

DUPI

CHARTERERS

LIABILITY

# INSURANCE CONDITIONS

AUGUST 2016

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## Risks covered

The Assured should check the Policy to determine which clauses are in force and any special terms and conditions that may apply.

In consideration of the payment of premium Underwriters agree to indemnify the Assured against the following legal liabilities and expenses incurred by the Assured and arising out of an Occurrence which first commences during the Period of Cover subject to the terms of the Policy:

### 1: Liability in respect of hull

#### 1.1 Ship damage

Legal liability to the Owner for physical loss of or physical damage to the Insured Ship, including reasonable costs Incurred in the Owner's determination of the physical loss or physical damage.

#### 1.2 Hire and demurrage

Legal liability to the Owner for hire, demurrage or damages for loss of use in relation to any period or periods in which the Insured Ship cannot trade arising directly from the risks covered under Clause 1.1.

### 2: Liability to cargo

#### 2.1 Cargo loss shortage and damage

Legal liability for physical loss, physical damage, shortage, and other responsibilities in respect of cargo arising from a breach of a contract of carriage by the Assured or arising under a Charterparty provided always that the physical loss, physical damage, shortage, and other responsibility arises in respect of Approved Cargo in Transit.

#### 2.2 Hire and demurrage

Legal liability to the Owner for hire, demurrage or damages for loss of use in relation to any period or periods in which the Insured Ship cannot trade arising directly from the risks covered under Clause 2.1

#### 2.3 Disposal of cargo

Legal liabilities and reasonable expenses incurred at the port of discharge or the place where the voyage is abandoned in connection with necessarily discharging/ disposing of damaged cargo or the failure of the person entitled to delivery of the cargo to collect/remove it from the custody of the Owner/Insured Ship

Provided always that

- (a) the Assured has first exercised all rights of recourse available to recover sums from any third party
- (b) the expenses claimed hereunder are greater than any net proceeds of sale of the cargo actually received by the Assured
- (c) the expenses claimed hereunder exceed those which would have been incurred by the Assured if the voyage loading discharge, and all associated operations had proceeded as intended by the parties
- (d) the damaged cargo is covered under Clause 2.1.

#### 2.4 Unseaworthiness or unfitness

Recoveries under Clause 2 shall not be prejudiced by the unseaworthiness or unfitness of the Insured Ship.

Provided always that

the Assured was not aware of such unseaworthiness or unfitness before and at the commencement of the voyage.

### 3: Protection & Indemnity

#### 3.1 Death, injury and illness

Legal liability arising out of the death, personal injury or illness of any third party, including hospital medical funeral repatriation expenses

Provided always that

such liability arises out of negligent acts or omissions on board an Insured Ship, or directly in connection with the handling of Approved Cargo carried onboard the insured ship.

#### 3.2 Fixed or movable property

Legal liability arising out of physical loss of or physical damage (including the infringement of associated rights) to any fixed or movable property whether on/in water or on land arising in connection with an Insured Ship.

#### 3.3 Collision

Legal liability arising out of a collision between an Insured Ship and any other vessel.

#### 3.4 Pollution

Legal liability costs and expenses arising out of the discharge or escape of any substance from an Insured Ship, including claims arising from measures taken in order to avoid or minimise pollution

Provided always that

there shall be no recovery under this Clause 3.4 in respect of costs or expenses incurred by the Assured pursuant to an order or direction given by a competent government or recognised authority if such liabilities and expenses are covered under any other insurance effected by the Assured.

#### 3.5 Wreck removal

Legal liability arising out of and reasonable expenses relating to

- A. removing raising destroying lighting marking, or any attempt thereat, the Wreck when such action is compulsory by law.
- B. the involuntary shifting, or presence of the Wreck or any part thereof, or the failure to remove raise destroy light or mark the Wreck including seepage and pollution of any substance to the extent covered by Clause 3.4

Provided always that

- (a) Underwriters shall only cover losses under this Clause 3.5 if the Insured Ship or Approved Cargo becomes a Wreck during the Period of Cover, in which case Underwriters shall indemnify the Assured for losses under this Clause 3.5 subject to the terms of the Policy which occur up to four years after the Period of Cover ends
- (b) the Assured does not transfer any interest in the Wreck, otherwise than by abandonment, prior to the removing, raising, destroying, lightening or marking of the Wreck, or prior to the incident giving rise to liability without the written consent of the Underwriters
- (c) the value of the Wreck and anything else salvaged shall be deducted and set off against the recoverable costs and expenses
- (d) the cargo is covered under Clause 2.

### 3.6 Towing

- A. Legal liability arising out of customary towing of an Insured Ship, excluding the costs of the contracted service,
  - (a) for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading, or
  - (b) which is habitually towed or pushed in the ordinary course of trading from port to port or place to place.
- B. Legal liability arising under a contract for towing of an Insured Ship other than customary towing provided always that the Underwriters have agreed in writing that legal liability arising under a contract for towing of an Insured Ship other than customary towing is covered by the Policy.
- C. Legal liability arising under the terms of a contract for towing by the Insured Ship
 

Provided always that

  - (a) the Underwriters have agreed in writing that legal liability arising under a contract for towing of another ship entered by the Insured Ship is covered by the Policy, or
  - (b) the Underwriters at their sole discretion decide with regard to all the circumstances that the legal liability or part thereof is covered by the Policy.

### 3.7 Fines

- A. Legal liability to pay fines imposed directly upon the Assured, or any person whom the Assured is liable to reimburse, by any competent court, tribunal, governmental or regulatory authority in respect of an Insured Ship
  - (i) for short delivery or over delivery of Approved Cargo or failure to comply with regulations relating to any declaration of goods or to documentation relating to the Insured Ship or cargo
  - (ii) in respect of pollution but only if and to the extent that the Assured is covered for Pollution Liabilities under Clause 3.4

(iii) for the infringement of Customs or Immigration laws by the Assured without actual or constructive knowledge

(iv) for any other act, neglect or default of any employee or agent of the Assured in the course of their duties in respect of the Insured Ship, provided always that the cargo is covered under Clause 2.

- B. For the purposes of applying Deductibles, fines relating to cargo will be added to Approved Cargo claims under Clause 2, and fines relating to pollution will be added to pollution claims under Clause 3.4.

### 3.8 Salvage, general average, and succour at sea

- A. Legal liability for salvage, salvage charges, general average and special charges for which the Assured is liable in respect of bunkers and/or freight at risk concerning the Insured Ship.
- B. Legal liability to the Owner in respect of salvage, salvage charges, general average and special charges arising out of physical loss or physical damage covered under Clause 1.1.
- C. Legal liability for additional stores, provisions and port charges reasonably incurred by the Insured Ship solely for the purpose of succouring persons, or assisting vessels at sea (excluding hire and bunkers).

### 3.9 Quarantine expenses

Legal liabilities and extra expenses incurred as a direct consequence of an outbreak of an infectious disease, including quarantine and disinfection expenses arising therefrom, on an Insured Ship or ashore as to fuel, insurance, wages, stores, provisions and port charges.

### 3.10 Stowaways

Legal liability to the Owner under a Charterparty for fines and other expenses incurred by the Owner as a consequence of stowaways being or having been on board an Insured Ship

Provided always that

- (a) the Owner has incurred such fines and expenses under legal liability
- (b) such expenses are not recoverable by the Assured from any third party
- (c) there shall be no recovery from Underwriters in respect of liabilities in excess of those the Assured has or would have incurred under the Stowaways Clause for Time Charters as contained in the Baltic and International Maritime Council Special Circular No. 1, dated January 2010.

### 3.11 Other cargo

Legal liability arising out of physical loss of or physical damage to Approved Cargo In Transit carried under a contract of carriage to which the Assured is not a party, excluding liability as Cargo Owner.

#### 4: Mitigation

Mitigation expenses reasonably incurred by the Assured in seeking to avert or minimise liabilities or expenses recoverable under the Policy subject to such expenses being incurred with the Underwriters' prior written approval where reasonably practicable, or to the extent that the Underwriters decide that the Assured should recover under the Policy subject to Deductibles.

#### 5: Expenses

##### 5.1 Legal defence costs

Costs and costs orders incurred by the Assured, or which the Assured may become compelled to pay, in contesting liabilities covered under the Policy with the Underwriters' prior written approval.

##### 5.2 Inquiry expenses

Formal inquiry expenses incurred by the Assured investigating facts and circumstances of the Insured Ship with the Underwriters' prior written approval.

#### 6: Policy Clauses

The applicable Clauses of the Policy will be determined at the sole discretion of the Underwriters.

## Conditions and exclusions

The following Conditions and Exclusions apply to the Policy.

