

## MARINE HULL ALL RISK & WAR INSURANCE – COMMERCIAL - POLICY WORDINGS

This insurance is subject to English law and practice

### 1. NAVIGATION

- 1.1 The vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1.1 shall not exclude customary towage in connection with loading and discharging.
- 1.2 In the event of the vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.
- 1.3 In the event of the vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the vessel occurring subsequent to such sailing shall be limited to the market value of the vessel as scrap at the time when the loss or damage is sustained, unless previous notice has been given to the Underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this Clause 1.3 shall affect claims under Clauses 8 and/or 11.

### 2. CONTINUATION

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

### 3. BREACH OF WARRANTY

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

### 4. TERMINATION

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

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

- 4.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, provided that if the vessel is at sea such automatic termination shall be deferred until arrival at her next port. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage covered by Clause 6 of this insurance or which would be covered by an insurance of the vessel subject to current Institute War and Strikes Clauses Hulls Time such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society,
- 4.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel, provided that, if the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is at sea or in port.

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

### 5. ASSIGNMENT

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

## 6. PERILS

- 6.1 This insurance covers loss of or damage to the subject-matter insured caused by
- 6.1.1 perils of the seas rivers lakes or other navigable waters
  - 6.1.2 fire, explosion
  - 6.1.3 jettison
  - 6.1.4 piracy
  - 6.1.5 breakdown of or accident to nuclear installations or reactors
  - 6.1.6 contact with aircraft or similar objects, or objects falling therefrom, land
  - 6.1.7 conveyance, dock or harbour equipment or installation
  - 6.1.8 earthquake volcanic eruption or lightning.
- 6.2 This insurance covers loss of or damage to the subject-matter insured caused by
- 6.2.1 accidents in loading discharging or shifting cargo or fuel
  - 6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
  - 6.2.3 negligence of Master Officers Crew or Pilots
  - 6.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
  - 6.2.5 barratry of Master Officers or Crew,
- provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.
- 6.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the vessel.

## 7. POLLUTION HAZARD

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

## 8. 3/4THS COLLISION LIABILITY

- 8.1 The Underwriters agree to indemnify the Assured for three-fourths of any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
- 8.1.1 loss of or damage to any other vessel or property on any other vessel
  - 8.1.2 delay to or loss of use of any such other vessel or property thereon
  - 8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.
- 8.2 The indemnity provided by this Clause 8 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
- 8.2.1 Where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 8 shall be calculated on the principle of crossliabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision.
  - 8.2.2 In no case shall the Underwriters' total liability under Clauses 8.1 and 8.2 exceed their proportionate part of three-fourths of the insured value of the vessel hereby insured in respect of any one collision.
- 8.3 The Underwriters will also pay three-fourths of the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

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

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

## 9. SISTERSHIP

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

## 10. NOTICE OF CLAIM AND TENDERS

- 10.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.
- 10.2 The Underwriters shall be entitled to decide the port to which the vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.
- 10.3 The Underwriters may also take tenders or may require further tenders to be taken for the repair of the vessel. Where such a tender has been taken and a tender is accepted with the approval of the Underwriters, an allowance shall be made at the rate of 30% per annum on the insured value for time lost between the despatch of the invitations to tender required by Underwriters and the acceptance of a tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.

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

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

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

## 11. GENERAL AVERAGE AND SALVAGE

- 11.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.
- 11.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 11.3 When the vessel sails in ballast, not under charter, the provisions of the York Antwerp Rules, 1974 (excluding Rules XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until the arrival of the vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.
- 11.4 No claim under this Clause 11 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 12. DEDUCTIBLE

- 12.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 8, 11 and 13) exceeds {Response} in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found. This

Clause 12.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 13 arising from the same accident or occurrence.

- 12.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage.

The expression "heavy weather" in this Clause 12.2 shall be deemed to include contact with floating ice.

- 12.3 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 12.4 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

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

- 13.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 13.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 13.5) and collision defence or attack costs are not recoverable under this Clause 13.
- 13.3 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.
- 13.4 When expenses are incurred pursuant to this Clause 13 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.
- 13.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel; but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.
- 13.6 The sum recoverable under this Clause 13 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.

### 14. NEW FOR OLD

Claims payable without deduction new for old.

### 15. BOTTOM TREATMENT

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

- 15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 15.2 gritblasting and/or other surface preparation of:  
the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,  
areas of plating damaged during the course of fairing, either in place or ashore,
- 15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above, shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.



## 16. WAGES AND MAINTENANCE

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

## 17. AGENCY COMMISSION

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

## 18. UNREPAIRED DAMAGE

18.1 The measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the vessel at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.

18.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.

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

## 19. CONSTRUCTIVE TOTAL LOSS

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

19.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

## 20. FREIGHT WAIVER

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

## 21. DISBURSEMENTS WARRANTY

21.1 Additional insurances as follows are permitted:

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

21.1.2 Freight, Chartered Freight or Anticipated Freight, insured for time. A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 21.1.1

21.1.3 Freight or Hire, under contracts for voyage. A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 21.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.

21.1.4 Anticipated Freight if the vessel sails in ballast and not under Charter. A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 21.1.2 to be taken into account and only the excess thereof may be insured.

21.1.5 Time Charter Hire or Charter Hire for Series of Voyages. A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 21.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the sums insured under 21.1.2 and 21.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

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



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

21.1.8 Insurance irrespective of amount against:

Any risks excluded by Clauses 23, 24, 25 and 26 below.

21.2 Warranted that no insurance on any interests enumerated in the foregoing 21.1.1 to 21.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 22. RETURNS FOR LAY-UP AND CANCELLATION

22.1 To return as follows:

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

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

(a) {Response} per cent net not under repair

(b) {Response} per cent net under repair.

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

22.2 PROVIDED ALWAYS THAT

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

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

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

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

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

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

## 23. WAR EXCLUSION

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

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

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

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

## 24. STRIKES EXCLUSION

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

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

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

**25. MALICIOUS ACTS EXCLUSION**

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

25.1 the detonation of an explosive

25.2 any weapon of war

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

**26. NUCLEAR EXCLUSION**

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

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**CL280**

**INSTITUTE TIME CLAUSES**

**HULLS**

**RESTRICTED PERILS**

(FOR USE ONLY WITH THE CURRENT MAR POLICY FORM)

This insurance is subject to English law and practice

**1. NAVIGATION**

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

1.2 This insurance shall not be prejudiced by reason of the Assured entering into any contract with pilots or for customary towage which limits or exempts the liability of the pilots and/or tugs and/or towboats and/or their owners when the Assured or their agents accept or are compelled to accept such contracts in accordance with established local law or practice.

1.3 The practice of engaging helicopters for the transportation of personnel, supplies and equipment to and/or from the vessel shall not prejudice this insurance.

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

1.5 In the event of the vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the vessel occurring subsequent to such sailing shall be limited to the market value of the vessel as scrap at the time when the loss or damage is sustained, unless previous notice has been given to the Underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this Clause 1.5 shall affect claims under Clauses 8 and/or 10.

**2. CONTINUATION**

Should the vessel at the expiration of this insurance be at sea and in distress or missing, she shall, provided notice be given to the Underwriters prior to the expiration of this insurance, be held covered until arrival at the next port in good safety, or if in port and in distress until the vessel is made safe, at a pro rata monthly premium.

**3. BREACH OF WARRANTY**

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

**4. CLASSIFICATION**

4.1 It is the duty of the Assured, Owners and Managers at the inception of and throughout the period of this insurance



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to ensure that

- 4.1.1 the vessel is classed with a Classification Society agreed by the Underwriters and that her class within that Society is maintained,
- 4.1.2 any recommendations requirements or restrictions imposed by the vessel's Classification Society which relate to the vessel's seaworthiness or to her maintenance in a seaworthy condition are complied with by the dates required by that Society.
- 4.2 In the event of any breach of the duties set out in Clause 4.1 above, unless the Underwriters agree to the contrary in writing, they will be discharged from liability under this insurance as from the date of the breach provided that if the vessel is at sea at such date the Underwriters' discharge from liability is deferred until arrival at her next port.
- 4.3 Any incident condition or damage in respect of which the vessel's Classification Society might make recommendations as to repairs or other action to be taken by the Assured, Owners or Managers must be promptly reported to the Classification Society.
- 4.4 Should the Underwriters wish to approach the Classification Society directly for information and/or documents, the Assured will provide the necessary authorization.

## 5. TERMINATION

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

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

- 5.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, or any of the Classification Society's periodic surveys becoming overdue unless an extension of time for such survey be agreed by the Classification Society, provided that if the vessel is at sea such automatic termination shall be deferred until arrival at her next port. However where such change, suspension, discontinuance or withdrawal of her Class or where a periodic survey becoming overdue has resulted from loss or damage covered by Clause 6 of this insurance or which would be covered by an insurance of the vessel subject to current Institute War and Strikes Clauses Hulls-Time such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society or in the case of a periodic survey becoming overdue without the Classification Society having agreed an extension of time for such survey,
- 5.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel, provided that, if the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is at sea or in port.

A pro rata daily net return of premium shall be made provided that a total loss of the vessel, whether by insured perils or otherwise, has not occurred during the period covered by this insurance or any extension thereof.

## 6. PERILS

- 6.1 This insurance covers loss of or damage to the subject-matter insured caused by
  - 6.1.1 perils of the seas rivers lakes or other navigable waters
  - 6.1.2 fire, explosion
  - 6.1.3 violent theft by persons from outside the vessel
  - 6.1.4 jettison
  - 6.1.5 piracy
  - 6.1.6 contact with land conveyance, dock or harbour equipment or installation
  - 6.1.7 earthquake volcanic eruption or lightning
  - 6.1.8 accidents in loading discharging or shifting cargo or fuel.
- 6.2 This insurance covers loss of or damage to the subject-matter insured caused by
  - 6.2.1 any latent defect in the machinery or hull
  - 6.2.2 negligence of Pilots provided such Pilots are not a Master, Officer or Member of the Crew of the vessel
  - 6.2.3 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
  - 6.2.4 contact with aircraft, helicopters or similar objects, or objects falling therefrom

provided that such loss or damage has not resulted from want of due diligence by the Assured, Owners, Managers or Superintendents or any of their onshore management.

