeding 25% of the value as stated herein that may be taken out with the object of covering interest of the owner or charterer-by-demise of the Vessel, irrespective of whether it be Disbursements, Profits, Increased value or otherwise and also irrespective of whosoever the Assured may be, except for the insurance on freight or charter money for voyage for the amount actually at risk.

LAI D UP RETURAN CLAUSES (HULLS)

Where the hull and machinery insurance of the vessel is written on terms which include the Institute Time Clauses Hulls 1/10/83 (Amended for Japanese Clauses), the said clauses are hereby amended as follows:

(Continued)

Article 1.

In the case of insurance effected for a period of one year, if the Vessel is laid up for a period of 30 or more consecutive days during the insured period, the Company shall return the premium specified in the succeeding Article after natural expiry of the insurance, provided that no actual total loss or constructive total loss of the Vessel (irrespective of whether resulting from any of the Accidents or not) has occurred during the insured period.

Article 2.

The return premium shall be as arranged for each period of 30 consecutive days separately (any fraction of 30 days shall be ignored).

Article 3.

In asking for a return of premium under the preceding two Articles the Assured shall, prior to laying-up the Vessel, give notice of the fact to the Company in writing and obtain the Company's approval to the laying-up location and mooring arrangements.

Article 4.

At the termination of laying-up, the Assured shall, within reasonable delay, give notice of the fact to the Company in writing with the certificates by the authorities and/or necessary documents.

Article 5.

No premium return, under preceding Articles 1 and 2 above, shall be made in the event of failure by the Assured to comply with the whole or a part of any condition in the laying-up endorsement, except when the Company's agreement has been obtained.

Article 6.

Provided always that

- (1) The term "laying-up" refers the condition that the Vessel is not navigating, that is, laying-up on a slipway or in a drydock, mooring, or anchoring etc. for repair (irrespective of whether resulting from any of the Accident or not ; hereinafter to be so interpreted), reconstruction, or inspection.
- (2) The term "laying-up endorsements" refers the endorsements issued by the Company in accordance with the preceding Article 3.
- (3) The term "period not to return premium" refers;
 - a. period of repair or reconstruction, but excluding the period under repair due to wear and tear and/or to recommendation by the classification society of the Vessel.
 - b. period of laying-up in the non-approved area.

LAID UP RETURN CLAUSES (DISBURSEMENTS)

Where the disbursements insurance of the vessel is written on terms which include the Institute Time Clauses Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 (Amended for Japanese Clauses), the said clauses are hereby amended as follows:

Article 1.

The Company shall return the premium specified in the succeeding Article after natural expiry of the insurance, provided that a return of premium shall be made under the LAID UP RETURN CLAUSES (HULLS) attached hereto.

Article 2.

The return premium shall be as arranged for each period of 30 consecutive days separately (any fraction of 30 days shall be ignored).

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

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

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

LAW AND JURISDICTION CLAUSES**Article 1.**

English law and practice shall apply as to liability for and settlement of any and all insurance claims. In all other respects, including issues as to the existence and validity of this insurance and the duty of disclosure and any remedy available in case of breach of that duty, this insurance is subject to Japanese law and practice.

Article 2.

This insurance shall be subject to the exclusive jurisdiction of the Tokyo District Court of Japan, except as may be expressly provided herein to the contrary.

SPECIAL CLAUSES FOR USE WITH INSTITUTE TIME CLAUSES HULLS (1/10/83)

DUTY OF ASSURED AND RIGHTS OF INSURER CLAUSES

Article 1. (Duty of Disclosure)

The Person effecting the insurance and/or the Assured must disclose to the Company, before the insurance contract is concluded, every material circumstance which is known to the Person effecting the insurance and/or the Assured, and the Person effecting the insurance and/or the Assured is deemed to know every circumstance which, in the ordinary course of business, ought to be known by the Person effecting the insurance and/or the Assured. Every circumstance is material which would influence the judgment of the Company in fixing the insurance terms and conditions, or determining whether the Company will take the risk.