### 7: General conditions

#### 7.1 Joint Assureds

- A. Cover will not be provided for liabilities or expenses incurred by associated or affiliated companies of the Assured unless the Policy provides to the contrary.
- B. If there are joint Assureds, each Assured shall be jointly and severally liable to the Underwriters for premium and other debts. Receipt by one Assured of any payment from the Underwriters shall constitute payment to each Assured and shall fully discharge the Underwriters from liability in respect of such payment.
- C. There shall be no recovery under this Policy in respect of claims between joint Assureds or associated legal persons thereof.
- D. Any communications between the Underwriters and either the Assured or joint Assured shall be deemed to be within the knowledge of both the Assured and joint Assured.
- E. Any failure of the joint Assured to comply with the obligations of this Policy shall be deemed to be the failure of the Assured.

#### 7.2 Limit

The total liability of the Underwriters under this Policy as to the Assured's legal liabilities expenses claims or disputes arising out of an Occurrence shall in no circumstances exceed the limit stated in the Policy. The limit shall apply to all legal liabilities expenses claims and disputes arising out of the Occurrence whether incurred by one or by more than one Assured.

#### 7.3 Notice

Without prejudice to the provisions of Clause 40 the Underwriters have the right to serve notice upon the Assured summoning the Assured to pay any outstanding premium within 15 running days, failing which the Assured shall cease to be insured under the Policy.

#### 7.4 Termination

- A. This Policy shall terminate if the Assured
  - (i) fails to pay the premium or part thereof or any other money due to the Underwriters
  - (ii) is served with a notice stating the amount due and requiring him to pay the amount due by a stated date being no less than 15 days from the said service
  - (iii) fails to pay the sum due within the time stated in the said notice,

if the notice is not complied with within the time stated the Underwriters shall not be liable for any recovery under the Policy even if it arose before the date of termination or the Underwriters have admitted liability for or appointed lawyers surveyors or others to handle such claim.

- B. This Policy shall terminate if an Assured corporation is the subject of an order or resolution declaring it to be in receivership, administration, winding-up, provisional or full liquidation, dissolution, or other form of insolvency. This will not affect any claims arising out of an event or events which occur prior to the date of termination.

- C. This Policy shall terminate if the Insured Ship becomes an actual total loss, or the Insured Ship is missing for 10 days from the date of the last communication or posting on Lloyd's as missing whichever shall be earlier. Nothing contained in this Clause 7.4 shall affect the Underwriters' right to premium paid or due for periods for which the Assured has been on risk or, where applicable, minimum premium.

#### 7.5 Approved charterparties

Except as otherwise provided cover under this Policy is only in respect of forms of Charterparty approved by the Underwriters. The Underwriters shall approve the terms of a specimen Charterparty and rider Clauses for each form listed. Recoveries under this Policy shall not exceed those sums to which the Assured would have been entitled had the Insured Ship been chartered on terms not materially different to those of an approved specimen unless the Underwriters give their prior written approval to such other terms.

#### 7.6 Carriage of cargo

Cover is only available in respect of cargoes listed as Approved Cargoes in the Policy. The Assured shall exercise due diligence so far as it is within the Assured's control to ensure that cargo

- (i) conforms in type quality and quantity to that permitted in the Charterparty
- (ii) is carried and stowed with the approval and consent of the Owner and/or Master of the Insured Ship
- (iii) is carried and stowed in conformity with all relevant international national and local conventions and regulations.

#### 7.7 Declaring vessels

- A. This insurance shall only cover the Assured in respect of vessels which have been declared to the Underwriters in accordance with the Policy or within 72 hours of the date on which a legally binding Charterparty is agreed.
- B. In respect of an open cover the Assured undertakes to declare and the Underwriters undertake to insure all vessels chartered in accordance with the terms of the Policy.
- C. Cover hereunder shall commence from the date on which the Assured's legal liabilities start to arise pursuant to the Charterparty and in connection with an Insured Ship declared to the Underwriters in accordance with the terms of the Policy.

#### 7.8 Premium

- A. The Assured shall pay the premium or the proportion thereof due in accordance with the Policy. Failing this Underwriters shall be under no liability to the Assured in respect of the Period of Cover for which premium has not been paid. Where the Assured has failed to pay any premium or proportion thereof the premium shall be payable with interest from the specified due date at a rate determined by the Underwriters.

- B.** Premium shall be payable from the date on which the Insured Ship is delivered to the Assured pursuant to the terms of a time charter, or from the date on which notice of readiness is validly tendered in the case of a voyage charter or similar contract of affreightment. In the event that a claim and/or dispute arises prior to delivery of the Insured Ship, or tender of notice of readiness any minimum premium set out in the Policy shall automatically become due and payable.
- C.** The premium shall be charged and return premium (where applicable) refunded on the basis of whole days on risk commencing at midnight Local Standard Time. Any part of a day on risk shall count as a whole day both for charging and returning premium.

#### 7.9 U.S.A. oil pollution disclaimer

This Policy is not evidence of financial responsibility under the United States of America Oil Pollution Act of 1990 or any similar federal or state laws. Any showing or offering of this Policy by the Assured as evidence of insurance shall not be taken as any indication that the Underwriters consent to act as guarantors or to be sued directly in any jurisdiction whatsoever. The Underwriters do not consent to be guarantors or to be sued directly.

## 8: Claims and recoveries

### 8.1 Notification of claims

- A.** The Assured shall notify the Underwriters immediately following the Assured's knowledge of any Occurrence which may give rise to a recovery under the Policy.
- B.** The Assured must keep the Underwriters fully informed of all matters relating to the recovery or any potential recovery under the Policy and promptly forwards copies of all relevant correspondence, legal processes and other documents to the Underwriters and anyone acting on their behalf and give access to witnesses, assistance and information as the Underwriters may from time to time require.

### 8.2 Handling the claim

- A.** Without prejudice to Clause 43, the Underwriters may at their absolute discretion assume the conduct of any claim and/or dispute against the Assured which may be recoverable under the Policy in the Assured's name or otherwise at any time whether or not the Underwriters are subrogated to the rights of the Assured and may defend, litigate, mediate, settle, or otherwise dispose of such claim and/or dispute as the Underwriters see fit.
- B.** If the Assured does not dispose of the claim and/or dispute in the manner required by the Underwriters, any eventual recovery by the Assured from the Underwriters under the Policy in respect of such claim and/or dispute shall be limited to the amount the Assured would have recovered had the Assured complied with the Underwriters' requirements.
- C.** If the Underwriters have paid a recovery under the Policy they shall be subrogated to the Assured's rights and remedies.
- D.** The Underwriters shall have the right to appoint lawyers, surveyors, inquiry agents and/or adjusters to investigate and/or handle the claim and/or dispute on behalf of the Assured at the Underwriters' expense subject to Clause 43.

- E.** If a recovery is made from a third party in respect of claims and/or disputes which may be or have been paid wholly or in part under the Policy, the costs of pursuing the recovery shall first be deducted from the recovery proceeds and repaid to the party who paid such costs in the first place, the balance shall then as between the Assured and the Underwriters be distributed as follows:

- (i) the Assured receives any sum paid or lost in respect of which the recovery has been made subject to the Deductible and in excess of all amounts recovered and recoverable under this Policy
- (ii) after payment of the amount referred to in Clause 8.2.E (i) the Underwriters receive all sums they have paid in respect of the loss which is the subject of the recovery
- (iii) after payment of the amounts referred to in Clause 8.2.E(i) and 8.2.E(ii) the Assured receives any balance.

### 8.3 Security

The Underwriters are not obliged to provide guarantees, letters of undertaking, bonds or any other security (either directly or indirectly) in respect of any claim; The Underwriters may do so at their absolute discretion subject to Clause 43.

### 8.4 Contracts (Rights of Third Parties) Act 1999 clarification Clause

A person who is not a party to this contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

### 8.5 Legal limitation of liability

Any recovery under the Policy by the Assured shall not exceed any legally enforceable limitation of liability unless expressly agreed in writing between the Assured and the Underwriters, or unless such limitation

## 9: General exclusions

The following general exclusions apply to cover under this Policy:

### 9.1 Any claim and/or dispute in relation to

- A.** the wilful misconduct of the Assured
- B.** criminal activity of which the Assured was aware or ought to have become aware during the normal course of running their business, or which the Assured recklessly disregarded or failed to take reasonable steps to prevent
- C.** any carriage trade or voyage which is or which the Assured should have known to be imprudent, unduly hazardous, or improper
- D.** a failure by the Assured to exercise due diligence in the chartering of an Insured Ship including a failure to make adequate enquiries to ascertain that the Insured Ship is
- (i) fully insured against Owner's P&I Risks with a P&I Club which is a Member of the International Group or other P&I insurer to which the Underwriters have given their prior written approval

- (ii) fully insured against Hull & Machinery risks
- (iii) classed with an IACS approved Classification Society
- (iv) compliant with ISM.