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

## 7. POLLUTION HAZARD

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

## 8. 3/4THS COLLISION LIABILITY

- 8.1 The Underwriters agree to indemnify the Assured for three-fourths of any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
- 8.1.1 loss of or damage to any other vessel or property on any other vessel
  - 8.1.2 delay to or loss of use of any such other vessel or property thereon
  - 8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.
- 8.2 The indemnity provided by this Clause 8 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
- 8.2.1 where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 8 shall be calculated on the principle of cross liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision,
  - 8.2.2 in no case shall the Underwriters' total liability under Clauses 8.1 and 8.2 exceed their proportionate part of three-fourths of the insured value of the vessel hereby insured in respect of any one collision,
- 8.3 The Underwriters will also pay three-fourths of the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

- 8.4 Provided always that this Clause 8 shall in no case extend to any sum which the Assured shall pay for or in respect of
- 8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
  - 8.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
  - 8.4.3 the cargo or other property on, or the engagements of, the insured vessel
  - 8.4.4 loss of life, personal injury or illness
  - 8.4.5 pollution or contamination, or threat thereof, of any real or personal property or thing whatsoever (except other vessels with which the insured vessel is in collision or property on such other vessels) or damage to the environment, or threat thereof, save that this exclusion shall not extend to any sum which the Assured shall pay for or in respect of salvage remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account.

## 9. SISTERSHIP

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

## 10. GENERAL AVERAGE AND SALVAGE

- 10.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.
- 10.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 10.3 When the vessel sails in ballast, not under charter, the provisions of the York Antwerp Rules, 1994 (excluding Rules XI(d), XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until the arrival of the vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.
- 10.4 No claim under this Clause 10 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.
- 10.5 No claim under this Clause 10 shall in any case be allowed for or in respect of
- 10.5.1 special compensation payable to a salvor under Article 14 of the International Convention on Salvage, 1989 or under any other provision in any statute, rule, law or contract which is similar in substance
- 10.5.2 expenses or liabilities incurred in respect of damage to the environment, or the threat of such damage, or as a consequence of the escape or release of pollutant substances from the vessel, or the threat of such escape or release.
- 10.6 Clause 10.5 shall not however exclude any sum which the Assured shall pay to salvors for or in respect of salvage remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account.

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

- 11.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 11.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 11.5), special compensation and expenses as referred to in Clauses 10.5 and collision defence or attack costs are not recoverable under this Clause 11.
- 11.3 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.
- 11.4 When expenses are incurred pursuant to this Clause 11 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.
- 11.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel, excluding all special compensation and expenses referred to in Clause 10.5; but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.
- 11.6 The sum recoverable under this Clause 11 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.

## 12. DEDUCTIBLE

- 12.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 8, 10 and 11) exceeds the deductible amount agreed in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found.

This Clause 12.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 11 arising from the same accident or occurrence.

- 12.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage. The expression "heavy weather" in this Clause 12.2 shall be deemed to include contact with floating ice.
- 12.3 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 12.4 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

### 13. NOTICE OF CLAIM AND TENDERS

- 13.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice must be given to the Underwriters promptly after the date on which the Assured, Owners or Managers become or should have become aware of the loss or damage and prior to survey so that a surveyor may be appointed if the Underwriters so desire.

If notice is not given to the Underwriters within twelve months of that date unless the Underwriters agree to the contrary in writing, the Underwriters will be automatically discharged from liability for any claim under this insurance in respect of or arising out of such accident or the loss or damage.

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

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

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

- 13.4 In the event of failure by the Assured to comply with the conditions of Clauses 13.2 and/or 13.3 a deduction of 15% shall be made from the amount of the ascertained claim.

### 14. NEW FOR OLD

Claims payable without deduction new for old.

### 15. BOTTOM TREATMENT

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

- 15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 15.2 gritblasting and/or other surface preparation of:  
the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,  
areas of plating damaged during the course of fairing, either in place or ashore,
- 15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,

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

#### 16. WAGES AND MAINTENANCE

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

#### 17. AGENCY COMMISSION

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

#### 18. UNREPAIRED DAMAGE

18.1 The measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the vessel at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.

18.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.

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

#### 19. CONSTRUCTIVE TOTAL LOSS

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

19.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

#### 20. FREIGHT WAIVER

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

#### 21. ASSIGNMENT

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

#### 22. DISBURSEMENTS WARRANTY

22.1 Additional insurances as follows are permitted:

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

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

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

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

22.1.5 *Time Charter Hire or Charter Hire for Series of Voyages.* A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 22.1.2 to be

taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the sums insured under 22.1.2 and 22.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

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

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

22.1.8 *Insurance irrespective of amount against:*

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

22.2 Warranted that no insurance on any interests enumerated in the foregoing 22.1.1 to 22.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

### 23. RETURNS FOR LAY-UP AND CANCELLATION

23.1 To return as follows:

23.1.1 pro rata monthly net for each uncommenced month if this insurance be cancelled by agreement.

23.1.2 for each period of 30 consecutive days the vessel may be laid up in a port or in a lay-up area provided such port or lay-up area is approved by the Underwriters

(a) {Response} per cent net not under repair

(b) {Response} per cent net under repair.

23.1.3 The vessel shall not be considered to be under repair when work is undertaken in respect of ordinary wear and tear of the vessel and/or following recommendations in the vessel's Classification Society survey, but any repairs following loss of or damage to the vessel or involving structural alterations, whether covered by this insurance or otherwise shall be considered as under repair.

23.1.4 If the vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro rata to the number of days under 23.1.2, (a) and (b) respectively.

23.2 PROVIDED ALWAYS THAT

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

23.2.2 in no case shall a return be allowed when the vessel is lying in exposed or unprotected waters, or in a port or lay-up area not approved by the Underwriters

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

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

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

### 24. WAR EXCLUSION

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

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

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

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

## 25. STRIKES EXCLUSION

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

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

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

## 26. MALICIOUS ACTS EXCLUSION

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

26.1 the detonation of an explosive

26.2 any weapon of war

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

## 27. RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE

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

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

27.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

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

1/11/95

**CL280B-95**

### INSTITUTE TIME CLAUSES - HULLS

#### TOTAL LOSS, GENERAL AVERAGE AND 3/4THS COLLISION LIABILITY

(Including Salvage, Salvage Charges and Sue and Labour)

This insurance is subject to English Law and practice

## 1. NAVIGATION

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

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

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

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

## 2. CONTINUATION

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

## 3. BREACH OF WARRANTY

Held covered in case of any breach of warranty as to cargo, trade, locality, towage, salvage services or date of sailing,



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provided notice be given to the Underwriters immediately after receipt of advices and any amended terms of cover and any additional premium required by them be agreed.

#### 4. TERMINATION

This Clause 4 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith. Unless the Underwriters agree to the contrary in writing, this insurance shall terminate automatically at the time of

4.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, provided that if the vessel is at sea such automatic termination shall be deferred until arrival at her next port. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage which would be covered by an insurance of the vessel subject to current Institute Time Clauses Hulls or Institute War and Strikes Clauses Hulls-Time such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society,

4.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel, provided that, if the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast.

However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is at sea or in port.

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

#### 5. ASSIGNMENT

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

#### 6. PERILS

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

6.1.1 perils of the seas rivers lakes or other navigable waters

6.1.2 fire, explosion

6.1.3 violent theft by persons from outside the vessel

6.1.4 jettison

6.1.5 piracy

6.1.6 breakdown of or accident to nuclear Installations or reactors

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

6.1.8 earthquake volcanic eruption or lightning.

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

6.2.1 accidents in loading discharging or shifting cargo or fuel

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

6.2.3 negligence of Master Officers Crew or Pilots

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

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

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

#### 7. POLLUTION HAZARD

This insurance covers total loss (actual or constructive) of the vessel caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the vessel caused by a peril covered by this insurance, provided such act of governmental authority has not resulted from want of due diligence by the Assured, the Owners, or Managers of the vessel or any of them to prevent or mitigate such

hazard or threat. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 7 should they hold shares in the vessel.

## 8. 3/4THS COLLISION LIABILITY

- 8.1 The Underwriters agree to indemnify the Assured for three-fourths of any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
- 8.1.1 loss of or damage to any other vessel or property on any other vessel
  - 8.1.2 delay to or loss of use of any such other vessel or property thereon
  - 8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.
- 8.2 The Indemnity provided by this Clause 8 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
- 8.2.1 Where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 8 shall be calculated on the principle of cross-liabilities as if the respective Owners had been compelled to pay each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision.
  - 8.2.2 In no case shall the Underwriters' total liability under Clauses 8.1 and 8.2 exceed their proportionate part of three-fourths of the insured value of the vessel hereby insured in respect of any one collision.
- 8.3 The Underwriters will also pay three-fourths of the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

- 8.4 Provided always that this Clause 8 shall in no case extend to any sum which the Assured shall pay for or in respect of
- 8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
  - 8.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
  - 8.4.3 the cargo or other property on, or the engagements of the insured vessel
  - 8.4.4 loss of life, personal injury or illness
  - 8.4.5 pollution or contamination of any real or personal property or thing whatsoever (except other vessels with which the insured vessel is in collision or property on such other vessels).

## 9. SISTERSHIP

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

## 10. NOTICE OF CLAIM

In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.

## 11. GENERAL AVERAGE AND SALVAGE

- 11.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance.
- 11.2 **This insurance does not cover partial loss of and/or damage to the vessel except for any proportion of general average loss or damage which may be recoverable under Clause 11.1 above.**
- 11.3 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 11.4 When the vessel sails in ballast, not under charter, the provisions of the Antwerp Rules, 1974 (excluding Rules XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place

of departure until the arrival of the vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.

11.5 No claim under this Clause 11 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 12. DEDUCTIBLE

12.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 8 and 13 exceeds {Response} in which case this sum shall be deducted. This Clause 12.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 13 arising from the same accident or occurrence.

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

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

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

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

13.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 13.5) and collision defence or attack costs are not recoverable under this Clause 13.

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

13.4 When expenses are incurred pursuant to this Clause 13 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.

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

13.6 The sum recoverable under this Clause 13 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.

## 14. NEW FOR OLD

General average payable without deduction new for old.