Article 2. (Right of Inspection)

The Company shall be entitled to inspect the Vessel at any time during the period of this insurance, and, if the Person effecting the insurance and/or the Assured refuses an inspection without any justifiable reason, the Company may cancel this insurance contract by giving notice of cancellation in writing to the Person effecting the insurance. In the event of such cancellation, the Company shall return the unexpired portion of the premium already received which is calculated on a pro rata daily basis as from the day on which such cancellation occurred, to the Person effecting the insurance.

Article 3. (Right of Reduction in Value)

When the value of the insured interest decreases substantially during the period of this insurance, the Company may request reduction of the insured value and/or the insured amount. In the event of such reduction in the insured value and/or the insured amount, the Company shall return the balance of the premium calculated on the basis of the existing rate and the revised rate, on a pro-rata daily basis for the unexpired period of this insurance, to the Person effecting the insurance.

Article 4. (Right of Subrogation)

When the Vessel becomes a total loss and the Company indemnifies therefor, the Company shall be entitled to choose whether or not to acquire the proprietary right of the Vessel.

CLASSIFICATION CLAUSES

Article 1.

It is a condition of this insurance that at the inception of the period of this insurance the Vessel is classed with a Classification Society agreed by the Underwriters.

Article 2.

The Underwriters shall not be liable to indemnify any loss or damage occurring subsequent to the happening of the following, unless the Underwriters' agreement in writing to reinstate the cover is obtained after such circumstances have ceased to exist:

- (1) change of the Classification Society of the Vessel to a Classification Society not agreed by the Underwriters.
- (2) withdrawal of her Class
- (3) suspension or discontinuance of her Class
- (4) any recommendations, requirements or restrictions imposed by the Vessel's Classification Society which relate to the Vessel's seaworthiness not being complied with by the dates required by that Society.

Article 3.

In the event of the case set out in the provision of Article 2(1) through Article 2(4) happening, the Underwriters may cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance. Such cancellation shall take effect therefrom only for the future. The right to cancel the contract shall cease to exist, unless the Underwriters exercise it within one month from the date on which they became aware of the circumstances giving rise to their right of cancellation.

Article 4.

Notwithstanding of any other provision of this insurance being in consistent with this Article, when the Underwriters cancel this insurance in accordance with the provision of Article 3, the Underwriters shall return the proportion of the premium for the unexpired period of the insurance calculated on a pro rata daily basis as from the following day of the day on which the contract has been cancelled.

BERING SEA AND EAST ASIAN WATERS TRANSIT CLAUSE

Where the Trading Warranty is subject to Institute Warranties (1/7/76), the following provisions are applied:

Notwithstanding anything contained in this Insurance to the contrary, it is hereby agreed that when on through voyages between the ports or places within the INSTITUTE WARRANTIES under the Policy, the Vessel may navigate the Bering Sea and the East Asian Waters north of 46°N. Lat. and west of 180°E. Long. provided that

- 1) the Vessel has on board the appropriate hydrographic charts corrected up to date,
 - 2) entry to Bering Sea 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, and gyro compass, all fully operational and manned by qualified personnel.
- (In case of passing through Bering Sea, alternatively the Vessel may enter or leave through the Amchitka, Amukta or Attu Passes, but only when equipped and properly fitted with marine radar, loran or a satellite navigator, sonic depth sounding apparatus, gyro compass and a weather facsimile recorder, all fully operational and manned by qualified personnel).

(Continued)

BERING SEA TRANSIT CLAUSES (For I.T.C. Amended)

Where the Trading Warranty is subject to World-Wide Trading Warranties (1/4/97), the following provisions are applied:

Article 1.

Notwithstanding the provision of the Trading Warranty contained in the Policy, it is hereby agreed that when on through voyages to or from the ports within the TRADING WARRANTIES under the Policy, the Vessel may navigate the Bering Sea provided that

(1) the Vessel has on board the appropriate hydrographic charts corrected up to date,

(2) the Vessel shall pass the following waters:

- (a) Unimak Pass
- (b) between Herbert Island and Yunaska Island
- (c) Amukta Pass
- (d) Amchaitka Pass
- (e) between Bulir Island and Agattu Island
- (f) between Agattu Island and Attu Island
- (g) west of Attu Island

and

(3) the Vessel is equipped and properly fitted with the followings, all fully operational and manned by qualified personnel.