If the Assured is unable to comply with any of the terms contained under this Clause 9.1.D, cover under this Policy shall be subject to the prior written agreement of the Underwriters upon such amended terms as they may require.

#### 9.2 Any claim and/or dispute

- A. in respect of injury to or death of directors, officers or employees of the Assured, associated or affiliated companies
- B. in respect of passengers
- C. for or in respect of loss of or damage to any property (including cargo) owned or leased by the Assured, its associated or affiliated companies
- D. arising directly or indirectly out of the insolvency or financial default of the Assured
- E. arising under and/or in relation to bareboat charters or charters by demise
- F. arising out of the cancellation by the Assured of a Charterparty or other engagement entered into in respect of an Insured Ship
- G. for punitive and/or exemplary damages and/or additional damages resulting from the multiplication of compensatory damages.

#### 9.3 Any claim and/or dispute in relation to

- A. contraband blockade running unlawful trade illegal fishing breach of routing regulations
- B. entering into or trading in waters where the Insured Ship is restricted, limited or prohibited by any sanction, international convention, United Nations resolution or sanction, treaty, or law in so far as the Assured was privy to such actions.

#### 9.4 Any claim and/or dispute arising directly or indirectly out of

- A. war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- B. confiscation or expropriation
- C. capture seizure arrest restraint or detainment, and the consequences thereof or any attempt thereat
- D. any terrorist or any person acting maliciously or from a political motive, whether or not in the course of a riot or civil disturbance
- E. strikers, locked-out workmen, or persons taking part in labour disturbance, riots or civil commotions

- F. derelict mines torpedoes bombs or other derelict weapons of war.

#### 9.5 any claim and/or dispute in relation to an Insured Ship

- A. used for operations of pile driving, pipe laying, blasting, fire-fighting, diving or waste disposal where the claim and/or dispute arises out of those operations
- B. used for drilling, core sampling, oil production, gas production or similar operations where the claim and/or dispute arises out of those operations
- C. used as a dregger where the claim and/or dispute arises out of dregging operations
- D. used for salvage operations where the claim and/or dispute arises from salvage or attempted salvage services provided pursuant to a contractual obligation of the Assured.

#### 9.6 Any claim and/or dispute arising directly or indirectly from

- A. liability assumed by an indemnity, hold harmless agreement, guarantee or by the terms of any contract or agreement other than a Charterparty (subject always to Clause 9.6.B), a contract of carriage (subject always to Clause 10), or a usual or customary form of salvage, towage, pilotage or stevedoring contract except to the extent that the Assured would have been under the same liability in the absence of the indemnity or other contract.
- B. liability arising under or in connection with a Charterparty on terms not approved by the Underwriters except to the extent that the liability would have arisen under the terms of any other specimen Charterparty(s) approved by the Underwriters for use by the Assured or (for time charterparties) under the terms of the NYPE 1946 form and all later versions with usual amendments and/or rider Clauses (including but not limited to the Inter Club Agreement) or (for voyage charterparties) under the terms of the Gencon 1976 form and all later versions with usual amendments and/or rider Clauses.

9.7 Any claim and/or dispute that the Assured fails to notify the Underwriters of within one year of the Assured's actual or constructive knowledge of the claim and/or dispute.

## 10: Cargo Exclusions

The following exclusions apply to cover under Clause 2 and apply in addition to Clause 9: this Policy excludes any claim

**10.1** in respect of precious or rare metals or stones, jewellery, plate, specie, bullion, bank notes or other forms of currency, bonds or other negotiable instruments.

**10.2** in connection with bills of lading or other documents evidencing a contract of carriage except to the extent that such liabilities would have arisen under the Hague Rules and/or Hague-Visby Rules or (but only where compulsorily applicable) the Hamburg Rules.

**10.3** in connection with the issue of an ante or post dated bill of lading or similar document of title or other fraudulent or reckless misrepresentation made in connection with a contract of carriage.



**10.4** in connection with the issue of a bill of lading or similar document of title which the Assured or his agent knew did not correctly state the quantity and/or condition of the cargo at the time of shipment.

**10.5** in excess of US\$ 2,500 per unit piece or package of goods carried under an ad valorem bill of lading in which the value per unit, piece or package has been stated to be over US\$ 2,500.

**10.6** in connection with the carriage of any cargo on deck except

- A.** in containers where the Insured Ship is classed and designed and/or adapted with the approval of an IACS Classification Society for the carriage of containers on deck, or
- B.** the carriage of cargo other than containers on deck where recognised as a custom of the trade, or
- C.** where carriage on deck is permitted under the Charterparty and subject to prior written approval by the Underwriters, or
- D.** where the bill of lading is Claused "shipped on deck at shipper's risk" or words having a similar effect.

**10.7** in connection with the non-arrival or late arrival of the Insured Ship at the load port or the failure to load a cargo in the Insured Ship.

**10.8** in connection with delay unless arising from physical loss, physical damage, shortage, and other responsibilities covered under Clause 2.1.

**10.9** which arises following and as a result of a deviation within the Assured's control. For the purposes of this exclusion the expression "deviation" includes but is not limited to a geographical or other departure from the voyage agreed in the Charterparty.

**10.10** in respect of the delivery of cargo carried under a negotiable bill of lading or other document of title without production of an original bill of lading or other document of title by or on behalf of the person to whom delivery is made.

**10.11** in connection with losses of profits due to market movements otherwise than arising out of physical loss, physical damage, shortage, and other responsibilities covered under Clause 2.1.

## 11: Protection & indemnity exclusions

The following exclusion applies to cover under Clause 3 and applies in addition to Clause 9: this Policy excludes

**11.1** Cargo Owner's Pollution liability any claim and/ or dispute under Clause 3.4 which arises out of the Assured's Ownership of or rights in Approved Cargo In Transit.

## Extensions to the Charterer's P&I Insurance Conditions

The following extensions to the Charterer's P&I Insurance Conditions may be included in the Policy by express written agreement between the Assured and the Underwriters and by insertion on the Certificate of Insurance. The Extensions to Cover remain subject to the Policy.

### 12: Charterers war risks insurance endorsement

#### 12.1 Cover

In consideration of the payment of an additional premium the Underwriters agree to indemnify the Assured against legal liabilities, costs and expenses that would be recoverable under the Policy but are excluded by virtue only of Clause 9.4 therein.

#### 12.2 Excluded areas

There shall be no cover under this endorsement for calls to countries or territories listed in the JWC Hull, War, Piracy, Terrorism and Related Perils Listed Areas at the time of an Occurrence, unless prior agreement in writing has been obtained by the Underwriters at such terms as they may require.

#### 12.3 Exclusions

This insurance excludes loss damage liability or expense arising from

- A. 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
- B. requisition, either for title or use, or pre-emption
- C. 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
- D. arrest restraint detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations
- E. the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
- F. the action of any state or public or local authority under the criminal law of any state or because of any alleged contravention of the laws of any state
- G. piracy (but this exclusion shall not affect cover under Clause 9.4)
- H. any claim and/or dispute arising from an express indemnity given in respect of war as defined in Clause 9.4
- I. any claim and/or dispute arising from a voyage which is not permissible under the Charterparty.

#### 12.4 Termination

- A. This insurance may be cancelled by either the Underwriters or the Assured giving 15 days notice (such cancellation becoming effective on the expiry of 15 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 terms 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 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
  - (ii) in the event of the vessel being requisitioned, either for title or use, or pre-emption.
- C. In the event either of cancellation by notice or of automatic termination of this insurance by reason of the operation of this Clause 12.4, or of the sale of the vessel, pro rata net return of premium shall be payable to the Assured. Notwithstanding the foregoing, no return of premium shall be payable if claims are brought against this insurance.

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 12.4.

### 13: Cargo Owners' liability insurance

The Underwriters agree to indemnify the Assured against legal liabilities, costs and expenses incurred by the Assured in respect of their Cargo Owners' interest in the Approved Cargo In Transit, that would have been recoverable under the Policy, if incurred by the Assured in their capacity as a time or voyage charterer, a disponent Owner or carrier of goods who charters an Insured Ship

Provided always that

- (a) the Cargo Owners' liability is within the scope of the Policy
- (b) the Cargo Owners' liability does not arise in respect of damage to or loss or reduced value of Approved Cargo arising as a consequence of a condition quality or specification of the Approved Cargo, which existed prior to the Approved Cargo being accepted for carriage or, which was caused by treatment or processing, including blending, of Approved Cargo other than treatment necessary for transportation.

### 14: Specialist operations exclusion buyback

The Underwriters agree to indemnify the Assured in respect of legal and/or contractual liabilities costs and/or expenses, incurred in connection with the operation of the Insured Ship as declared, in accordance with the terms and conditions of the Policy.