## 15. AGENCY COMMISSION

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

## 16. CONSTRUCTIVE TOTAL LOSS

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

16.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable

hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

**17. FREIGHT WAIVER**

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

**18. DISBURSEMENTS WARRANTY**

18.1 Additional insurances as follows are permitted:

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

18.1.2 Freight, Chartered Freight or Anticipated Freight, insured for time. A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 18.1.1.

18.1.3 Freight or Hire, under contracts for voyage. A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 18.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.

18.1.4 Anticipated Freight if the vessel sails in ballast and not under Charter. A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 18.1.2 to be taken into account and only the excess thereof may be insured.

18.1.5 Time Charter Hire or Charter Hire for Series of voyages. A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 18.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the sums insured under 18.1.2 and 18.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

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

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

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

18.2 Warranted that no insurance on any interests enumerated in the foregoing 18.1.1 to 18.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like terms, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

**19. RETURNS FOR LAY-UP AND CANCELLATION**

19.1 To return as follows:

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

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

(a) {Response} per cent net not under repair

(b) {Response} per cent net under repair.

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

19.2 PROVIDED ALWAYS THAT

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

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

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

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

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

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

## 20. WAR EXCLUSION

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

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

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

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

## 21. STRIKES EXCLUSION

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

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

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

## 22. MALICIOUS ACTS EXCLUSION

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

22.1 the detonation of an explosive

22.2 any weapon of war

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

## 23. NUCLEAR EXCLUSION

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

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### INSTITUTE TIME CLAUSES - HULLS

#### TOTAL LOSS ONLY

(Including Salvage, Salvage Charges and Sue and Labour)

This insurance is subject to English law and practice

## 1. NAVIGATION

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



- 1.2 In the event of the vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the vessel from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.
- 1.3 In the event of the vessel sailing (with or without cargo) with an intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the vessel occurring subsequent to such sailing shall be limited to the market value of the vessel as scrap at the time when the loss or damage is sustained, unless previous notice has been given to the Underwriters and any amendments to the terms of cover, insured value and premium required by them have been agreed. Nothing in this Clause 1.3 shall affect claims under Clause 9.

## 2. CONTINUATION

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

## 3. BREACH OF WARRANTY

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

## 4. TERMINATION

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

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

- 4.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, provided that if the vessel is at sea such automatic termination shall be deferred until arrival at her next port.

However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage which would be covered by an insurance of the vessel subject to current Institute Time Clauses Hulls or Institute War and Strikes Clauses Hulls-Time such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society,

- 4.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel, provided that, if the vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is at sea or in port.

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

## 5. ASSIGNMENT

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

## 6. PERILS

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



equipment or installation

6.1.8 earthquake volcanic eruption or lightning.

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

6.2.1 accidents in loading discharging or shifting cargo or fuel

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

6.2.3 negligence of Master Officers Crew or Pilots

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

6.2.5 barratry of Master Officers or Crew,

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

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

## 7. POLLUTION HAZARD

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

## 8. NOTICE OF CLAIM

8.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.

## 9. SALVAGE

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

9.2 No claim under this Clause 9 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 10. SISTERSHIP

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

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

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

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

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

11.4 When expenses are incurred pursuant to this Clause 11 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouing exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.

11.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel;

but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.

11.6 The sum recoverable under this Clause 11 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.

## 12. CONSTRUCTIVE TOTAL LOSS

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

12.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

## 13. FREIGHT WAIVER

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

## 14. DISBURSEMENTS WARRANTY

14.1 Additional insurances as follows are permitted:

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

14.1.2 Freight, Chartered Freight or Anticipated Freight, insured for time. A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 14.1.1

14.1.3 Freight or Hire, under contracts for voyage. A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 14.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.

14.1.4 Anticipated Freight if the vessel sails in ballast and not under Charter. A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 14.1.2 to be taken into account and only the excess thereof may be insured.

14.1.5 Time Charter Hire or Charter Hire for Series of Voyages. A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 14.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the sums insured under 14.1.2 and 14.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

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

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

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

14.2 Warranted that no insurance on any interests enumerated in the foregoing 14.1.1 to 14.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 15. RETURNS FOR LAY-UP AND CANCELLATION

15.1 To return as follows:

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

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

(a) {Response} per cent net not under repair

(b) {Response} per cent net under repair.

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

**15.2 PROVIDED ALWAYS THAT**

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

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

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

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

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

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

**16. WAR EXCLUSION**

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

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

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

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

**17. STRIKES EXCLUSION**

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

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

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

**18. MALICIOUS ACTS EXCLUSION**

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

18.1 the detonation of an explosive

18.2 any weapon of war

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

**19. NUCLEAR EXCLUSION**

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

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## INSTITUTE WAR AND STRIKES CLAUSES

### Hulls-Time

This insurance is subject to English law and practice

#### 1 PERILS

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

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

#### 2 INCORPORATION

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

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

#### 3 DETAINMENT

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

#### 4 EXCLUSIONS

This insurance excludes

- 4.1 loss damage liability or expense arising from
  - 4.1.1 any detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, hereinafter called a nuclear weapon of war
  - 4.1.2 the outbreak of war (whether there be a declaration of war or not) between any of the following countries: United Kingdom, United States of America, France, the Union of Soviet Socialist Republics, the People's Republic of China
  - 4.1.3 requisition or pre-emption
  - 4.1.4 capture seizure arrest restraint detention confiscation or expropriation by or under the order of the government or any public or local authority of the country in which the Vessel is owned or registered
  - 4.1.5 arrest restraint detention confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations
  - 4.1.6 the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
  - 4.1.7 piracy (but this exclusion shall not affect cover under Clause 1.4),
- 4.2 loss damage liability or expense covered by the Institute Time Clauses-Hulls 1/10/83 (including 4/4ths Collision Clause) or which would be recoverable thereunder but for Clause 12 thereof,
- 4.3 any claim for any sum recoverable under any other insurance on the Vessel or which would be recoverable under such insurance but for the existence of this insurance,
- 4.4 any claim for expenses arising from delay except such expenses as would be recoverable in principle in English law and practice under the York-Antwerp Rules 1974.

#### 5 TERMINATION

- 5.1 This insurance may be cancelled by either the Underwriters or the Assured giving 7 days notice (such cancellation becoming effective on the expiry of 7 days from midnight of the day on which notice of cancellation is issued by or



to the Underwriters). The Underwriters agree however to reinstate this insurance subject to agreement between the Underwriters and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

- 5.2 Whether or not such notice of cancellation has been given this insurance shall TERMINATE AUTOMATICALLY
- 5.2.1 upon the occurrence of any hostile detonation of any nuclear weapon of war as defined in Clause 4.1.1 wheresoever or whensoever such detonation may occur and whether or not the Vessel may be involved
- 5.2.2 upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries:  
United Kingdom, United States of America, France,  
the Union of Soviet Socialist Republics,  
the People's Republic of China
- 5.2.3 in the event of the Vessel being requisitioned, either for title or use.
- 5.3 In the event either of cancellation by notice or of automatic termination of this insurance by reason of the operation of this Clause 5, or of the sale of the Vessel, pro rata net return of premium shall be payable to the Assured.

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

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## INSTITUTE VOYAGE CLAUSES HULLS

This insurance is subject to English law and practice

### 1 NAVIGATION

- 1.1 The Vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1.1 shall not exclude customary towage in connection with loading and discharging.
- 1.2 In the event of the Vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the Vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice that the Vessel is to be employed in such operations has been given to the Underwriters and any amended terms of cover and any additional premium required by them have been agreed.

### 2 CHANGE OF VOYAGE

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

### 3 ASSIGNMENT

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

### 4 PERILS

- 4.1 This insurance covers loss of or damage to the subject-matter insured caused by
- 4.1.1 perils of the seas rivers lakes or other navigable waters
- 4.1.2 fire, explosion
- 4.1.3 violent theft by persons from outside the Vessel
- 4.1.4 jettison
- 4.1.5 piracy
- 4.1.6 breakdown of or accident to nuclear installations or reactors



- 4.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation
- 4.1.8 earthquake volcanic eruption or lightning.
- 4.2 This insurance covers loss of or damage to the subject-matter insured caused by
  - 4.2.1 accidents in loading discharging or shifting cargo or fuel
  - 4.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
  - 4.2.3 negligence of Master Officers Crew or Pilots
  - 4.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
  - 4.2.5 barratry of Master Officers or Crew,
 provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.
- 4.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 4 should they hold shares in the Vessel.

## 5 POLLUTION HAZARD

This insurance covers loss of or damage to the Vessel caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the Vessel for which the Underwriters are liable under this insurance, provided such act of governmental authority has not resulted from want of due diligence by the Assured, the Owners, or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 5 should they hold shares in the Vessel.

## 6 3/4THS COLLISION LIABILITY

- 6.1 The Underwriters agree to indemnify the Assured for three-fourths of any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
  - 6.1.1 loss of or damage to any other vessel or property on any other vessel
  - 6.1.2 delay to or loss of use of any such other vessel or property thereon
  - 6.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel.
- 6.2 The indemnity provided by this Clause 6 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
  - 6.2.1 Where the insured Vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 6 shall be calculated on the principle of cross-liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision.
  - 6.2.2 In no case shall the Underwriters' total liability under Clauses 6.1 and 6.2 exceed their proportionate part of three-fourths of the insured value of the Vessel hereby insured in respect of any one collision.
- 6.3 The Underwriters will also pay three-fourths of the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

- 6.4 Provided always that this Clause 6 shall in no case extend to any sum which the Assured shall pay for or in respect of
  - 6.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
  - 6.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
  - 6.4.3 the cargo or other property on, or the engagements of, the insured Vessel
  - 6.4.4 loss of life, personal injury or illness
  - 6.4.5 pollution or contamination of any real or personal property or thing whatsoever (except other vessels with which the insured Vessel is in collision or property on such other vessels).