(a) In case of passing Unimak Pass, between Buldir Island and Agattu Island and west of Attu Island

- 1) marine radar
- 2) a satellite navigator or Loran
- 3) sonic depth sounding apparatus
- 4) gyro compass

(b) In case of passing between Herbert Island and Yunaska Island, Amuka Pass, Amuchitka Pass and between Agattu Island and Attu Island

- 1) marine radar
- 2) a satellite navigator or Loran
- 3) sonic depth sounding apparatus
- 4) gyro compass
- 5) a weather facsimile recorder

Article 2.

In the event of a breach of whole or a part of the conditions stated in the above, the Company shall not be liable to indemnify for any loss or damage occurring thereafter, except when the Company's written consent has been obtained.

SHIP TO SHIP OPERATION CLAUSE

Notwithstanding any provision to the contrary in this insurance, it is hereby understood and agreed that: –

(1) for oil supply vessel, water supply vessel, excreta carrier, fishing vessel and reefer, the Vessel is employed in trading operations entailing cargo loading or discharging at sea from or into another ship (hereinafter called "Ship to Ship operations") without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel;

(2) for the other type of vessels than above (1), the Vessel is employed in "Ship to Ship operations" without previous notices to the Underwriters, to the extent that such operations are considered customary in the trade of the Vessel and;

(a) all safety rules and provisions as contained in the International Chamber of Shipping Ship-to-Ship Transfer Guide or the Oil Companies International Marine Forum Ship-to-Ship Transfer Guide or any equivalent guidance considered widely adopted for such operations are carefully observed and complied with;

or

(b) such operations are to be carried out in either of the following waters;

- (i) Japanese Territorial Waters: port, harbour, Smooth Water Area (defined by The Ordinance for The Enforcement of The Ship Safety Act of Japan), bay or Seto Inland Sea.
- (ii) Other than Japanese Territorial Waters: port, harbour, Persian Gulf or Red Sea.

LEASED EQUIPMENT CLAUSE

This insurance is extended to cover 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, etc., unless its function is directly related to the propulsion of the vessel, in which event such equipment and apparatus shall be included in the agreed valuation of machinery.

EXCESS COLLISION LIABILITY CLAUSE (A)

Where 4/4ths Collision Liability is covered, but Disbursements Insurance is NOT written, the following provisions are applied:

Article 1.

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) by reason of such liability exceeding the insured value on hull and machinery, in which case the amount recoverable

under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon.

The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or dose not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

EXCESS COLLISION LIABILITY CLAUSE (B)

Where 4/4ths Collision Liability is covered, and Disbursements Insurance is also written, the following provisions are applied:

Article 1.

This insurance is extended to cover collision liability (four-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clause 6-4-3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) by reason of such liability exceeding the total sum of insured value on hull and machinery and that on disbursements, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon.

The Underwriters' liability under this clause, in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the total sum of insured value on hull and machinery and that on disbursements (in case of the Japanese Law regarding Limitation of Liability of Shipowners etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed the difference between the limit of liability as provided for in applied law and the total sum of insured value on hull and machinery and that on disbursements, whether the Assured proceeds for limitation of liability allowed under the law or dose not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

EXCESS COLLISION LIABILITY CLAUSE (A) (for 3/4 RDC)

Where 3/4ths Collision Liability is covered, but Disbursements Insurance is NOT written, the following provisions are applied:

Article 1.

This insurance is extended to cover collision liability (three-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) by reason of such three-fourths liability exceeding three-fourths of the insured value on hull and machinery, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value thereon. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the insured value of the Vessel (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in applied law and the insured value of the Vessel, whether the Assured proceeds for limitation of liability allowed under the law or dose not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

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EXCESS COLLISION LIABILITY CLAUSE (B) (for 3/4 RDC)

Where 3/4ths Collision Liability is covered, and Disbursements Insurance is also written, the following provisions are applied:

Article 1.