However, any indemnity provided hereon is limited solely to legal and/or contractual liabilities costs and/or expenses excluded from the Policy by Clause 9.5.A, or 9.5.C, or 9.5.D therein.

**14.1** Notwithstanding the foregoing, this insurance shall not indemnify the Assured for any liability costs or expenses in respect of:

- A. Fines, penalties, punitive and/or exemplary damages.
- B. Any act, negligence, error or omission, malpractice or mistake arising out of professional services, committed or alleged to have been committed by or on behalf of the Assured in the conduct of any of the Assured's business activities. "Professional Services" in this exclusion means the providing of or approval of opinions, advice, audits, reports, surveys, maps, plans, designs or specifications and supervisory, inspection, legal, medical, accounting, actuarial, architectural, insurance, investment or data processing services.
- C. Any loss of or damage to the contract work.
- D. Any loss or damage due to the contractual non performance including
  - (i) the failure of the operations or work completed by or for the Assured to perform the function or serve the purpose intended by the Assured
  - (ii) fines or penalties imposed on the Assured should the operations or work completed by or for the Assured fail to reach the levels of performance set in a contract
  - (iii) the failure of the Assured to complete a contract on time or comply with any contractual obligation.
- E. Loss or damage to property
  - (i) owned, leased, rented or occupied by the Assured
  - (ii) in the care, custody or control of the Assured.
- F. For the loss of life of, a personal injury to or illness of any person or damage to any property directly or indirectly caused by or arising out of seepage, pollution or contamination, however caused, whenever or wherever happening.

**14.2** Exclusion 14.1.F shall not apply where all of the following conditions are shown by the Assured to have been met

- (i) the seepage, pollution or contamination was caused by an Occurrence
- (ii) the Occurrence first commenced on an identified specific date during the Period of Cover
- (iii) the Occurrence was first discovered by the Assured within 72 hours of such first commencement and written notification of the event was first received from the Assured by the Underwriters within 90 days of the Assured's first discovery of the Occurrence
- (iv) the Occurrence did not result from the Assured's intentional violation of any statute, rule, ordinance or regulation

(v) even if the above conditions (i) to (iv) are satisfied, this insurance shall not indemnify the Assured for any liability costs or expenses in respect of

- (a) the abatement or investigation of any threat of seepage on to or pollution or contamination of the property of a third party
- (b) seepage, pollution or contamination of property which is owned, leased, rented or occupied by any Assured or which is in the care, custody or control of any Assured (including the soil, minerals, water or any other substance on, or under such owned, leased, rented or occupied property or property in such care, custody or control)
  - (vi) the handling, processing, treatment, storage, disposal, dumping or transportation of any waste materials or substances
  - (vii) loss of use of property and/or loss of earnings or extra expenses of any kind or description. This exclusion shall not apply to the Assured's legal and/or contractual liability for loss of use of the tangible property of a third party arising from physical damage to or physical destruction of said tangible third party property.

## 15: Through/combined transport bills of lading

**15.1** Cover is extended to legal liabilities arising under Through or Combined Bills of Lading, provided such Bills of Lading are issued in the form seen and approved by Underwriters or in a form agreed by them in writing in advance of the shipment in question. Coverage hereunder is limited to on-carriage performed in the U.K., EU and Norway.

**15.2** Cover is extended to risks arising in connection with the storage of cargo pursuant to transshipment, pre-carriage or on-carriage. This Cover is subject and limited to the follow locations and periods:

| Storage Locations | Total Cover Period |
|-------------------|--------------------|
| U.K.              | 0-7 days           |
| EU                | 0-7 days           |
| Norway            | 0-7 days           |

**15.3** It is a condition of Clause 15 that the Assured obtains from any third party vessel / carrier a non-negotiable bill of lading or other appropriate receipt for all cargoes pre- and/or on-carried by that third party vessel / carrier. The term "third party vessel / carrier" shall not include vessels operated by the Assured, but shall include operators of barges, trucks and trains with whom the Assured subcontracts.

## 16: Inland craft

Clauses 16.1, 16.2 and 16.3 only apply to inland craft vessels chartered by the Assured.

### 16.1 Approved contracts

Under Clause 7.5 the following contracts may be approved by the Underwriters:

- (a) Bevrachtingsvoorwaarden
- (b) Verlade- und Transport-bedingungen
- (c) Algemene Vervoersvoorwaarden voor het vervoer per riviertankship
- (d) VNPR personenvervoercondities voor de binnenvaart
- (e) Algemene duwconditiën
- (f) Algemene sleepconditiën
- (g) Sleepconditiën 1965
- (h) Any other contract or indemnity entered into by the Assured in connection with the carriage of goods and/or passengers or loading and discharge operations or the towage of or by the Insured Ship, provided such a contract or indemnity can be shown to be customary in the particular inland trade.

In the absence of any of the above contracts or when such contract is held to be not applicable the coverage afforded hereunder shall be on the basis of local law on inland waterways.

#### 16.2 General exclusions

Clause 9.1.D is deleted and replaced by:

- A failure by the Assured to exercise due diligence in the chartering of an Insured Ship including a failure to make adequate enquiries to ascertain that the Insured Ship is
  - (i) fully insured against Owners' P&I risks with a P&I Club or A rated fixed facilities
  - (ii) fully insured against Hull & Machinery risks. If the Assured is unable to comply with any of these terms, cover under this insurance shall be subject to the prior written agreement of Underwriters upon such amended terms as they may require.

#### 16.3 Cargo exclusions

Clause 10.2 is deleted and replaced by:  
in connection with bills of lading or other documents evidencing a contract of carriage except to the extent that such liabilities would have arisen under the CMNI and/or local laws on inland waterways.

## Charterers FD&D Insurance Conditions

The Assured should check the Policy to determine which Clauses are in force and any special terms and conditions that may apply.

In consideration of the payment of premium the Underwriters agree to indemnify the Assured against the following costs and expenses subject to the terms of the Policy.

### Costs & expenses covered

#### 17: Cover as charterer

The Underwriters shall indemnify the Assured against costs and expenses for legal assistance and advice reasonably incurred in claims and/or disputes that are directly related to the professional employment or operation of the Insured Ship in respect of

- (i) freight, hire, dead freight
- (ii) demurrage, despatch, detention, delay
- (iii) attributable failure to perform and breach of contract
- (iv) assistance and salvage, including towage
- (v) damage to the Insured Ship
- (vi) carriage and handling of goods
- (vii) bunkers, defective services and supplies
- (viii) insurers and banks
- (ix) crew and passengers.

#### 18: Cover as Cargo Owner

The Underwriters shall indemnify the Assured against costs and expenses for legal assistance and advice reasonably incurred in claims and/or disputes that are directly related to the Assured in their capacity as Cargo Owner arising whilst the Assured's Approved Cargo is In Transit in respect of

- (i) freight, laytime, dispatch and/or demurrage of a ship
- (ii) loading, lightering, stowing, trimming or discharge of the Assured's Approved Cargo
- (iii) agents.

#### 19: Limit

The cover under the Policy shall be limited to the amount specified in the Certificate of Insurance or otherwise stated in the Policy. The Assured's recovery from the Underwriters under the Policy shall be subject to the Deductibles specified in the Certificate of Insurance. If a dispute or claim reported by an Assured is only partly covered under the Policy, the Underwriters will refund the associated costs and expenses on a proportional basis.

## 20: Group Actions

If third parties have a notable interest in a claim and/or dispute on the same legal grounds pursued by an Assured, without there being a conflict of interest and irrespective of whether or not such parties take action themselves or whether they are only partly involved in the claim and/or dispute, the Underwriters will only refund to the Assured the associated legal costs and expenses in proportion to the Assured's interest in

## Conditions and Exclusions

The following Conditions and Exclusions apply to the Policy.

### 21: General conditions

#### 21.1 Certificate of Insurance

Following acceptance of the Assured's application for insurance, the Underwriters will issue a Certificate of Insurance that states

- (i) the name of the Assured and, if applicable, the name of any joint Assured person(s)
- (ii) the name and main details of the Insured Ship
- (iii) the Retro Active Date, if applicable, and the Period of Cover
- (iv) the limit
- (v) any applicable Deductibles
- (vi) any applicable special terms.

If at any time during the Period of Cover the terms and conditions relating to any Insured Ship are varied, the Underwriters will issue an endorsement or addenda stating such terms and conditions and from which date these will apply.

Every Certificate of Insurance and, if applicable, any endorsement or addenda thereto issued by the Underwriters shall be conclusive evidence of the contract of insurance and its contents.

#### 21.2 Cover

The cover afforded by the Underwriters is set out at Clause 17 and 18. This cover may be excluded, limited, modified, or otherwise altered or varied by any special term or condition agreed between the Underwriters and the Assured. If so agreed, such special terms and conditions will appear in the Certificate of Insurance.