## 7 SISTERSHIP

Should the Vessel hereby insured come into collision with or receive salvage services from another vessel belonging

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

## 8 NOTICE OF CLAIM AND TENDERS

- 8.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the Vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.
- 8.2 The Underwriters shall be entitled to decide the port to which the Vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.
- 8.3 The Underwriters may also take tenders or may require further tenders to be taken for the repair of the Vessel. Where such a tender has been taken and a tender is accepted with the approval of the Underwriters, an allowance shall be made at the rate of 30% per annum on the insured value for time lost between the despatch of the invitations to tender required by Underwriters and the acceptance of a tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.

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

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

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

## 9 GENERAL AVERAGE AND SALVAGE

- 9.1 This insurance covers the Vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the Vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.
- 9.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 9.3 When the Vessel sails in ballast, not under charter, the provisions of the York Antwerp Rules, 1974 (excluding Rules XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until the arrival of the Vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.
- 9.4 No claim under this Clause 9 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 10 DEDUCTIBLE

- 10.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 6, 9 and 11) exceeds {Response} in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found. This Clause 10.1 shall not apply to a claim for total or constructive total loss of the Vessel, or in the event of such a claim, to any associated claim under Clause 11 arising from the same accident or occurrence.
- 10.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage. The expression "heavy weather" in this Clause 10.2 shall be deemed to include contact with floating ice.
- 10.3 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any



recoveries exceeds the above deductible.

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

## 11 DUTY OF ASSURED (SUE AND LABOUR)

- 11.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 11.2 Subject to the provisions below and to Clause 10 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 11.5) and collision defence or attack costs are not recoverable under this Clause 11.
- 11.3 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.
- 11.4 When expenses are incurred pursuant to this Clause 11 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the Vessel as stated herein, or to the sound value of the Vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.
- 11.5 When a claim for total loss of the Vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the Vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the Vessel; but if the Vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.
- 11.6 The sum recoverable under this Clause 11 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the Vessel.

## 12 NEW FOR OLD

Claims payable without deduction new for old.

## 13 BOTTOM TREATMENT

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

- 13.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 13.2 gritblasting and/or other surface preparation of:  
the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,  
areas of plating damaged during the course of fairing, either in place or ashore,
- 13.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 13.1 and 13.2 above,  
shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

## 14 WAGES AND MAINTENANCE

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

## 15 AGENCY COMMISSION

In no case shall any sum be allowed under this insurance either by way of remuneration of the Assured for time and

trouble taken to obtain and supply information or documents or in respect of the commission or charges of any manager, agent, managing or agency company or the like, appointed by or on behalf of the Assured to perform such services.

## 16 UNREPAIRED DAMAGE

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

## 17 CONSTRUCTIVE TOTAL LOSS

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

## 18 FREIGHT WAIVER

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

## 19 DISBURSEMENTS WARRANTY

- 19.1 Additional insurances as follows are permitted:
- 19.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.
- 19.1.2 Freight, Chartered Freight or Anticipated Freight, insured for time. A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 19.1.1.
- 19.1.3 Freight or Hire, under contracts for voyage. A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 19.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.
- 19.1.4 Anticipated Freight if the Vessel sails in ballast and not under Charter. A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 19.1.2 to be taken into account and only the excess thereof may be insured.
- 19.1.5 Time Charter Hire or Charter Hire for Series of Voyages. A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 19.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the sums insured under 19.1.2 and 19.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.
- 19.1.6 Premiums. A sum not exceeding the actual premiums of all interests insured for a period not exceeding 12 months (excluding premiums insured under the foregoing sections but including, if required, the premium or estimated calls on any Club or War etc. Risk insurance) reducing pro rata monthly.
- 19.1.7 Returns of Premium. A sum not exceeding the actual returns which are allowable under any insurance but which would not be recoverable thereunder in the event of a total loss of the Vessel whether by insured perils or otherwise.
- 19.1.8 Insurance irrespective of amount against: Any risks excluded by Clauses 20, 21, 22 and 23 below.
- 19.2 Warranted that no insurance on any interests enumerated in the foregoing 19.1.1 to 19.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the Vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured,



Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

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

## 20 WAR EXCLUSION

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

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

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

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

## 21 STRIKES EXCLUSION

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

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

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

## 22 MALICIOUS ACTS EXCLUSION

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

22.1 the detonation of an explosive

22.2 any weapon of war

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

## 23 NUCLEAR EXCLUSION

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

1/10/83

CL285

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

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

#### 1. CANCELLATION

Cover hereunder in respect of the risks of war, etc. may be cancelled by either the Underwriters or the Assured giving 7 days notice (such cancellation becoming effective on the expiry of 7 days from midnight of the day on which notice of cancellation is issued by or to the Underwriters). The Underwriters agree however to reinstate cover subject to agreement between the Underwriters and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

#### 2. AUTOMATIC TERMINATION OF COVER

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

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

United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;

2.2 in respect of any vessel, in connection with which cover is granted hereunder, in the event of such vessel being requisitioned either for title or use.

#### 3. FIVE POWERS WAR AND NUCLEAR EXCLUSIONS

This insurance excludes

3.1 loss damage liability or expense arising from

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

United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;



- 3.1.2 requisition either for title or use.
- 3.2 loss damage liability or expense directly or indirectly caused by or arising from
- 3.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 3.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 3.2.3 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

#### 4. Law and Practice

This clause is subject to English law and practice.

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

1/1/95

CL359

### INSTITUTE TIME CLAUSES HULLS PORT RISKS including LIMITED NAVIGATION

This insurance is subject to English law and practice

#### 1. NAVIGATION

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

#### 2. CONTINUATION

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

#### 3. TERMINATION

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

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

- 3.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein, provided that if the vessel is at sea such automatic termination shall be deferred until arrival at her next port. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage covered by Clause 5 of this insurance or which would be covered by an insurance of the vessel subject to current Institute War and Strikes Clauses Hulls-Time such automatic termination shall only operate should the vessel sail from her next port without the prior approval of the Classification Society,
- 3.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is in port or at sea.

#### 4. ASSIGNMENT

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

#### 5. PERILS

- 5.1 This insurance covers loss of or damage to the subject-matter insured caused by
- 5.1.1 perils of the seas rivers lakes or other navigable waters
- 5.1.2 fire lightning explosion

- 5.1.3 violent theft by persons from outside the vessel
- 5.1.4 jettison
- 5.1.5 piracy
- 5.1.6 breakdown of or accident to nuclear installations or reactors
- 5.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation.
- 5.2 This insurance covers loss of or damage to the subject-matter insured caused by
  - 5.2.1 accidents in loading discharging or shifting cargo or fuel
  - 5.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
  - 5.2.3 negligence of Master Officers Crew or Pilots
  - 5.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
  - 5.2.5 barratry of Master Officers or Crew,
    - provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.
- 5.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 5 should they hold shares in the vessel.

## 6. EARTHQUAKE AND VOLCANIC ERUPTION EXCLUSION

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

## 7. POLLUTION HAZARD

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

## 8. COLLISION LIABILITY

- 8.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
  - 8.1.1 loss of or damage to any other vessel or property on any other vessel
  - 8.1.2 delay to or loss of use of any such other vessel or property thereon
  - 8.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.
- 8.2 The indemnity provided by this Clause 8 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
  - 8.2.1 Where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 8 shall be calculated on the principle of cross-liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision.
  - 8.2.2 In no case shall the Underwriters' total liability under Clauses 8.1 and 8.2 exceed their proportionate part of the insured value of the vessel hereby insured in respect of any one such collision.
- 8.3 The Underwriters will also pay the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

- 8.4 Provided always that this Clause 8 shall in no case extend to any sum which the Assured shall pay for or in respect of
  - 8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

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

## 9. SISTERSHIP

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

## 10. PROTECTION AND INDEMNITY

10.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable, as owner of the vessel, for any claim, demand, damages and/or expenses, where such liability is in consequence of any of the following matters or things and arises from an accident or occurrence during the period of this insurance:

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

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

- 10.2.1 the additional cost of fuel, insurance, wages, stores, provisions and port charges reasonably incurred solely for the purpose of landing from the vessel sick or injured persons or stowaways, refugees, or persons saved at sea
- 10.2.2 additional expenses brought about by the outbreak of infectious disease on board the vessel or ashore
- 10.2.3 fines imposed on the vessel, on the Assured, or on any Master Officer crew member or agent of the vessel who is reimbursed by the Assured, for any act or neglect or breach of any statute or regulation relating to the operation of the vessel, provided that the Underwriters shall not be liable to indemnify the Assured for any fines which result from any act neglect failure or default of the Assured their agents or servants other than Master Officer or crew member
- 10.2.4 the expenses of the removal of the wreck of the vessel from any place owned, leased or occupied by the Assured
- 10.2.5 legal costs incurred by the Assured, or which the Assured may be compelled to pay, in avoiding, minimising or contesting liability with the prior written consent of the Underwriters.

## EXCLUSIONS

10.3 Notwithstanding the provisions of Clauses 10.1 and 10.2 this Clause 10 does not cover any liability cost or expense arising in respect of:

- 10.3.1 any direct or indirect payment by the Assured under workmen's compensation or employers' liability acts and any other statutory or common law, general maritime law or other liability whatsoever in respect of accidents to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured or others in on or about or in connection with the vessel or her cargo, materials or repairs
- 10.3.2 liability assumed by the Assured under agreement expressed or implied in respect of death or illness of or injury to any person employed under a contract of service or apprenticeship by the other party to such agreement

- 10.3.3 punitive or exemplary damages, however described
- 10.3.4 cargo or other property carried, to be carried or which has been carried on board the vessel but this Clause 10.3.4 shall not exclude any claim in respect of the extra cost of removing cargo from the wreck of the vessel
- 10.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the vessel
- 10.3.6 liability arising under a contract or indemnity in respect of containers, equipment, fuel or other property on board the vessel and which is owned or leased by the Assured
- 10.3.7 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, belonging to persons on board the vessel, or non-essential personal effects of any Master, Officer or crew member
- 10.3.8 fuel, insurance, wages, stores, provisions and port charges arising from delay to the vessel while awaiting a substitute for any Master, Officer or crew member
- 10.3.9 fines or penalties arising from overloading or illegal fishing
- 10.3.10 pollution or contamination of any real or personal property or thing whatsoever (This Clause 10.3.10 shall not exclude any amount recoverable under Clause 10.1.5)
- 10.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable under Clauses 8, 12 and 14 by reason of the agreed value and/or the amount insured in respect of the vessel being inadequate.
- 10.4 The indemnity provided by this Clause 10 shall be in addition to the indemnity provided by the other terms and conditions of this insurance.
- 10.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 10 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.
- 10.6 In no case shall the Underwriters' liability under this Clause 10 in respect of each separate accident or occurrence or series of accidents arising out of the same event, exceed their proportionate part of the insured value of the vessel.
- 10.7 PROVIDED ALWAYS THAT
  - 10.7.1 prompt notice must be given to the Underwriters of every casualty event or claim upon the Assured which may give rise to a claim under this Clause 10 and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured under this Clause 10.
  - 10.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this Clause 10 without the prior written consent of the Underwriters.