This insurance is extended to cover collision liability (three-fourths) not recoverable in full under clauses 8 and 9 of the Institute Time Clauses-Hulls 1/10/83 or 1/11/95, or the Institute Time Clause-Hulls 1/10/83 Amended for Japanese Clauses Class No.5 (4/2010) or No.6 (4/2010) and Clause 6-4-3 of the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 or 1/11/95, or the Institute Time Clauses-Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83 Amended for Japanese Clauses Class No.5 (4/90) or No.6 (4/90) by reason of such three-fourths liability exceeding three-fourths of the total sum of insured value on hull and machinery and that on disbursements, in which case the amount recoverable under this clause shall be such proportion of the difference so arising as the insured amount on hull and machinery bears to the insured value. The Underwriters' liability under this clause, in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in Article 3-1-(b) of Protocol of 1996 to Amend the Convention on Limitation of Liability for Maritime Claims, 1976 (hereinafter "1996 Protocol") and the total sum of insured value on hull and machinery and that on disbursements (in case of the Japanese Law regarding Limitation of Liability of Shipowners, etc. being applied, the limitation of liability shall be provided for in the Article 7-1-(1) of the Law.).

Article 2.

Under the Article 1 of this clause, the Underwriters' liability in respect of any one claim, shall not exceed three-fourths of the difference between the limit of liability as provided for in applied law and the total sum of insured value on hull and machinery and that on disbursements, whether the Assured proceeds for limitation of liability allowed under the law or does not.

Article 3.

The limitation of liability of the Vessel shall be provided in accordance with 1996 Protocol, even if the Vessel by definition does not come under 1996 Protocol.

ASSURED CLAUSE

In respect of liability covered under this insurance, the Person effecting the insurance shall be added to the Assured(s) and such coverage shall also be given to the Person effecting the insurance accordingly.

G.A. ETC. CONTRIBUTION CLAUSE

Notwithstanding anything herein contained to the contrary it is understood and agreed that the vessel hereunder shall be considered fully insured for the purpose of contribution to General Average, Salvage, Salvage Charges and Sue and Labour expenses.

TANK CLEANING AND/OR GAS-FREEING CLAUSE

Where the Insured Vessel is Tanker for explosive liquid cargo, the following provisions are applied:

In cases where repairs and/or inspection on the Assured's account which require the tanks being cleaned and/or gas-freed, whether they are immediately necessary to make the Vessel seaworthy or not, are executed concurrently with other repairs for the cost of which the Company are liable and which also require the tanks being cleaned and/or gas-freed, the cost of such cleaning and/or gas-freeing as is common to both repairs and/or inspection shall be divided equally between the Assured and the Company.

CONSUMPTION TAX CLAUSE**Article 1.**

In case where the Underwriters indemnify the Assured for loss or damage under this Policy, the Underwriters shall not pay the sums of consumption tax. However, the preceding provision shall not be applied in case where one of the following facts exists and the Assured (including the claimant based upon this Policy, hereinafter to be so interpreted.) submits documents certifying it.

- (1) The Assured is a tax-exempt business operator or a business operator whom the simplified tax system applies to.
- (2) The Assured is an individual and not a taxable business operator.
- (3) The Assured is not able to apply for the whole or a part of the sums of deductible tax on purchases due to any reasons.
- (4) The Assured becomes liable for the sums of consumption tax.

Article 2.

Notwithstanding the provision of the preceding Article, the Underwriters shall be liable to indemnify the Assured for consumption tax of the following expenses.

- (1) Necessary or useful expenses, which the Person effecting the insurance or the Assured has incurred in fulfilling the duty of exercising or preserving a right of claim against third parties in respect of loss or damage recoverable under this Policy.
- (2) Necessary or useful expenses, which the Person effecting the insurance or the Assured with the prior written consent of the Underwriters, has incurred in protecting or defending against third parties in respect of loss or damage recoverable under this Policy.

LIEN CLAUSES**Article 1.**

These clauses shall be applied in case where the Company becomes liable to indemnify the Assured for any damage caused by reason of the Assured becoming liable (hereinafter referred as "liability damage").

Article 2.