#### 21.3 Period of Cover

Without prejudice to the terms and conditions of the Policy, and any endorsement(s) or addenda(s) thereto, this insurance covers legal costs and expenses for Occurrences which have taken place after the Retro Active Date and which have been notified to the Underwriters within the Period of Cover.

#### 21.4 Extension

If requested by the Assured within the Period of Cover, the Underwriters have the discretion to extend the period within which claims or disputes arising from Occurrences which have taken place within the Period of Cover must be notified. Such extension will be subject to the terms and conditions of the Policy and for a period as deemed appropriate by the Underwriters.

### 22: Premium conditions

#### 22.1 Premium refund

There will be no refund of premium under the Policy, except in the event of the Insured Ship having been lost or when the Assured ceases to have any insurable interest in the Insured Ship.

Where the premium has not yet been paid or paid in full, the obligation on the Assured to pay any such outstanding premium remains.

### 23: Claims and/or disputes

#### 23.1 Notification

- (i) The Assured shall notify the Underwriters or their nominated representative, in writing and without delay, of any Occurrence which may give rise to a recovery under the Policy. When so notifying the Underwriters or their nominated representative, the Assured shall provide the Underwriters with all relevant facts and documents of which the Assured has knowledge at the time of any notification. Clause 24(ii) shall apply mutatis mutandis.
- (ii) The Assured must promptly notify the Underwriters of any Occurrence during the Period of Cover and shall provide the Underwriters with any documents, reports, evidence or other relevant information in the Assured's possession or within the Assured's knowledge with regard to any Occurrence which has led or which is likely to lead to a recovery under the Policy.
- (iii) In the interest of the proper handling of the matter for which legal assistance is requested, the Underwriters or their nominated representative may interview and take statements from the Assured, its agents, servants, assistants, and/or third parties who are or could have been, either directly or indirectly, involved or familiar with the Occurrence.
- (iv) Any Occurrence that is not notified to the Underwriters during the Period of Cover will be considered subject to the Policy at the sole discretion of the Underwriters.

#### 23.2 Consent

The legal costs and expenses incurred in connection with an Occurrence shall only be recoverable from the Underwriters on condition that all lawyers, experts and other persons or companies instructed to act in the case have been appointed with the prior consent of the Underwriters.

The Underwriters' consent to pay legal costs and expenses must be obtained in writing. Subject to the provisions of Clause 23.3, written consent will be given if the Underwriters are satisfied that

- (i) such costs are reasonably necessary in order to pursue and satisfy a claim and/or dispute by the Assured against a third party, or to defend a claim and/or dispute brought by a third party against the Assured
- (ii) the amounts for legal costs and expenses to be incurred in the particular case are reasonable in relation to the amounts claimed or to the amounts for which a settlement can be reached
- (iii) there are reasonable prospects of obtaining security and/or enforcing judgements or awards.

**23.3 Case handling**

In the event that a lawyer is required for legal assistance, the Underwriters shall consult with the Assured about whom is to be appointed.

In the event that another independent expert has to be instructed, the Underwriters will choose such expert after consulting with the Assured.

The Assured has the right to have an external expert of his choice appointed in the event that both the Assured and its counter party are covered by the Underwriters under their respective insurance policies and provided both parties have duly reported their respective claims to the Underwriters.

**23.4 Discretion**

Legal assistance and the extent to which it is provided under the Policy is always subject to the Underwriters' written consent in accordance with Clause 23.2. Written consent is discretionary and subject to the Underwriters' or their nominated representative's determination of the claim and/or dispute's merit coupled with the necessity and proportionality of the costs and expenses.

The Underwriters may, at any time, withdraw further support or continue with limited support on amended terms by serving written notice to the Assured or its representative.

**23.5 Recovery of costs**

If the Assured obtains a favourable judgement or arbitration award or reaches a settlement or compromise and receives payment in satisfaction thereof, the Assured shall indemnify the Underwriters for

- (i) the amount awarded in such (final) judgement, arbitration award or included in such settlement agreement for contribution to costs, or
- (ii) the amount for such costs agreed beforehand between the Assured and the Underwriters and which can effectively be recovered from the relevant counter party.

**24: General exclusions**

The Policy does not cover legal costs for

- (i) any claim or dispute which has arisen by reason of the Assured's failure to exercise reasonable care in the chartering, operation or management of the Insured Ship
- (ii) any claims and/or disputes which have arisen through the Assured's, joint Assured's and/or their employees' wilful misconduct or by their actions or inaction when they reasonably knew or should have known that claims and/or disputes would or could arise from their actions or inaction
- (iii) any claim and/or dispute between joint Assured parties or between associated natural or legal persons

(iv) any claim and/or dispute arising out of or consequent upon the Insured Ship carrying contraband blockade running unlawful trade illegal fishing or breach of routing regulations

(v) any claim and/or dispute arising out of or consequent upon the Insured Ship entering into or trading in waters where the Insured Ship is restricted, limited or prohibited by any sanction, international convention, United Nations resolution or sanction, treaty, or law

(vi) any claim and/or dispute caused by

- (a) personal injury, including full or partial disability
  - (b) loss of damage to or loss of use of property directly or indirectly caused by seepage, pollution or contamination
  - (c) the cost of removing mitigating the effects of or cleaning up seeping, polluting or contaminating substances
  - (d) fines, penalties, punitive or exemplary damages
- (vii) any claim and/or dispute that arises from an Occurrence before the Retro Active Date.

**25: Cesser of insurance agreement**

The Assured shall cease to be insured by the Underwriters in respect of all Insured Ships with immediate effect upon the happening of any one of the following events: 25.1 In respect of the Assured

- (i) If the Assured is an individual, upon his or her death or if a receiving order be made against the individual or if the individual is declared bankrupt or has become incapable of managing or administering his or her property and/or affairs by reason of mental or physical ill health.
- (ii) If the Assured is a legal body, if it is dissolved, except in the event of a reorganisation, or if it is taken over by or merges with a third party.
- (iii) If and as soon as the Assured is declared bankrupt or applies for a moratorium, or becomes subject to a statutory debt rescheduling arrangement, the Policy will be terminated with immediate effect.

**25.2 In respect of the Insured Ship**

- (i) If the Assured parts with or assigns his interests in the Insured Ship, either wholly or partially, whether by bill of sale or other formal document or agreement, or in any other way whatsoever, or if the control and possession of that vessel is transferred whether by demise charter or otherwise.
- (ii) If the managers or operators of the Insured Ship are changed.
- (iii) If the Insured Ship becomes a total loss or is accepted under the Hull Policies as being a constructive, compromised or arranged total loss.

- (iv) If the Insured Ship is missing for a period that exceeds ten days from the date she was last heard of, or upon her being posted at Lloyd's as missing, whichever shall be the earlier.
- (v) If the Insured Ship is mortgaged or otherwise hypothecated, and if there be no undertaking or guarantee given to the satisfaction of the Underwriters to pay all premiums due or to become due in respect of the Insured Ship.
- (vi) If the Insured Ship's classification society is changed.
- (vii) If for any reason the Insured Ship ceases to comply with the requirements of official government authorities.
- (viii) If there is any requisition for use of the Insured Ship, provided that where such requisition is not made pursuant to a prior agreement with the Assured or the Owner of the Insured Ship, cover under the Policy shall be maintained for a period not exceeding 15 running days after such requisition was effected.

### 25.3 Effects

If the Policy ceases pursuant to the provisions of Clause 25.1 or 25.2, the Underwriters shall be discharged of all obligations and liabilities under the Policy and the Underwriters shall not be obliged to give support for or continue to support any claims and/or disputes which have been notified to the Underwriters within the Period of Cover.



## Bunker Insurance Conditions Institute Bulk Oil Clauses

### 26: Risks covered

- 26.1** This insurance covers, except as provided in Clause 27,
- A.** loss of or contamination of the subject-matter insured reasonably attributable to
- (i) fire or explosion
  - (ii) vessel or craft being stranded grounded sunk or capsized
  - (iii) collision or contact of vessel or craft with any external object other than water
  - (iv) discharge of cargo at a port or place of distress
  - (v) earthquake volcanic eruption or lightning,
- B.** loss of or contamination of the subject-matter insured caused by
- (i) general average sacrifice
  - (ii) jettison
  - (iii) leakage from connecting pipelines in loading transshipment or discharge
  - (iv) negligence of Master Officers or Crew in pumping cargo ballast or fuel,
- C.** contamination of the subject-matter insured resulting from stress of weather.

**26.2** This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from any cause except those excluded in Clause 27 or elsewhere in this insurance.

**26.3** This insurance is extended to indemnify the Assured against such proportion of liability under the contract of affreightment "Both to Blame Collision" Clause as in respect of a loss recoverable hereunder. In the event of any claim and/or dispute by shipOwners under the said Clause the Assured agrees to notify the Underwriters who shall have the right, at their own cost and expense, to defend the Assured against such claim.