## 11. NOTICE OF CLAIM AND TENDERS

- 11.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.
- 11.2 The Underwriters shall be entitled to decide the port to which the vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.
- 11.3 The Underwriters may also take tenders or may require further tenders to be taken for the repair of the vessel. Where such a tender has been taken and a tender is accepted with the approval of the Underwriters, an allowance shall be made at the rate of 30% per annum on the insured value for time lost between the despatch of the invitations to tender required by Underwriters and the acceptance of a tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.  
Due credit shall be given against the allowance as above for any amounts recovered in respect of fuel and stores and wages and maintenance of the Master Officers and Crew or any member thereof, including amounts allowed in general average, and for any amounts recovered from third parties in respect of damages for detention and/or loss of profit and/or running expenses, for the period covered by the tender allowance or any part thereof.  
Where a part of the cost of the repair of damage other than a fixed deductible is not recoverable from the Underwriters the allowance shall be reduced by a similar proportion.
- 11.4 In the event of failure to comply with the conditions of this Clause 11, a deduction of 15% shall be made from the amount of the ascertained claim.

## 12. GENERAL AVERAGE AND SALVAGE

- 12.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.
- 12.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 12.3 When the vessel sails in ballast, not under charter, the provisions of the York Antwerp Rules, 1974 (excluding Rules XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until the arrival of the vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.
- 12.4 No claim under this Clause 12 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 13. DEDUCTIBLE

- 13.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 8, 10, 12 and 14) exceeds {Response} in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found. This Clause 13.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 14 arising from the same accident or occurrence.
- 13.2 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 13.3 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

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

- 14.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 14.2 Subject to the provisions below and to Clause 13 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 14.5) collision defence or attack costs and costs incurred by the Assured in avoiding, minimising or contesting liability covered by Clause 10 are not recoverable under this Clause 14.
- 14.3 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.
- 14.4 When expenses are incurred pursuant to this Clause 14 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.
- 14.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel; but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.
- 14.6 The sum recoverable under this Clause 14 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.



**15. NEW FOR OLD**

Claims payable without deduction new for old.

**16. BOTTOM TREATMENT**

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

- 16.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 16.2 gritblasting and/or other surface preparation of:  
the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,  
areas of plating damaged during the course of fairing, either in place or ashore,
- 16.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 16.1 and 16.2 above, shall be allowed as part of the reasonable cost of repairs in respect of bottom plating damaged by an insured peril.

**17. WAGES AND MAINTENANCE**

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

**18. AGENCY COMMISSION**

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

**19. UNREPAIRED DAMAGE**

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

**20. CONSTRUCTIVE TOTAL LOSS**

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

**21. FREIGHT WAIVER**

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

**22. DISBURSEMENTS WARRANTY**

- 22.1 Additional insurances as follows are permitted
  - 22.1.1 *Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.* A sum not exceeding 25% of the value stated herein.
  - 22.1.2 *Freight, Chartered Freight or Anticipated Freight, insured for time.* A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 22.1.1.
  - 22.1.3 *Freight or Hire, under contracts for voyage.* A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where



payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the freight or hire is advanced or earned by the gross amount so advanced or earned.

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

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

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

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

22.1.8 *Insurance irrespective of amount against:* Any risks excluded by Clauses 6, 24, 25, 26 and 27.

22.2 Warranted that no insurance on any interests enumerated in the foregoing 22.1.1 to 22.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 23. RETURNS FOR CANCELLATION

To return pro rata monthly net for each uncommenced month if this insurance be cancelled either by agreement or by the operation of Clause 3 provided that a total loss of the vessel, whether by insured perils or otherwise, has not occurred during the period of this insurance or any extension thereof.

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

## 24. WAR EXCLUSION

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

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

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

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

## 25. STRIKES EXCLUSION

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

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

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

## 26. MALICIOUS ACTS EXCLUSION

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

26.1 the detonation of an explosive

26.2 any weapon of war

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

## 27. NUCLEAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing atomic

or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

20/7/87

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**INSTITUTE TIME CLAUSES HULLS  
PORT RISKS**

This insurance is subject to English law and practice

**1. NAVIGATION**

The vessel has leave to proceed to and from any wet or dry docks harbours ways cradles and pontoons, within the limits specified in this insurance.

**2. TERMINATION**

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

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

- 2.1 change of the Classification Society of the vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein. However where such change, suspension, discontinuance or withdrawal of her Class has resulted from loss or damage covered by Clause 4 of this insurance or which would be covered by an insurance of the vessel subject to current Institute War and Strikes Clauses Hulls Time such automatic termination shall not operate.
- 2.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title or use of the vessel. However, in the event of requisition for title or use without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such requisition whether the vessel is in port or at sea.

**3. ASSIGNMENT**

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

**4. PERILS**

- 4.1 This insurance covers loss of or damage to the subject-matter insured caused by
  - 4.1.1 perils of the seas rivers lakes or other navigable waters
  - 4.1.2 fire lightning explosion
  - 4.1.3 violent theft by persons from outside the vessel
  - 4.1.4 jettison
  - 4.1.5 piracy
  - 4.1.6 breakdown of or accident to nuclear installations or reactors
  - 4.1.7 contact with aircraft or similar objects, or objects falling therefrom, land conveyance, dock or harbour equipment or installation.
- 4.2 This insurance covers loss of or damage to the subject-matter insured caused by
  - 4.2.1 accidents in loading discharging or shifting cargo or fuel
  - 4.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
  - 4.2.3 negligence of Master Officers Crew or Pilots
  - 4.2.4 negligence of repairers or charterers provided such repairers or charterers are not an Assured hereunder
  - 4.2.5 barratry of Master Officers or Crew,  
provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.
- 4.3 Master Officers Crew or Pilots not to be considered Owners within the meaning of this Clause 4 should they hold shares in the vessel.



## 5. EARTHQUAKE AND VOLCANIC ERUPTION EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by earthquake or volcanic eruption. This exclusion applies to all claims including claims under Clauses 7, 9, 11 and 13.

## 6. POLLUTION HAZARD

This insurance covers loss of or damage to the vessel caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the vessel for which the Underwriters are liable under this insurance, provided such act of governmental authority has not resulted from want of due diligence by the Assured, the Owners, or Managers of the vessel or any of them to prevent or mitigate such hazard or threat. Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 6 should they hold shares in the vessel.

## 7. COLLISION LIABILITY

- 7.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for
- 7.1.1 loss of or damage to any other vessel or property on any other vessel
  - 7.1.2 delay to or loss of use of any such other vessel or property thereon
  - 7.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.
- 7.2 The indemnity provided by this Clause 7 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:
- 7.2.1 Where the insured vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 7 shall be calculated on the principle of cross-liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision.
  - 7.2.2 In no case shall the Underwriters' total liability under Clauses 7.1 and 7.2 exceed their proportionate part of the insured value of the vessel hereby insured in respect of any one such collision.
- 7.3 The Underwriters will also pay the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

## EXCLUSIONS

- 7.4 Provided always that this Clause 7 shall in no case extend to any sum which the Assured shall pay for or in respect of
- 7.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
  - 7.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
  - 7.4.3 the cargo or other property on, or the engagements of, the insured vessel
  - 7.4.4 loss of life, personal injury or illness
  - 7.4.5 pollution or contamination of any real or personal property or thing whatsoever (except other vessels with which the insured vessel is in collision or property on such other vessels).

## 8. SISTERSHIP

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

## 9. PROTECTION AND INDEMNITY

- 9.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable, as owner of the vessel, for any claim, demand, damages and/or expenses, where such liability is in consequence of any of the following matters or things and arises from an accident or occurrence during the period of this insurance:
- 9.1.1 loss of or damage to any fixed or movable object or property or other thing or interest whatsoever, other than



- the vessel, arising from any cause whatsoever in so far as such loss or damage is not covered by Clause 7
- 9.1.2 any attempted or actual raising, removal or destruction of any fixed or movable object or property or other thing, including the wreck of the vessel, or any neglect or failure to raise, remove, or destroy the same
  - 9.1.3 liability assumed by the Assured under contracts of customary towage for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading
  - 9.1.4 loss of life, personal injury, illness or payments made for life salvage
  - 9.1.5 liability under Clause 1(a) of the current Lloyd's Standard Form of Salvage Agreement in respect of unsuccessful, partially successful, or uncompleted services if and to the extent that the salvor's expenses plus the increment exceed any amount otherwise recoverable under the Agreement.
- 9.2 The Underwriters agree to indemnify the Assured for any of the following arising from an accident or occurrence during the period of this insurance:
- 9.2.1 the additional cost of fuel, insurance, wages, stores, provisions and port charges reasonably incurred solely for the purpose of landing from the vessel sick or injured persons or stowaways, refugees, or persons saved at sea
  - 9.2.2 additional expenses brought about by the outbreak of infectious disease on board the vessel or ashore
  - 9.2.3 fines imposed on the vessel, on the Assured, or on any Master Officer crew member or agent of the vessel who is reimbursed by the Assured, for any act or neglect or breach of any statute or regulation relating to the operation of the vessel, provided that the Underwriters shall not be liable to indemnify the Assured for any fines which result from any act neglect failure or default of the Assured their agents or servants other than Master Officer or crew member
  - 9.2.4 the expenses of the removal of the wreck of the vessel from any place owned, leased or occupied by the Assured
  - 9.2.5 legal costs incurred by the Assured, or which the Assured may be compelled to pay, in avoiding, minimising or contesting liability with the prior written consent of the Underwriters.