1. In case where the Liability Damage Claimant (who is defined as the Person who has the right to demand from the Assured for

liability damage. hereinafter to be so interpreted.) has lien over the right of the Assured to claim insurance proceeds against the Company (which is limited to liability damage. hereinafter to be so interpreted.) based upon the Insurance Contract Act in Japan, the Company shall pay insurance proceeds (which is limited to liability damage. hereinafter to be so interpreted.) in one of the following cases:

- (1) In case where the Company pays liability damage to the Assured, after the Assured paid such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount which the Assured has paid to the Liability Damage Claimant.
 - (2) In case where the Company pays liability damage directly to the Liability Damage Claimant in accordance with the payment order by the Assured, before the Assured pays such damage to the Liability Damage Claimant.
 - (3) In case where the Company pays liability damage directly to the Liability Damage Claimant by reason of the Liability Damage Claimant exercising lien over the right to claim insurance proceeds, before the Assured pays such damage to the Liability Damage Claimant.
 - (4) In case where the Company pays liability damage to the Assured based upon the agreement by the Liability Damage Claimant for the Company to do so, before the Assured pays such damage to the Liability Damage Claimant. However, the indemnity to be paid by the Company shall be limited to the amount agreed by the Liability Damage Claimant.
2. In case where the Liability Damage Claimant has lien or the same kind of special right which shall limit the right of the Assured to claim insurance proceeds against the Company based upon Foreign Laws or Treaties, the indemnity to be paid by the Company shall be subject to such laws or treaties.

VIOLENT THEFT, PIRACY AND BARRATRY EXCLUSION – for use with the Institute Time Clauses Hulls 1/10/83

Where the hull and machinery insurance of the vessel is written on terms which include the Institute Time Clauses Hulls 1/10/83, the said clauses are hereby amended as follows:

- 1 Clause 4.1 shall be deleted and replaced by the following:
“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 1/10/83 as amended by the violent theft, piracy and barratry extension clause JW 2005/002 such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society.”
- 2 Clause 6.1.3 shall be deleted
- 3 Clause 6.1.5 shall be deleted
- 4 Clause 6.2.5 shall be deleted
- 5 “23(a),” shall be inserted between “23,” and “24” in Clause 21.1.8
- 6 The words “(barratry and piracy excepted)” shall be deleted from Clause 23.2
- 7 A new Clause 23(a) shall be inserted after Clause 23 and before Clause 24 as follows:
“23(a) VIOLENT THEFT, PIRACY AND BARRATRY EXCLUSION
In no case shall this insurance cover loss damage liability or expense caused by
 23(a).1 *violent theft by persons from outside the Vessel*
 23(a).2 *piracy*
 23(a).3 *barratry of Master Officers or Crew.”*

VIOLENT THEFT, PIRACY AND BARRATRY EXCLUSION – for use with the Institute Time Clauses Hulls Disbursements and Increased Value

Where the disbursements insurance of the vessel is written on terms which include the Institute Time Clauses Hulls Disbursements and Increased Value (Total Loss only, including Excess Liabilities) 1/10/83, the said clauses are hereby amended as follows:

- 1 Clause 4.1 shall be deleted and replaced by the following:
“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, withdrawal or expiry 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 1/10/83 (amended to cover Disbursements including Excess Liabilities) as amended by the violent theft, piracy and barratry extension clause JWRC 02 such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society.”
- 2 Clause 6.1.3 shall be deleted
- 3 Clause 6.1.5 shall be deleted
- 4 Clause 6.2.5 shall be deleted

(Continued)

- 5 The words “(*barratry and piracy excepted*)” shall be deleted from Clause 12.2
- 6 A new Clause 12(a) shall be inserted after Clause 12 and before Clause 13 as follows:
“12(a) VIOLENT THEFT, PIRACY AND BARRATRY EXCLUSION
In no case shall this insurance cover loss damage liability or expense caused by
 12(a).1 *violent theft by persons from outside the Vessel*
 12(a).2 *piracy*
 12(a).3 *barratry of Master Officers or Crew*”

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

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

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

LAW AND JURISDICTION CLAUSES

Article 1.

English law and practice shall apply as to liability for and settlement of any and all insurance claims. In all other respects, including issues as to the existence and validity of this insurance and the duty of disclosure and any remedy available in case of breach of that duty, this insurance is subject to Japanese law and practice.

Article 2.

This insurance shall be subject to the exclusive jurisdiction of the Tokyo District Court of Japan, except as may be expressly provided herein to the contrary.