### 27: Exclusions

**27.1** In no case shall this insurance cover

- (i) loss damage or expense attributable to wilful misconduct of the Assured
- (ii) ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- (iii) loss damage or expense caused by inherent vice or nature of the subject-matter insured

- (iv) loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 26.2)

- (v) loss damage or expense arising from insolvency or financial default of the Owners managers charterers or operators of the vessel

- (vi) loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

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

- (i) unseaworthiness of vessel or craft,
- (ii) unfitness of vessel craft or conveyance for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subjectmatter insured is loaded therein.

The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

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

- (i) war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- (ii) capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat

- (iii) derelict mines torpedoes bombs or other derelict weapons of war.

**27.4** In no case shall this insurance cover loss damage or expense

- (i) caused by strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- (ii) resulting from strikes, lock-outs, labour disturbances, riots or civil commotions
- (iii) caused by any terrorist or any person acting from a political motive.

**27.5**

**A.** This insurance attaches as the subject-matter insured leaves tanks for the purpose of loading at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either

- (i) as the subject-matter insured enters tanks on discharge to place of storage or to storage vessel at the destination named herein, or

(ii) on the expiry of 30 days after the date of arrival of the vessel at the destination named herein, whichever shall first occur.

- B.** If, after discharge from the oversea vessel into craft at the final port or place of discharge, but prior to the termination of this insurance under 27.5.A, the subject-matter insured or any part thereof is to be forwarded to a destination other than that to which it is insured hereunder, the insurance on the subject-matter insured or such part thereof shall not extend beyond the commencement of transit to such other destination, unless otherwise agreed by the Underwriters upon the receipt of prompt notice from the Assured.
- C.** Subject to prompt notice being given to the Underwriters and to an additional premium if required by them, this insurance shall remain in force (until terminated under 27.5.A or 27.5.B and subject to the provisions of Clause 27.6) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any other variation of the adventure provided such other variation is beyond the control of the Assured.

**27.6** If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is terminated otherwise than as provided in Clause 27.5, then this insurance shall also terminate unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either

- A.** until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall first occur, or
- B.** if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 27.5.

**27.7** Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.

## 28: Claims

### 28.1

- A.** In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.
- B.** Subject to Clause 28.1.A above, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.

**28.2** Where, as a result of the operation of a risk covered by this insurance, the insured transit is terminated at a port or place other than that to which the subject-matter is covered under this insurance, the Underwriters will reimburse the Assured for

any extra charges properly and reasonably incurred in unloading, storing and forwarding the subject-matter to the destination to which it is insured hereunder.

This Clause 28.2, which does not apply to general average or salvage charges, shall be subject to the exclusions contained in Clause 27 above, and shall not include charges arising from the fault negligence insolvency or financial default of the Assured or their servants.

**28.3** No claim for constructive total loss shall be recoverable hereunder unless the subject-matter insured is reasonably abandoned either on account of its actual total loss appearing to be unavoidable or because the cost of recovering, reconditioning and forwarding the subject-matter to the destination to which it is insured would exceed its value on arrival.

### 28.4

- A.** If any increased value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all increased value insurances covering the loss, the liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

In the event of a claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances

- B.** Where this insurance is on increased value the following Clause shall apply:

The agreed value of the cargo shall be deemed to be equal to the total amount insured under the primary insurance and all increased value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

In the event of a claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

**28.5** Claims for leakage and shortage recoverable under this insurance are to be adjusted as follows:-

- A.** The amount recoverable shall be the proportionate insured value of the volume of oil lost, to be ascertained by a comparison of the gross volume certified as having left tanks for loading on to the vessel with the gross volume certified as having been delivered to tanks at the termination of the transit, except that where the contract of sale is based on weight and not on volume the amount recoverable may be calculated on a weight basis from such certified quantities.

The term "gross volume" in this Clause 28.5.A means total volume without deduction of sediment and water content and free water, except to the extent that the amount of water can be shown by the Assured to have increased abnormally during the insured transit as a result of the operation of a risk covered by this insurance.

- B.** Adjustment shall be made to the calculation under Clause 28.5.A to eliminate any change in volume caused by variation in temperature and any apparent change in quantity arising from the use of inconsistent procedures in determining the certified quantities.

- C. Where this insurance provides for an excess to be applied to claims for leakage or shortage, such excess shall be deemed to include ordinary loss in weight or volume except when caused by variation in temperature or settling out of water. Where there is no such provision, the amount recoverable in accordance with Clauses 28.5.A and 28.5.B shall be subject to reduction for any ordinary loss excluded by Clause 27.1 (ii).

### 29: Benefit of insurance

This insurance shall not inure to the benefit of the carrier or other bailee.

### 30: Minimising losses

**30.1** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

- (i) to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
- (ii) to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

**30.2** 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.

### 31: Avoidance of delay

It is a condition of this insurance that the Assured shall act with reasonable dispatch in all circumstances within their control.

Note:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice.

## Institute strike Clauses (bulk oil)

### 32: Risks covered

**32.1** This insurance covers, except as provided in Clause 33, loss of or damage to the subject-matter insured caused by

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

**B.** any terrorist or any person acting from a political motive.

**32.2** This insurance covers general average and salvage charges, adjusted or determined according to the contract of affreightment and/or the governing law and practice, incurred to avoid or in connection with the avoidance of loss from a risk covered under these Clauses.

### 33: Exclusions

**33.1** In no case shall this insurance cover

- (i) loss damage or expense attributable to wilful misconduct of the Assured
- (ii) ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured
- (iii) loss damage or expense caused by inherent vice or nature of the subject-matter insured
- (iv) loss damage or expense proximately caused by delay, even though the delay be caused by a risk insured against (except expenses payable under Clause 32.2)
- (v) loss damage or expense arising from insolvency or financial default of the Owners managers charterers or operators of the vessel
- (vi) loss damage or expense arising from the absence shortage or withholding of labour of any description whatsoever resulting from any strike, lockout, labour disturbance, riot or civil commotion
- (vii) any claim based upon loss of or frustration of the voyage or adventure
- (viii) loss damage or expense arising from the use of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (ix) 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.

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

- (i) unseaworthiness of vessel or craft,
- (ii) unfitness of vessel craft or conveyance for the safe carriage of the subject-matter insured, where the Assured or their servants are privy to such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein. such unseaworthiness or unfitness, at the time the subject-matter insured is loaded therein.

The Underwriters waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the subject-matter insured to destination, unless the Assured or their servants are privy to such unseaworthiness or unfitness.

### 34: Duration

#### 34.1

**A.** This insurance attaches as the subject-matter insured leaves tanks for the purpose of loading at the place named herein for the commencement of the transit, continues during the ordinary course of transit and terminates either

- (i) as the subject-matter insured enters tanks on discharge to place of storage or to storage vessel at the destination named herein, or
- (ii) on the expiry of 30 days after the date of arrival of the vessel at the destination named herein, whichever shall first occur.

**B.** If, after discharge from the oversea vessel into craft at the final port or place of discharge, but prior to the termination of this insurance under 34.1.A, the subject matter insured or any part thereof is to be forwarded to a destination other than that to which it is insured hereunder, the insurance on the subject-matter insured or such part thereof shall not extend beyond the commencement of transit to such other destination, unless otherwise agreed by the Underwriters upon the receipt of prompt notice from the Assured.

**C.** Subject to prompt notice being given to the Underwriters and to an additional premium if required by them, this insurance shall remain in force (until terminated under 34.1.A or 34.1.B and subject to the provisions of Clause 34.2) during delay beyond the control of the Assured, any deviation, forced discharge, reshipment or transshipment and during any other variation of the adventure provided such other variation is beyond the control of the Assured.

**34.2** If owing to circumstances beyond the control of the Assured either the contract of carriage is terminated at a port or place other than the destination named therein or the transit is terminated otherwise than as provided in Clause 34.1, then this insurance shall also terminate unless prompt notice is given to the Underwriters and continuation of cover is requested when the insurance shall remain in force, subject to an additional premium if required by the Underwriters, either

- (i) until the goods are sold and delivered at such port or place, or, unless otherwise specially agreed, until the expiry of 30 days after arrival of the goods hereby insured at such port or place, whichever shall occur, or
- (ii) if the goods are forwarded within the said period of 30 days (or any agreed extension thereof) to the destination named herein or to any other destination, until terminated in accordance with the provisions of Clause 34.1.

**34.3** Where, after attachment of this insurance, the destination is changed by the Assured, held covered at a premium and on conditions to be arranged subject to prompt notice being given to the Underwriters.

### 35: Claims

**35.1** In order to recover under this insurance the Assured must have an insurable interest in the subject-matter insured at the time of the loss.