## EXCLUSIONS

- 9.3 Notwithstanding the provisions of Clauses 9.1 and 9.2 this Clause 9 does not cover any liability cost or expense arising in respect of:
- 9.3.1 any direct or indirect payment by the Assured under workmen's compensation or employers' liability acts and any other statutory or common law liability in respect of accidents to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured or others in on or about or in connection with the vessel or her cargo, materials or repairs
  - 9.3.2 liability assumed by the Assured under agreement expressed or implied in respect of death or illness of or injury to any person employed under a contract of service or apprenticeship by the other party to such agreement
  - 9.3.3 punitive or exemplary damages, however described
  - 9.3.4 cargo or other property carried, to be carried or which has been carried on board the vessel but this Clause 9.3.4 shall not exclude any claim in respect of the extra cost of removing cargo from the wreck of the vessel
  - 9.3.5 property, owned by builders or repairers or for which they are responsible, which is on board the vessel
  - 9.3.6 liability arising under a contract or indemnity in respect of containers, equipment, fuel or other property on board the vessel and which is owned or leased by the Assured
  - 9.3.7 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, belonging to persons on board the vessel, or non-essential personal effects of any Master, Officer or crew member
  - 9.3.8 fuel, insurance, wages, stores, provisions and port charges arising from delay to the vessel while awaiting a substitute for any Master, Officer or crew member
  - 9.3.9 fines or penalties arising from overloading or illegal fishing
  - 9.3.10 pollution or contamination of any real or personal property or thing whatsoever (This Clause 9.3.10 shall not exclude any amount recoverable under Clause 9.1.5)
  - 9.3.11 general average, sue and labour and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable under Clauses 7, 11 and 13 by reason of the agreed value and/or the amount insured in respect of the vessel being inadequate.
- 9.4 The indemnity provided by this Clause 9 shall be in addition to the indemnity provided by the other terms and



conditions of this insurance.

- 9.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 9 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.
- 9.6 In no case shall the Underwriters' liability under this Clause 9 in respect of each separate accident or occurrence or series of accidents arising out of the same event, exceed their proportionate part of the insured value of the vessel.
- 9.7 PROVIDED ALWAYS THAT
- 9.7.1 prompt notice must be given to the Underwriters of every casualty event or claim upon the Assured which may give rise to a claim under this Clause 9 and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured under this Clause 9.
- 9.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this Clause 9 without the prior written consent of the Underwriters.

## 10. NOTICE OF CLAIM AND TENDERS

- 10.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.
- 10.2 The Underwriters shall be entitled to decide the port to which the vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.
- 10.3 The Underwriters may also take tenders or may require further tenders to be taken for the repair of the vessel. Where such a tender has been taken and a tender is accepted with the approval of the Underwriters, an allowance shall be made at the rate of 30% per annum on the insured value for time lost between the despatch of the invitations to tender required by Underwriters and the acceptance of a tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.
- Due credit shall be given against the allowance as above for any amounts recovered in respect of fuel and stores and wages and maintenance of the Master Officers and Crew or any member thereof, including amounts allowed in general average, and for any amounts recovered from third parties in respect of damages for detention and/or loss of profit and/or running expenses, for the period covered by the tender allowance or any part thereof.
- Where a part of the cost of the repair of damage other than a fixed deductible is not recoverable from the Underwriters the allowance shall be reduced by a similar proportion.
- 10.4 In the event of failure to comply with the conditions of this Clause 10, a deduction of 15% shall be made from the amount of the ascertained claim.

## 11. GENERAL AVERAGE AND SALVAGE

- 11.1 This insurance covers the vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the vessel the Assured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.
- 11.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 11.3 No claim under this Clause 11 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 12. DEDUCTIBLE

- 12.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 7, 9, 11 and 13) exceeds {Response} in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found. This Clause 12.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 13 arising from the same accident or occurrence.
- 12.2 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 12.3 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account

the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

**13. DUTY OF ASSURED (SUE AND LABOUR)**

- 13.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 13.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 13.5) collision defence or attack costs and costs incurred by the Assured in avoiding, minimising or contesting liability covered by Clause 9 are not recoverable under this Clause 13.
- 13.3 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.
- 13.4 When expenses are incurred pursuant to this Clause 13 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the vessel as stated herein, or to the sound value of the vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Underwriters have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouring exceed the value of such property saved and then shall apply only to the amount of the expenses which is in excess of such value.
- 13.5 When a claim for total loss of the vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be regarded as having been incurred in respect of the vessel; but if the vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under-insurance.
- 13.6 The sum recoverable under this Clause 13 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the vessel.

**14. NEW FOR OLD**

Claims payable without deduction new for old.

**15. BOTTOM TREATMENT**

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

- 15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto,
- 15.2 gritblasting and/or other surface preparation of:
  - the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,
  - areas of plating damaged during the course of fairing, either in place or ashore,
- 15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,

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

**16. WAGES AND MAINTENANCE**

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

**17. AGENCY COMMISSION**

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



## 18. UNREPAIRED DAMAGE

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

## 19. CONSTRUCTIVE TOTAL LOSS

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

## 20. DISBURSEMENTS WARRANTY

- 20.1 Additional insurances as follows are permitted:
- 20.1.1 *Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery.* A sum not exceeding 25% of the value stated herein.
- 20.1.2 *Earnings or Anticipated Freight, insured for time.* A sum not exceeding 25% of the value as stated herein less any sum insured, however described, under 20.1.1.
- 20.1.3 *Freight or Hire, under contracts for voyage.* A sum not exceeding the gross freight or hire for the first passage and next succeeding cargo passage plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 20.1.2 to be taken into account and only the excess thereof may be insured.
- 20.1.4 *Time Charter Hire or Charter Hire for Series of Voyages.* A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 20.1.2 to be taken into account and only the excess thereof may be insured. An insurance under this Section may begin on the signing of the charter.
- 20.1.5 *Premiums.* A sum not exceeding the actual premiums of all interests insured for a period not exceeding 12 months (excluding premiums insured under the foregoing sections but including, if required, the premium or estimated calls on any Club or War etc. Risk insurance) reducing pro rata monthly.
- 20.1.6 *Returns of Premium.* A sum not exceeding the actual returns which are allowable under any insurance but which would not be recoverable thereunder in the event of a total loss of the vessel whether by insured perils or otherwise.
- 20.1.7 *Insurance irrespective of amount against:*  
Any risks excluded by Clauses 5, 22, 23, 24 and 25.
- 20.2 Warranted that no insurance on any interests enumerated in the foregoing 20.1.1 to 20.1.6 in excess of amounts permitted therein and no other insurance which includes total loss of the vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for account of the Assured, Owners, Managers or Mortgagees. Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 21. RETURNS FOR CANCELLATION

To return pro rata monthly net for each uncommenced month if this insurance be cancelled either by agreement or by the operation of Clause 2 provided that a total loss of the vessel, whether by insured perils or otherwise, has not occurred during the period of this insurance or any extension thereof.

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

## 22. WAR EXCLUSION

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

- 22.1 war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a

belligerent power

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

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

**23. STRIKES EXCLUSION**

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

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

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

**24. MALICIOUS ACTS EXCLUSION**

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

24.1 the detonation of an explosive

24.2 any weapon of war

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

**25. NUCLEAR EXCLUSION**

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

20/7/87

CL311

**INSTITUTE CLAUSES FOR BUILDERS' RISKS**  
(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

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

BUILDERS.....

BUILDERS'

YARDS.....

**SUBJECT OF INSURANCE**

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

**SECTION I.**

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

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

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

The subject-matter of this sub-section (A) is covered whilst at Builders' Yard and at Builders' premises elsewhere within the port or place of construction at which the Builders' Yard is situated and whilst in transit between such locations. The underwriters' liability in respect of each item of this sub-section (A) which is at such locations shall attach from the time:

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

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

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

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

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

- (i) of inception of this Section I if such item has already been allocated to the Vessel;
- (ii) of delivery to the Sub-Contractors of such item (if allocated) when delivered after inception of this Section I;
- (iii) of allocation by the Sub-Contractors if allocated after inception of this Section I.

The subject-matter of this subsection (B) is also covered whilst:

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

## SECTION II.

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

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

**MACHINERY** etc. insured hereon from delivery to Builders.

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

### 1 INSURED VALUE

- 1.1 Whereas the value stated herein is provisional, it is agreed that the final contract price, or the total building cost plus .....% whichever is the greater, of the subject-matter of this insurance shall be the insured value.
- 1.2 Should the insured value determined as above.
  - 1.2.1 exceed the provisional value stated herein, the Assured agree to declare to the Underwriters hereon the amount of such excess and to pay premium thereon at the full policy rates, and the Underwriters agree to accept their proportionate shares of the increase, or
  - 1.2.2 be less than the provisional value stated herein, the sum insured by this insurance shall be reduced proportionately and the Underwriters agree to return premium at the full policy rates on the amounts by which their respective lines are reduced.
- 1.3 Nevertheless, should the insured value exceed 125% of the provisional value, then the limits of indemnity under this insurance shall be 125% of the provisional value, any one accident or series of accidents arising out of the same event.
- 1.4 Notwithstanding the above it is understood and agreed that any variation of the value for insurance on account of a material alteration in the plans or fittings of the Vessel or a change in type from that originally contemplated does not come within the scope of this clause and such a variation requires the specific agreement of the Underwriters.

### 2 TRANSIT

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

### 3 DELAYED DELIVERY

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

### 4 DEVIATION OR CHANGE OF VOYAGE

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



## 5 PERILS

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

## 6 EARTHQUAKE AND VOLCANIC ERUPTION EXCLUSION

In no case shall this insurance cover loss damage liability or expense caused by earthquake or volcanic eruption. This exclusion applies to all claims including claims under Clauses 13, 17, 19 and 20.

## 7 POLLUTION HAZARD

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

## 8 FAULTY DESIGN

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

## 9 NAVIGATION

- 9.1 With leave to proceed to and from any wet or dry docks, harbours, ways cradles and pontoons within the port or place of construction and to proceed under own power, loaded or in ballast, as often as required, for fitting out, docking trials or delivery, within a distance by water 250 nautical miles of the port or place of construction, or held covered at a premium to be arranged in the event of such distance being exceeded.
- 9.2 Any movement of the Vessel in tow outside the port or place of construction held covered at a premium to be arranged, provided previous notice be given to the Underwriters.