II TRADING WARRANTIES

1/7/76

INSTITUTE WARRANTIES

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

1/7/76

**INSTITUTE WARRANTIES
WITH CLAUSE 6. DELETED**

1. Warranted no : –
 - (a) Atlantic Coast of North America, its rivers or adjacent islands,
 - (i) north of 52°10'N. Lat. and west of 50°W. Long. ;
 - (ii) south of 52°10'N. Lat. in the area bounded by lines drawn between Battle Harbour/Pistolet Bay ; Cape Ray / Cape North ; Port Hawkesbury / Port Mulgrave and Baie Comeau/Matane, between 21st December and 30th April both days inclusive.
 - (iii) west of Baie Comeau/Matane (but not west of Montreal) between 1st December and 30th April both days inclusive.

- (b) Great Lakes or St. Lawrence Seaway West of Montreal
- (c) Greenland Waters
- (d) Pacific Coast of North America its rivers or adjacent islands north of 54°30'N. Lat., or west of 130°50'W. Long.

2. Warranted no Baltic Sea or adjacent waters east of 15°E. Long.
 - (a) North of a line between Mo (63°24'N. Lat.) and Vasa (63°06'N. Lat.) between 10th December and 25th May b.d.i.
 - (b) East of a line between Viipuri (Vyborg) (28°47'E. Long.) and Narva (28°12'E. Long.) between 15th December and 15th May b.d.i.
 - (c) North of a line between Stockholm (59°20'N. Lat.) and Tallinn (59°24'N. Lat.) between 8th January and 5th May b.d.i.
 - (d) East of 22°E. Long. and south of 59°N. Lat. between 28th December and 5th May b.d.i.
3. Warranted not North of 70°N. Lat. other than voyages direct to or from any port or place in Norway or Kola Bay.
4. Warranted no Bering Sea, no East Asian waters north of 46°N. Lat. and not to enter or sail from any port or place in Siberia except Nakhodka and/or Vladivostock.
5. Warranted not to proceed to Kerguelen and/or Croset Islands or south of 50°S. Lat., except to ports and/or places in Patagonia and/or Chile and/or Falkland Islands, but liberty is given to enter waters south of 50°S. Lat., if *en route* to or from ports and/or places not excluded by this warranty.
- ~~6. Warranted not to sail with Indian Coal as cargo : –~~
 - ~~(a) between 1st March and 30th June, b.d.i.~~
 - ~~(b) between 1st July and 30th September, b.d.i., except to ports in Asia, not West of Aden or East of or beyond Singapore.~~

1/4/97

WORLD-WIDE TRADING WARRANTIES

Trading world-wide, but excluding the waters mentioned below :

1. Atlantic Coast of North America (including its rivers and adjacent islands), but limited to the following waters :
 - A) North of 52°10'N. Lat. and west of 50°W. Long.
 - B) St. Lawrence Bay (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, b.d.i.
 - C) St. Lawrence River west of a line between Baie Comeau and Matane and east of Montreal between 1st December and 30th April, b.d.i.
2. Great Lakes and St. Lawrence Seaway west of Montreal (excluding Montreal)
3. Greenland waters
4. Pacific Coast of North America (including its rivers and adjacent islands) west of 130°50'W. Long. and North Pacific waters north of 54°30'N. Lat. and east of 160°W. Long., excluding, however, passing through these waters for the purpose of navigating between ports or places within this Trading Warranty.
5. Baltic Sea but limited to the waters and the period stipulated below :
 - A) Waters 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. (excluding Mo and Vasa).

(Continued)