**35.2** Subject to Clause 35.1, the Assured shall be entitled to recover for insured loss occurring during the period covered by this insurance, notwithstanding that the loss occurred before the contract of insurance was concluded, unless the Assured were aware of the loss and the Underwriters were not.

**35.3** If any increased value insurance is effected by the Assured on the cargo insured herein the agreed value of the cargo shall be deemed to be increased to the total amount insured under this insurance and all increased value insurances covering the loss, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured. In the event of a claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

**35.4** Where this insurance is on increased value the following Clause shall apply:

The agreed value of the cargo shall be deemed to be equal to the total amount insured under the primary insurance and all increased value insurances covering the loss and effected on the cargo by the Assured, and liability under this insurance shall be in such proportion as the sum insured herein bears to such total amount insured.

In the event of claim the Assured shall provide the Underwriters with evidence of the amounts insured under all other insurances.

**35.5** Claims for leakage and shortage recoverable under this insurance are to be adjusted as follows:-

- A. The amount recoverable shall be the proportionate insured value of the volume of oil lost, to be ascertained by a comparison of the gross volume certified as having left tanks for loading on to the vessel with the gross volume certified as having been delivered to tanks at the termination of the transit, except that where the contract of sale is based on weight and not on volume the amount recoverable may be calculated on a weight basis from such certified quantities.

The term "gross volume" in this Clause 35.5.A means total volume without deduction of sediment and water content and free water, except to the extent that the amount of water can be shown by the Assured to have increased abnormally during the insured transit as a result of the operation of a risk covered by this insurance.

**B.** Adjustment shall be made to the calculation under 35.5.A to eliminate any change in volume caused by variation in temperature and any apparent change in quantity arising from the use of inconsistent procedures in determining the certified quantities.

**C.** Where this insurance provides for an excess to be applied to claims for leakage or shortage, such excess shall be deemed to include ordinary loss in weight or volume except when caused by variation in temperature or settling out of water. Where there is no such provision, the amount recoverable in accordance with Clauses 35.5.A and 35.5.B shall be subject to reduction for any ordinary loss excluded by Clause 33.1(ii).

### 36: Benefit of insurance

This insurance shall not inure to the benefit of the carrier or other bailee.

### 37: Minimising losses

**37.1** It is the duty of the Assured and their servants and agents in respect of loss recoverable hereunder

- (i) to take such measures as may be reasonable for the purpose of averting or minimising such loss, and
- (ii) to ensure that all rights against carriers, bailees or other third parties are properly preserved and exercised and the Underwriters will, in addition to any loss recoverable hereunder, reimburse the Assured for any charges properly and reasonably incurred in pursuance of these duties.

**37.2** 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.

### 38: Avoidance of delay

It is a condition of this insurance that the Assured shall act with reasonable dispatch in all circumstances within their control. Note:- It is necessary for the Assured when they become aware of an event which is "held covered" under this insurance to give prompt notice.

## Paramount Clauses

The following Clauses shall be paramount and shall override anything contained in the Policy inconsistent therewith.

### 39: General conditions

#### 39.1 Duty of fair presentation

A. Before this insurance contract is entered into, the Assured must make a fair presentation of the risk to The Underwriters, in accordance with section 3 of the Insurance act 2015. In summary, the Assured must:

- (i) disclose to the Underwriters every material circumstance which the Assured knows or ought to know. Failing that, the Assured must give the Underwriters sufficient information to put a prudent Underwriter on notice that it needs to make further enquiries in order to reveal material circumstances. A Matter is material if it would influence the judgement of a prudent underwriter as to whether to accept the risk, or the terms of the insurance (including premium);
- (ii) Make the disclosure in Clause 39.1.a(i) in a reasonably clear and accessible way; and
- (iii) Ensure that every material representation of fact is substantially correct, and that every material Representation of expectation or belief is made in good faith.

B. For the purposes of Clause 39.1.a(i), the Assured is expected to know the following:

- (i) If the Assured is an individual, what is known to the Individual and anybody who is responsible for arranging his or her insurance.
- (ii) If the Assured is not an individual, what is known to anybody who is part of the Assured's senior Management; or anybody who is responsible for arranging the Assured's insurance.
- (iii) Whether the Assured is an individual or not, what should reasonably have been revealed by a reasonable search of information available to the Assured. The information may be held within the Assured's organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the Policy). If The Assured is insuring subsidiaries, affiliates or other parties, the Underwriters expect that the Assured will have included them in its enquiries, and that the Assured will inform the Underwriters if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

#### 39.2 Remedies for breach of the duty of fair presentation

A. If, prior to entering into the Policy, the Assured shall breach the duty of fair presentation, the remedies available to the Underwriters are set out below.

(i) If the Assured's breach of the duty of fair presentation is deliberate or reckless:

- a) The Underwriters may avoid the Policy, and refuse to pay all claims; and,
- b) The Underwriters need not return any of the premiums paid.

(ii) If the Assured's breach of the duty of fair presentation is not deliberate or reckless, the Underwriters' remedy shall depend upon what the Underwriters would have done if the Assured had complied with the duty of fair presentation:

- a) If the Underwriters would not have entered into the Policy at all, the Underwriters may avoid the Policy and refuse all claims, but must return the premiums paid.
- b) If the Underwriters would have entered into the Policy, but on different terms (other than terms relating to the premium), the Policy is to be treated as if it had been entered into on those different terms from the outset, if the Underwriters so require.

c) In addition, if the Underwriters would have entered into the Policy, but would have charged a higher premium, the Underwriters may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the Underwriters shall pay only X% of what they would otherwise have been required to pay, where  $X = (\text{premium actually charged/higher premium}) \times 100$ .

B. If, prior to entering into a variation to this Policy, the Assured shall breach the duty of fair presentation, the remedies available to the Underwriters are set out below.

(i) If the Assured's breach of the duty of fair presentation is deliberate or reckless:

- a) The Underwriters may by notice to the Assured treat the Policy as having been terminated from the time when the variation was concluded; and,
- b) The Underwriters need not return any of the premiums paid.

(ii) If the Assured's breach of the duty of fair presentation is not deliberate or reckless, the Underwriters' remedy shall depend upon what the Underwriters would have done if the Assured had complied with the duty of fair presentation:

- a) If the Underwriters would not have agreed to the variation at all, the Underwriters may treat the Policy as if the variation was never made, but must in that event return any extra premium paid.

b) If the Underwriters would have agreed to the variation to the Policy, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if the Underwriters so require.

c) If the Underwriters would have increased the premium by more or at all, then the Underwriters may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Underwriters shall pay only X% of what they would otherwise have been required to pay, where  $X = (\text{premium actually charged/higher premium}) \times 100$ .

d) If the Underwriters would not have reduced the premium as much as it did or at all, then the Underwriters may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Underwriters shall pay only X% of what they would otherwise have been required to pay, where  $X = (\text{premium actually charged/reduced total premium}) \times 100$ . Nothing in Clause 39.2 is intended to vary the position under the Insurance Act 2015.

### 39.3 Fraudulent claims

A. If the Assured makes a fraudulent claim under this Policy, the Underwriters:

- (i) Are not liable to pay the claim; and
- (ii) May recover from the Assured any sums paid by the Underwriters to the Assured in respect of the claim; and
- (iii) May by notice to the Assured treat the Policy as having been terminated with effect from the time of the fraudulent act.

B. If the Underwriters exercise their right under Clause 39.3.A(iii):

- (i) The Underwriters shall not be liable to the Assured in respect of any Occurrence after the time of the fraudulent act; and,
- (ii) The Underwriters need not return any of the premiums paid.

Nothing in Clause 39.3 is intended to vary the position under the Insurance Act 2015.

### 39.4 Breach of warranty

If the Assured breaches a warranty in the Policy, the Underwriters' liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied. The Underwriters shall have no liability to the Assured for any loss, damage, costs or expenses suffered due to a breach of warranty that is not capable of being remedied. The Underwriters will have no liability to the Assured for any loss, damage, cost or expense which occurs, or which is attributable to an Occurrence or event, during the period when the Underwriters' liability is suspended.

Nothing in Clause 39.4 is intended to vary the position under the Insurance Act 2015.

**39.5 Contracting out of section 11 of the Insurance Act 2015**  
Section 11 of the Insurance Act 2015 shall not apply to any Clause in the Policy. Where the Policy contains any Clause which, if complied with, would tend to reduce the risk of loss, damage, costs or expenses of a particular kind or at a particular location or time, and such Clause is not complied with, the Underwriters may rely upon such non-compliance to exclude, limit or discharge liability, even if non-compliance with the Clause could not have increased the risk of the loss, damage, cost or expense from the Occurrence.