## 10 DEDUCTIBLE

- 10.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 13, 17, 19, and 20) exceeds.....in which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, shall be paid even if no damage be found. This Clause 10.1 shall not apply to a claim for total or constructive total loss of the Vessel or, in the event of such a claim, to any associated claim under Clause 20 arising from the same accident or occurrence.
- 10.2 Claims for damage by heavy weather occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage.

The expression "heavy weather" in this Clause 10.2 shall be deemed to include contact with floating ice.

- 10.3 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 10.4 Interest comprised in recoveries shall be apportioned between the Assured and the Underwriters, taking into account the sums paid by the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest the Underwriters may receive a larger sum than they have paid.

## 11 UNREPAIRED DAMAGE

- 11.1 The measures of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the Vessel at the time this insurance terminates arising from such unrepaired damage, but not



exceeding the reasonable cost of repairs.

11.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.

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

## 12 CONSTRUCTIVE TOTAL LOSS

12.1 In ascertaining whether the subject-matter insured is a constructive total loss, the insured value shall be taken as the repaired value and nothing in respect of the damage or break-up value shall be taken into account.

12.2 No claim for constructive total loss based upon the cost of recovery and/or repair shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

## 13 GENERAL AVERAGE AND SALVAGE

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

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

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

13.4 No claim under this Clause 13 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

## 14 NOTICE OF CLAIM

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

## 15 CHANGE OF INTEREST

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

## 16 ASSIGNMENT

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

## 17 COLLISION LIABILITY

17.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of the Assured becoming legally liable by way of damages for

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

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

17.1.3 general average of, salvage of, or salvage under contract of, any such other vessel or property thereon, Where such payment by the Assured is in consequence of the Vessel hereby insured coming into collision with any other vessel.

17.2 The indemnity provided by this Clause 17 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:

17.2.1 Where the insured Vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 17 shall be calculated on the principle of cross liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum

payable by or to the Assured in consequence of the collision.

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

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

## EXCLUSIONS

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

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

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

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

17.4.4 loss of life, personal injury or illness

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

## 18 SISTERSHIP

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

## 19 PROTECTION AND INDEMNITY

19.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other persons by reason of the Assured becoming legally liable, as Owner of the Vessel, for any claim demand, damages and/or expenses, where such liability is in consequence of any of the following matters or things and arises from an accident or occurrence during the period of this insurance:

19.1.1 loss of or damage to any fixed or movable object or property or thing or interest whatsoever, other than the Vessel, arising from any cause whatsoever in so far as such loss or damage is not covered by Clause 17

19.1.2 any attempted or actual raising, removal or destruction of any fixed or movable object or property or other thing, including the wreck of the Vessel, or any neglect or failure to raise, remove, or destroy the same

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

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

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

19.2.1 the additional cost of fuel, insurance, wages, stores, provisions and port charges reasonably incurred solely for the purpose of landing from the Vessel sick or injured persons or stowaways, refugees, or persons saved at sea

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

19.2.3 fines imposed on the Vessel, on the Assured, or on any Master Officer crew member or agent of the Vessel who is reimbursed by the Assured, for any act or neglect or breach of any statute or regulation relating to the operation of the Vessel, provided that the Underwriters shall not be liable to indemnify the Assured for any fines which result from any act neglect failure or default of the Assured their agents or servants other than Master Officer or crew member.

19.2.4 the express of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured

19.2.5 legal costs incurred by the Assured, or which the Assured may be compelled to pay, in avoiding, minimizing or contesting liability with the prior written consent of the Underwriters.

## EXCLUSIONS

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

19.3.1 any direct or indirect payment of the Assured under workmen's compensation or employers' liability acts and

any other statutory or common law, general maritime law or other liability whatsoever in respect of accidents to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured or others in on or in connection with the Vessel or her cargo materials or repairs

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

19.3.3 punitive or exemplary damages, however described

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

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

19.3.6 liability arising under a contract or indemnity in respect of containers, equipment, fuel or other property on board the Vessel and which is owned or leased by the Assured

19.3.7 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, belonging to persons on board the Vessel, or non-essential personal effects of any Master, Officer or crew member

19.3.8 fuel, insurance, wages, stores, provisions and port charges arising from delay to the Vessel while awaiting a substitute for any Master, Officer or crew member

19.3.9 fines or penalties arising from overloading or illegal fishing

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

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

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

19.6 In no case shall the Underwriters' liability under this Clause 19 in respect of each separate accident or occurrence or series of accidents arising out of the same event, exceed their proportionate part of the insured value of the Vessel.

19.7 PROVIDED ALWAYS THAT

19.7.1 prompt notice must be given to the Underwriters of every casualty even or claim upon the Assured which may give rise to a claim under this Clause 19 and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured under this Clause 19

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

## 20 DUTY OF ASSURED (SUE AND LABOUR)

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

20.2 Subject to the provisions below and to Clause 10 the Underwriters will contribute to charges properly and reasonable incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 20.4) collision defence or attack costs and costs incurred by the Assured in avoiding, minimizing or contesting liability covered by Clause 19 are not recoverable under this Clause 20.

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

20.4 When a claim for total loss of the subject-matter insured is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the subject-matter insured and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be as may reasonably be regarded as having been incurred in respect of the subject-matter insured.

20.5 The sum recoverable under this Clause 20 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstance exceed the amount insured under this insurance in respect of the Vessel.

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

## 21 WAR EXCLUSION

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

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

## 22 STRIKES EXCLUSION

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

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

## 23 MALICIOUS ACTS EXCLUSION

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

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

## 24 NUCLEAR EXCLUSION

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

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

## CL. 238

1/6/88

### INSTITUTE YACHT CLAUSES

This insurance is subject to English law and practice

## 1. VESSEL

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

## 2. IN COMMISSION AND LAID UP

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

- 2.1.1 while in commission at sea or on inland waters or in port, docks, marinas, on ways, gridirons, pontoons, or on the hard or mud or at place of storage ashore, including lifting or hauling out and launching, with leave to sail or navigate with or without pilots, to go on trial trips and to assist and to tow vessels or craft in distress, or as is customary, but it is warranted that the vessel shall not be towed, except as is customary or when in need of assistance, or undertake towage or salvage services under a contract previously arranged by Owners, Masters, Managers or Charterers
- 2.1.2 while laid up out of commission as provided for in Clause 4 below, including lifting or hauling out and launching, while being moved in shipyard or marina, dismantling, fitting out, overhauling, normal maintenance or while under survey, (also to include docking and undocking and periods laid up afloat incidental to laying up or fitting out and with leave to shift in tow or otherwise to or from her lay-up berth but not outside the limits of the port or place in which the vessel is laid up) but excluding, unless notice be given to the Underwriters and any additional premium required by them agreed, any period for which the vessel is used as a houseboat or is under major repair or undergoing alteration.

2.2 Notwithstanding Clause 2.1 above the gear and equipment, including outboard motors, are covered subject to the

provisions of this insurance while in place of storage or repair ashore.

### 3. NAVIGATING AND CHARTER HIRE WARRANTIES

- 3.1 Warranted not navigating outside the limits stated in the Schedule to the policy or, provided previous notice be given to the Underwriters, held covered on terms to be agreed.
- 3.2 Warranted to be used solely for private pleasure purposes and not for hire charter or reward, unless specially agreed by the Underwriters.

### 4. LAID UP WARRANTY

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

### 5. SPEED WARRANTY

- 5.1 Warranted that the maximum designed speed of the vessel, or the parent vessel in the case of a vessel with boat(s), does not exceed 17 knots.
- 5.2 Where the Underwriters have agreed to delete this warranty, the conditions of the Speedboat Clause 19 below shall also apply.

### 6. CONTINUATION

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

### 7. ASSIGNMENT

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

### 8. CHANGE OF OWNERSHIP

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

- 8.1 Should the vessel be sold or transferred to new ownership, or, where the vessel is owned by a company, should there be a change in the controlling interest(s) of the company, then, unless the Underwriters agree in writing to continue the insurance, this insurance shall become cancelled from the time of such sale transfer or change and a pro rata daily net return of premium be made calculated on the premium charged for the in commission and/or laid up period.
- 8.2 If however the vessel shall have left her moorings or be at sea at the time of sale or transfer such cancellation shall if required by the Assured be suspended until arrival at port or place of destination.

### 9. PERILS

Subject always to the exclusions in this insurance

- 9.1 this insurance covers loss of or damage to the subject-matter insured caused by
- 9.1.1 perils of the seas rivers lakes or other navigable waters
  - 9.1.2 fire
  - 9.1.3 jettison
  - 9.1.4 piracy
  - 9.1.5 contact with dock or harbour equipment or installation, land conveyance, aircraft or similar objects or objects falling therefrom
  - 9.1.6 earthquake volcanic eruption or lightning
- 9.2 and, provided such loss or damage has not resulted from want of due diligence by the Assured Owners or Managers, this insurance covers
- 9.2.1 loss of or damage to the subject-matter insured caused by
    - 9.2.1.1 accidents in loading, discharging or moving stores, gear, equipment, machinery or fuel
    - 9.2.1.2 explosions
    - 9.2.1.3 malicious acts

- 9.2.1.4 theft of the entire vessel or her boat(s), or outboard motor(s) provided it is securely locked to the vessel or her boat(s) by an anti theft device in addition to its normal method of attachment, or, following upon forcible entry into the vessel or place of storage or repair, theft of machinery including outboard motor(s), gear or equipment
- 9.2.2 loss of or damage to the subject-matter insured, excepting motor and connections (but not strut shaft or propeller) electrical equipment and batteries and connections, caused by
  - 9.2.2.1 latent defects in hull or machinery, breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the defective part broken shaft or burst boiler)
  - 9.2.2.2 the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out for the account of the Assured and/or the Owners or in respect of the maintenance of the vessel,
- 9.3 this insurance covers the expense of sighting the bottom after a stranding, if reasonably incurred specially for that purpose, even if no damage be found.