- B) Waters east of a line between Viipuri (28°47'E. Long.) and Narva (28°12'E. Long.) between 15th December and 15th May, b.d.i. (excluding Viipuri and Narva).
 - C) Waters north of a line between Stockholm (59°20'N. Lat.) and Tallinn (59°24'N. Lat.) between 8th January and 5th May, b.d.i. (excluding Stockholm and Tallinn).
 - D) Waters south of 59°N. Lat. and east of 22°E. Long. between 28th December and 5th May, b.d.i.
6. Waters north of 70°N. Lat., excluding, however, round voyage to and from Norwegian Coast (including its rivers and adjacent islands) or Kola Bay.
7. Bering Sea
8. Siberian Coast (including its rivers and adjacent islands) and the Asian waters north of 46°N. Lat. and west of 180°E. Long., excluding, however, the waters mentioned below :
- A) Vladivostock and Nakhodka
 - B) Proceeding to ports or places on the coast of Sakhalin or on the Siberian Coast (including its rivers and adjacent islands) from Nicolaiefsk to Vladivostock (including Mago), between 15th March and 14th November, b.d.i. provided, however, that the Vessel must leave by 14th November the last port on the above coasts for a port or place within this Trading Warranty.
 - C) Passing through such waters for the purpose of navigating between ports or places within this Trading Warranty.
9. Kerguelen and Croset Islands
10. Waters south of 50°S. Lat., but excluding the following :
- A) Patagonia, Chile and Falkland Islands
 - B) Passing through such waters for the purpose of navigating between ports or places within this Trading Warranty.

1/4/2010

Bering Sea and East Asian Waters Transit Clause

Notwithstanding anything contained in this Insurance to the contrary, it is hereby agreed that when on through voyages between the ports or places within the INSTITUTE WARRANTIES under the Policy, the Vessel may navigate the Bering Sea and the East Asian Waters north of 46°N. Lat. and west of 180°E. Long. provided that

- 1) the Vessel has on board the appropriate hydrographic charts corrected up to date,
 - 2) entry to Bering Sea 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, and gyro compass, all fully operational and manned by qualified personnel.
- (In case of passing through Bering Sea, alternatively the Vessel may enter or leave through the Amchitka, Amukta or Attu Passes, but only when equipped and properly fitted with marine radar, loran or a satellite navigator, sonic depth sounding apparatus, gyro compass and a weather facsimile recorder, all fully operational and manned by qualified personnel).

1/4/05

BERING SEA TRANSIT CLAUSES (For I.T.C. Amended)

Article 1.

Notwithstanding the provision of the Trading Warranty contained in the Policy, it is hereby agreed that when on through voyages to or from the ports within the TRADING WARRANTIES

under the Policy, the Vessel may navigate the Bering Sea provided that

- (1) the Vessel has on board the appropriate hydrographic charts corrected up to date,
- (2) the Vessel shall pass the following waters:
 - (a) Unimak Pass
 - (b) between Herbert Island and Yunaska Island
 - (c) Amukta Pass
 - (d) Amchaitka Pass
 - (e) between Bulir Island and Agattu Island
 - (f) between Agattu Island and Attu Island
 - (g) west of Attu Island

and

- (3) the Vessel is equipped and properly fitted with the followings, all fully operational and manned by qualified personnel.
 - (a) In case of passing Unimak Pass, between Buldir Island and Agattu Island and west of Attu Island
 - 1) marine radar
 - 2) a satellite navigator or Loran
 - 3) sonic depth sounding apparatus
 - 4) gyro compass
 - (b) In case of passing between Herbert Island and Yunaska Island, Amuka Pass, Amuchitka Pass and between Agattu Island and Attu Island
 - 1) marine radar
 - 2) a satellite navigator or Loran
 - 3) sonic depth sounding apparatus
 - 4) gyro compass
 - 5) a weather facsimile recorder

Article 2.

In the event of a breach of whole or a part of the conditions stated in the above, the Company shall not be liable to indemnify for any loss or damage occurring thereafter, except when the Company's written consent has been obtained.

1/4/90

NAVIGATING WARRANTY - FISHING VESSEL (1)

Warranted navigating or operating within Pacific Ocean and Indian Ocean east of 94°E. Long., west of 180°E. Long., south of 48°N. Lat. and north of 13°S. Lat.

1/4/90

NAVIGATING WARRANTY - FISHING VESSEL (2)

Warranted navigating or operating within Pacific Ocean and Indian Ocean east of 20°E. Long., south of 50°N. Lat. and north of 50°S. Lat., but excluding the waters and the navigation mentioned below.

- (1) Pacific Ocean north of 48°N. Lat. and west of 135°W. Long.
- (2) Navigation to and from Kerguelen and/or Croset Islands.