### 39.6 Double insurance

The Policy does not cover liabilities risks costs or expenses that are insured under any other insurance Policy, or which could be insured under any other insurance Policy, unless

- a) express agreement is made and inserted on the Certificate of Insurance, or
- b) the terms and conditions of the other insurance exclude or limit liability on grounds of double insurance.

### 39.7 Assignment

No assignment of the Policy or any interest therein or any money which may be or become payable thereunder shall take place without the prior written agreement of the Underwriters who shall have the right in their absolute discretion to give or refuse such consent without reason and upon such terms as they think fit. Unless the Underwriters decide otherwise, any purported assignment without such consent shall be null and void and shall not be binding upon or recognised by the Underwriters.

Any settlement under the Policy to an assignee will be subject to any deduction or retention of such amounts that the Underwriters consider sufficient to discharge any liabilities of the Assured to the Underwriters, whether existing at the time of the assignment or having accrued or being likely to accrue thereafter.

### 39.8 Law and practice

This Policy shall be governed by and construed in accordance with English law and practice. Any dispute arising out of this Policy shall be subject to the exclusive jurisdiction of the High Court of Justice in England.

## 40: Premium conditions

### 40.1 premium payment Clause

The Assured undertakes that premium will be paid in full to the Underwriters within 30 days of inception of this Policy (or, in respect of instalment premiums, when due).

If the premium due under this Policy has not been so paid to the Underwriters by the 30th day from the inception of this Policy (and, in respect of instalment premiums, by the date they are due) the Underwriters shall have the right to cancel this Policy by notifying the Assured. In the event of cancellation, premium is due to the Underwriters on a pro rata basis for the period that the Underwriters are on risk but the full Policy premium shall be payable to the Underwriters in the event of a loss or Occurrence prior to the date of termination which gives rise to a valid claim under this Policy.

It is agreed that the Underwriters shall give not less than 15 days prior notice of cancellation to the Assured. If premium due is paid in full to the Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the leading underwriter (and agreement parties if appropriate) are authorised to exercise rights under this Clause on their own behalf and on behalf of all the Underwriters participating in this contract.

If any provision of this Clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this Clause which will remain in full force and effect.

Where the premium is to be paid through a London market bureau, payment to the Underwriters will be deemed to occur on the day of delivery of a premium advice note to the bureau.

#### 40.2 interest

If any premium or any other sum owed to the Underwriters by the Assured is not paid on or before the termination date specified by the Underwriters, legal interest shall become payable from the date following the termination date in addition to the premium.

#### 40.3 recovery

The Underwriters shall be entitled, once premiums have become due and payable, to commence (legal) action against the Assured for the recovery of any unpaid premiums and other sums. The recovery of any unpaid premiums or any other sums shall be subject to Clause 39.8 of the Policy.

### 41: Claims, disputes and recoveries

#### 41.1 duty to mitigate

The Assured must take all reasonable measures to avert or minimise liability, to mitigate any loss damage costs and expense, including claims and disputes, which would be recoverable under the Policy and take all necessary steps to preserve any rights of recourse or other remedies which the Assured or the Underwriters may have directly or indirectly against any third party.

#### 41.2 admissions, settlements and waivers

The Assured shall not admit liability for or amicably settle any claim or dispute, or waive any rights when cover is afforded and requested under the Policy without obtaining the Underwriters' prior written consent.

#### 41.3 set off

The Assured shall have no right to set off or delay amounts payable to the Underwriters against payments due or allegedly due from the Underwriters to the Assured.

The Underwriters shall be entitled to set off any amount due from an Assured against any amount due from the Underwriters to said Assured.

### 42: Exclusions

**42.1 Institute radioactive contamination, chemical, biological, biochemical and electromagnetic weapons exclusions**  
This Clause 42.1 shall be paramount and shall override anything contained in the Policy inconsistent therewith.

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

- (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- (iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (iv) 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
- (v) any chemical, biological, bio-chemical, or electromagnetic weapon.

#### 42.2 Institute cyber attack exclusion

This Clause 42.2 shall be paramount and shall override anything contained in the Policy inconsistent therewith.

- (i) Subject only to Clause 42.2(ii), in no case shall the Policy cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- (ii) 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 42.2 (i) shall not operate to exclude losses (which would otherwise be covered) arising from 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.



#### 43: Forbearance and waiver

No act, omission, course of dealings, forbearance, delay or indulgence on the part of the Underwriters, whether by their officers, servants, agents or otherwise, shall be treated or construed as a waiver of any rights under any of the terms and conditions contained in the Policy, the Certificate of Insurance and/or any additions, endorsements or addenda thereto.

#### 44: Sanction Limitation and Exclusion Clause

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

#### 45: Several Liability Notice

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

## Insurance Conditions Definitions

### 44: Sanction Limitation and Exclusion Clause

#### Assured

The natural or legal person that is named as an Assured in the Policy. A reference herein to the Assured includes a singular reference to a joint Assured.

#### Approved Cargo

Any lawful and merchantable commodity or goods including containers that are scheduled to be, are, or were shipped on an Insured Ship pursuant to a contract of carriage with Underwriters prior written approval and inclusion in the Certificate of Insurance. Excluding any other equipment, stores, bunkers or substance of whatever nature, and further excluding waste and residues of Approved Cargo(es) and/ or of other equipment, stores, fuels and/or substances.

#### Cargo Owner

An Owner, shipper, buyer, seller, holder of the Bill of Lading, or Cargo trader, where they have the Ownership on the Approved Cargo In Transit.

#### Certificate of Insurance

The certificate issued by or on behalf of the Underwriters as evidence of insurance together with any slip or other document under which Underwriters have agreed terms of insurance and any amendment, declaration or endorsement thereto.

#### Charterparty

A contract of carriage including any time charter (not being a bareboat charter or a Charterparty by demise), any voyage charter or any space or slot charter or booking note on terms approved by Underwriters pursuant to Clause 7.5. "Charterparty" includes sub-Charterparty.

#### Deductibles

The amounts agreed between the Underwriters and Assured which will not be recoverable from Underwriters and will be deducted from claims arising under the Policy. Such apply to each Occurrence for which cover is provided.

#### Hague Rules

The International Convention for the Unification of Certain Rules of Law relating to Bills of Lading of Brussels, 25th August 1924.

#### Hague-Visby Rules

The Hague Rules as amended by the Protocol signed at Brussels on 23rd February 1968 and the Protocol signed at Brussels on 21st December 1979.

#### Hamburg Rules

The United Nations Convention on the Carriage of Goods by Sea signed at Hamburg on 31st March 1978.

#### Insured Ship

A vessel (including hull, machinery, fuel, stores, supplies and equipment or other property of the Owner on board and containers if owned or leased by the Owner) chartered by the Assured where the vessel and the risks of the adventure have been declared to and accepted by Underwriters in accordance with the terms of the Policy.

#### In Transit

Cargo is in transit when, during the Period of Cover, it is

- (i) laden on an Insured Ship, or
- (ii) in the process of being loaded on to or discharged from an Insured Ship, or
- (iii) being transhipped or lightered to or from an Insured Ship

Provided always that

- (a) the transhipment or lightering is performed as a regular custom of the port or trade
- (b) an appropriate written receipt has been obtained for the cargo (or any part thereof) from those interested in the transhipment vessel or lighter carrying the cargo (or any part thereof).

#### Local Standard Time

Greenwich Mean Time (GMT) or as otherwise stated in the Policy.

#### Occurrence

An incident and/or event that led or may lead to legal liabilities, expenses, claims or disputes. In case of a combination or series of related events, the moment of the first event occurring shall be recorded as the commencement of the event. Any such combination or series of related Occurrences shall be treated as one Occurrence. Owner The registered Owner and/or disponent Owner(s) of an Insured Ship.

#### Period of Cover

The period specified as such in the Certificate of Insurance.

#### Policy

The Standard Policy Conditions together with the Certificate of Insurance including those terms and conditions specified in the Certificate of Insurance and any endorsements and addenda to the Standard Policy Conditions and/or Certificate of Insurance. The term "Policy" shall include open covers where applicable.

#### Pollution Liabilities

Legal liability costs and expenses arising out of the discharge or escape of any substance from an Insured Ship.

#### Retro Active Date

The date specified as such in the Certificate of Insurance.

#### Standard Policy Conditions

The insurance terms and conditions including headings and introductory wordings contained in the Charterers P&I, FD&D, Bunker Insurance Conditions and Paramount Conditions to the extent in force together with the terms and conditions in the Certificate of Insurance and any applicable endorsement and addenda which is inseparably linked thereto.

#### Underwriters

Lloyd's, pursuant to the Binding Authority Agreement stated in the Policy.

#### Wreck

Any Insured Ship or Approved Cargo which is abandoned, disabled and is aground or has sunk and is not the subject of a salvage contract.

## Contactgegevens

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