## 10. EXCLUSIONS

No claim shall be allowed in respect of any

- 10.1 outboard motor dropping off or falling overboard
- 10.2 ship's boat having a maximum designed speed exceeding 17 knots, unless such boat is specially covered herein and subject also to the conditions of the Speedboat Clause 19 below, or is on the parent vessel or laid up ashore
- 10.3 ship's boat not permanently marked with the name of the parent vessel
- 10.4 sails and protective covers split by the wind or blown away while set, unless in consequence of damage to the spars to which sails are bent, or occasioned by the vessel being stranded or in collision or contact with any external substance (ice included) other than water
- 10.5 sails, masts, spars or standing and running rigging while the vessel is racing, unless the loss or damage is caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water
- 10.6 personal effects
- 10.7 consumable stores, fishing gear or moorings
- 10.8 sheathing, or repairs thereto, unless the loss or damage has been caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water
- 10.9 loss or expenditure incurred in remedying a fault in design or construction or any cost or expense incurred by reason of betterment or alteration in design or construction
- 10.10 motor and connections (but not strut shaft or propeller) electrical equipment and batteries and connections, where the loss or damage has been caused by heavy weather, unless the loss or damage has been caused by the vessel being immersed, but this clause 10.10 shall not exclude loss or damage caused by the vessel being stranded or in collision or contact with another vessel, pier or jetty.

## 11. LIABILITIES TO THIRD PARTIES

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

- 11.1 The Underwriters agree to indemnify the Assured for any sum or sums which the Assured shall become legally liable to pay and shall pay, by reason of interest in the insured vessel and arising out of accidents occurring during the currency of this insurance, in respect of
  - 11.1.1 loss of or damage to any other vessel or property whatsoever
  - 11.1.2 loss of life, personal injury or illness, including payments made for life salvage, caused on or near the vessel or any other vessel
  - 11.1.3 any attempted or actual raising, removal or destruction of the wreck of the insured vessel or the cargo thereof or any neglect or failure to raise, remove or destroy the same.
- 11.2 LEGAL COSTS
 

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

  - 11.2.1 the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability
  - 11.2.2 the costs for representation at any coroner's inquest or fatal accident enquiry.



### 11.3 SISTERSHIP

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

### 11.4 NAVIGATION BY OTHER PERSONS

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

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

### 11.5 REMOVAL OF WRECK EXTENSION

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

### 11.6 LIABILITIES SECTION EXCLUSIONS

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

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

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

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

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

11.6.5 punitive or exemplary damages, however described.

### 11.7 WATER-SKIERS LIABILITY

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

### 11.8 LIMIT OF LIABILITY

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

## 12. EXCESS AND DEDUCTIBLE

12.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clause 11, 14 and 15) exceeds the amount stated for this purpose in the Schedule to the policy, in which case this sum shall be deducted. This Clause 12.1 shall not apply to a claim for total or constructive total loss of the vessel or, in the event of such a claim, to any associated claim under Clause 15 arising from the same accident or occurrence.

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

12.2.1 protective covers, sails and running rigging

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

### 13. NOTICE OF CLAIM AND TENDERS

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

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

13.3 The Underwriters shall be entitled to decide the port to which the vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.

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

### 14. SALVAGE CHARGES

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

### 15. DUTY OF ASSURED

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

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

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

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

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

### 16. UNREPAIRED DAMAGE

16.1 The measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the vessel at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.

16.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.

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

### 17. CONSTRUCTIVE TOTAL LOSS

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

17.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

### 18. DISBURSEMENTS WARRANTY

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

Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 19. SPEEDBOAT CLAUSE

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

- 19.1 It is a condition of this insurance that when the vessel concerned is under way the Assured named in the Schedule to the policy or other competent person(s) shall be on board and in control of the vessel.
- 19.2 No claim shall be allowed in respect of loss of or damage to the vessel or liability to any third party or any salvage services
- 19.2.1 caused by or arising from the vessel being stranded sunk swamped immersed or breaking adrift, while left moored or anchored unattended off an exposed beach or shore
- 19.2.2 arising while the vessel is participating in racing or speed tests, or any trials in connection therewith.
- 19.3 No claim shall be allowed in respect of rudder strut shaft or propeller
- 19.3.1 under Clauses 9.2.2.1 and 9.2.2.2
- 19.3.2 for any loss or damage caused by heavy weather, water or contact other than with another vessel, pier or jetty, but this Clause 19.3.2 shall not exclude damage caused by the vessel being immersed as a result of heavy weather.
- 19.4 If the vessel is fitted with inboard machinery no liability shall attach to this insurance in respect of any claim caused by or arising through fire or explosion unless the vessel is equipped in the engine room (or engine space) tank space and galley, with a fire extinguishing system automatically operated or having controls at the steering position and properly installed and maintained in efficient working order.

## 20. CANCELLATION AND RETURN OF PREMIUM

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

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

## 21. WAR EXCLUSION

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

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

## 22. STRIKES AND POLITICAL ACTS EXCLUSION

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

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

## 23. NUCLEAR EXCLUSION

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

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

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### Address & Contact Details of Ombudsmen Centres\

Office of The Governing Body of Insurance Council

(Monitoring Body for Offices of Insurance Ombudsman) 3rd Floor, Jeevan Seva Annexe, Santacruz (West), Mumbai – 400054.

Tel no: 26106671/6889. Email id: inscoun@gbic.co.in

website: www.gbic.co.in

If you have a grievance, approach the grievance cell of Insurance Company first.

If complaint is not resolved/ not satisfied/not responded for 30 days then You can approach The Office of the Insurance Ombudsman(Bimalokpal)

If the Policyholder is not satisfied with the Company's redressal of the Policyholder's grievance through one of the above methods, the Policyholder may approach the nearest Insurance Ombudsman for resolution of the grievance. The contact details of Ombudsman offices are mentioned below:

OMBUDSMAN OFFICE			
Office of the Ombudsman	Address	Contact Details	Areas of Jurisdiction
AHMEDABAD	Office of the Insurance Ombudsman, 2nd Floor, Ambica House, Near C.U. Shah College, 5, Navyug Colony, Ashram Road, Ahmedabad – 380 001.	Tel.: 079 - 27546150/27546139 Fax: 079 - 27546142 Email: bimalokpal.ahmedabad@cioins.co.in	Gujarat, UT of Dadra & Nagar Haveli, Daman and Diu
BENGALURU	Office of Insurance Ombudsman, Jeevan Soudha Building, PID No. 57-27-N-19, Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru – 560078.	Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@cioins.co.in	Karnataka
BHOPAL	Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003.	Tel.: 0755 - 2769201, 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@cioins.co.in	Madhya Pradesh & Chhattisgarh
BHUBANESHWAR	Office of the Insurance Ombudsman, 62, Forest park, Bhubaneswar – 751 009.	Tel.: 0674 - 2596461 / 2596455 Fax: 0674 - 2596429 Email: bimalokpal.bhubaneswar@cioins.co.in	Orissa
CHANDIGARH	Office of the Insurance Ombudsman, S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 – D, Chandigarh – 160 017.	Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@cioins.co.in	Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir, UT of Chandigarh
CHENNAI	Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, Chennai – 600 018.	Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@cioins.co.in	Tamil Nadu, UT - Pondicherry Town and Karaikal (which are part of UT of Pondicherry)
DELHI	Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002.	Tel.: 011 - 23239633 / 23237532 Fax: 011 - 23230858 Email: bimalokpal.delhi@cioins.co.in	Delhi



[indusindinsurance.com](http://indusindinsurance.com)



022 4890 3009 (Paid)



74004 22200 (WhatsApp)



<b>GUWAHATI</b>	Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar Over Bridge, S.S. Road, Guwahati – 781001 (ASSAM).	Tel.: 0361 - 2132204 / 2132205 Fax: 0361 - 2732937 Email: bimalokpal.guwahati@cioins.co.in	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura
<b>HYDERABAD</b>	Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004.	Tel.: 040 - 65504123 / 23312122 Fax: 040 - 23376599 Email: bimalokpal.hyderabad@cioins.co.in	Andhra Pradesh, Telangana and UT of Yanam - a part of UT of Pondicherry.
<b>JAIPUR</b>	Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005.	Tel.: 0141 - 2740363 Email: bimalokpal.jaipur@cioins.co.in	Rajasthan
<b>ERNAKULAM</b>	Office of the Insurance Ombudsman, LIC OF INDIA, 10th Floor, 'Jeevan Prakash', Divisional Office, M. G. Road, Ernakulam, Kochi – 682011.	Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, UT of (a) Lakshadweep, (b) Mahe-a part of UT of Pondicherry.
<b>KOLKATA</b>	Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, Kolkata - 700 072.	Tel.: 033 - 22124339 / 22124340 Fax: 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in	West Bengal, UT of Andaman & Nicobar Islands, Sikkim
<b>LUCKNOW</b>	Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001.	Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email: bimalokpal.lucknow@cioins.co.in	Districts of Uttar Pradesh: Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkar Nagar, Sultanpur, Maharajgang, Sant Kabir Nagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharath Nagar.
<b>MUMBAI</b>	Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054.	Tel.: 022 - 26106552 / 26106960 Fax: 022 - 26106052 Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region excluding Navi Mumbai & Thane.

NOIDA	Office of the Insurance Ombudsman, Bhagwan Sahai Palace, 4th Floor, Main Road, Naya Bans, Sector 15, Dist: Gautam Buddh Nagar, U.P. - 201301.	Tel.: 0120 - 2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in	State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautam Budha Nagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiram Nagar, Saharanpur.
PATNA	Office of the Insurance Ombudsman, 1st Floor, Kalpana Arcade Building, Bazar Samiti Road, Bahadurpur, Patna - 800 006.	Tel.: 0612 - 2680952 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand.
PUNE	Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune - 411 030.	Tel.: 020 - 41312555 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane excluding Mumbai Metropolitan Region.

The updated details of Insurance Ombudsman are available on IRDAI website: [www.irdai.gov.in](http://www.irdai.gov.in), on the website of General Insurance Council: [www.giccouncil.in](http://www.giccouncil.in), our website [www.indusindinsurance.com](http://www.indusindinsurance.com) or from any of the Company's offices.