1/4/90

NAVIGATING WARRANTY-FISHING VESSEL (3)

Warranted navigating or operating within Pacific Ocean south of 50°N. Lat. and north of 50°S. Lat., Indian Ocean north of 50°S. Lat. and Atlantic Ocean south of 60°N. Lat. and north of 50°S. Lat., but excluding the waters and the navigation mentioned below.

- (1) Pacific Ocean north of 48°N. Lat. and west of 135°W. Long.
- (2) Atlantic Ocean north of 43°40'N. Lat. and west of 20°W. Long.
- (3) Baltic Sea.
- (4) Navigation to and from Kerguelen and/or Croset Islands.

July 1, 1972

AMERICAN INSTITUTE TRADE WARRANTIES

1. Warranted no port or place on the Eastern Coast of North America, its rivers or adjacent islands
 - (a) north of 52°10'N. Lat. and west of 50° W. Long.
 - (b) in the Gulf of St. Lawrence, its connecting waters and the St. Lawrence River, 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 December 21st and April 30th, both days inclusive.
 - (c) west of Baie Comeau, but not West of Montreal, between December 1st and April 30th, both days inclusive.
2. Warranted no Great Lakes or St. Lawrence Seaway or St. Lawrence River west of Montreal.
3. Warranted no port or place in Greenland or its adjacent waters.
4. Warranted no port or place on the Western Coast of North America, its rivers or adjacent islands, north of 54°30'N. Lat. or west of 130°50'W. Long.; except the port of Ketchikan, Alaska, provided,
 - (a) that a qualified pilot having knowledge of local waters be on duty while the Vessel is in waters north of 54°30'N. Lat. and east of 132°W. Long. and
 - (b) that the Vessel be equipped with operating Gyro Compass, Radio Direction Finder, Fathometer and Radar.
5. Warranted no Baltic sea (or adjacent waters east of 15°E. Long.);
 - (a) north of a line between Mo and Vaasa between November 15th and May 5th, both days inclusive.
 - (b) east of a line between Viipuri (Vyborg) and Narva between November 21st and May 5th, both days inclusive.
 - (c) north of a line between Stockholm and Tallinn between December 15th and April 15th, both days inclusive.
 - (d) east of 22°E. Long. and south of 59°N. Lat. between December 15th and April 15th, both days inclusive.
6. Warranted not north of 70°N. Lat. except when proceeding directly to or from any port or place in Norway or Kola Bay.
7. Warranted no Bering Sea, no East Asian waters north of 46°N. Lat. and no port or place in Siberia except Vladivostok and/or Nakhodka.

8. Warranted no Kerguelen or Crozet Islands, nor waters south of 50°S. Lat., except ports or places in Patagonia Chile and Falkland Islands, but liberty is given to enter waters south of 50°S. Lat. if proceeding to or from ports or places not excluded by this warranty.
9. Warranted not to sail with Indian Coal as cargo : –
 - (a) between March 1st and June 30th, both days inclusive.
 - (b) between July 1st and September 30th, both days inclusive, except to ports in Asia, not west of Aden not east of or beyond Singapore.

1/4/2014

Breach of Navigating Limit Requirements Clause

It shall be a condition precedent to the liability of the Underwriters that:

1. the vessel shall be equipped and properly fitted with:-
 - 1.1 two independent marine radar sets
 - 1.2 at least one global positioning system receiver (such as US GPS, Russian GLONASS, European Galileo, Chinese Compass)
 - 1.3 a radio transceiver and GMDSS
 - 1.4 a weather facsimile recorder or alternative equipment for the receipt of weather and routeing information
 - 1.5 a gyrocompass, incorporating latitude corrections approved by manufacturers or their agents, when North of 70°N. Lat.

in each case all navigational aids, radar, arpa (automatic radar plotting aid), echo sounders, speed logs, navtex, compasses, chronometers, communication systems etc should be fully operational and operated by qualified personnel;and

2. the vessel shall be in possession of appropriate navigational charts corrected to the last available notice to mariners, sailing directions, lists of radio signals, log signals, lights and pilot books; and
3. the vessel shall adhere to all pilotage requirements, traffic regulations and controls as may be established by the applicable coastal state authorities.

(Continued)

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