

Addendum for Charterers

Clauses referred to in Charterers' Certificates of Entry or Endorsement Slips.

This Addendum contains full wordings of clauses which may be incorporated, where contractually agreed, in the terms and conditions on which a ship is entered in the Association by, or on behalf of, the Charterer, by means of a short form reference to such clause in the Certificate of Entry or in an Endorsement Slip.

Attention is drawn to Rule 5L & Rule 7 concerning the exclusion of the Insurance Act 2015.

Paperless Trading Endorsement

There shall be no recovery from the Association in respect of liabilities, losses, costs and expenses arising from the use of any electronic trading system, other than an electronic trading system approved by the Managers in writing, to the extent that such liabilities, losses, costs and expenses would not (save insofar as the Association in its sole discretion otherwise determines) have arisen under a paper trading system.

For the purposes of this paragraph,

- a) an electronic trading system is any system which replaces or is intended to replace paper documents used for the sale of goods and/or their carriage by sea or partly by sea and other means of transport and which:
 - i) are documents of title, or
 - ii) entitle the holder to delivery or possession of the goods referred to in such documents, or
 - iii) evidence a contract of carriage under which the rights and obligations of either of the contracting parties may be transferred to a third party.
- b) a "document" shall mean anything in which information of any description is recorded including, but not limited to, computer or other electronically generated information.

Charterers' Liability in Respect of Risks Set Out in Rule 2

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 and Rule 4, Section 1(A) of the Association's Rules, the cover afforded to the above-named Member in respect of the entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered

1 This insurance covers the liability of the above-named Member in his capacity as charterer in respect of risks set out in Rule 2 and includes,

Addendum for Charterers

pursuant to Rule 4 Section 1(A), the liability of the charterer to indemnify the owner or disponent owner in respect of such risks, to the extent that they arise out of operations or activities ordinarily carried on by, or ordinarily at the risk and responsibility of, a charterer.

2 Pollution damage to Member's own property

This insurance includes loss of or damage to the Member's own property subject to Rule 2, Section 11 but including such loss or damage covered under Rule 2, Section 12.

B General Terms and Conditions

- 1 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law. Notwithstanding any other provision of the Association's Rules or standard terms, the liability of the Association shall be limited in accordance with the deductibles and limits set out in the Certificate of Entry.
- 2 This insurance applies only where the Member has chartered the entered ship under a form of charterparty approved in writing by the Association.

Extension of Cover relating to Onerous Contracts

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 of the Rules of the Association, the cover afforded to the above-named Member in respect of the entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered

This insurance covers the above-named Member, in his capacity as charterer, in respect of risks set out in Rule 2 incurred under a contract, which imposes liability on the Member irrespective of his fault or contains terms more onerous than Knock for Knock, to the extent that such risks arise out of operations or activities ordinarily carried on by, or ordinarily at the risk and responsibility of, a charterer. This insurance is subject to the conditions set out in (C) below.

For the purpose of this cover, Knock for Knock means a provision or provisions stipulating that:

- i) each party to a contract shall be similarly responsible for loss of or damage to, and/or death of or injury to, any of its own property or personnel, and/or the property or personnel of its contractors and/or of its and their sub-contractors and/or of other third parties, and that
- ii) such responsibility shall be without recourse to the other party and arise notwithstanding any fault or neglect of any part and that
- iii) each party shall, in respect of those losses, damages or other liabilities for which it has assumed responsibility, correspondingly indemnify the other party against any liability that that party shall incur in relation thereto.

Addendum for Charterers

C Other Terms and Conditions

- 1 There shall be no cover under this insurance unless the contract has been approved by the Managers.
- 2 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any rule of law, provided always that the maximum recovery under this insurance is limited in accordance with limits and deductibles set out in the Certificate of Entry.
- 3 When the Member, as a result of an event for which he is covered under this insurance has obtained extra revenue, saved costs or expenses or avoided liability or loss which would otherwise have been incurred and which would not have been covered under this insurance, the Association may deduct from the amount payable under this insurance an amount corresponding to the benefit obtained.
- 4 This insurance excludes any liabilities, losses, costs and expenses insurable under the Member's standard cover in the Association in accordance with the Rules of the Association current at the time of the event from which such liability, loss or damage arises.
- 5 This insurance excludes liabilities, losses, costs or expenses which are covered by any public or private insurance required by any applicable legislation, or which would have been covered if such insurance had been taken out.
- 6 This insurance excludes general monetary loss, loss of time, loss through price or currency fluctuations, loss of market or similar losses howsoever caused.

Charterers' Liability for Loss of, or Damage to, the Entered Ship (DTH Cover)

A General Terms and Conditions of Cover

Pursuant and subject to Rules 3 and 4, Section I(B) of the Association's Rules, it is hereby agreed that the cover afforded to the above-named Member in his capacity as charterer in respect of the entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered - liability for Loss of, or Damage to, the Entered Ship

This insurance covers the Member's liability to the owner and/or other parties interested in the entered ship, incurred by the Member as charterer of the entered ship for:

- 1 Physical loss or damage to that ship.
- 2 Any financial loss, liability, cost or expense arising as a direct consequence of such loss or damage to that ship.
- 3 Sue and labour and legal costs in accordance with Rule 2, Section 25 in respect of the liabilities set out in (1) and (2) above.
- 4 General average, salvage contributions and salvage charges in respect of:
 - a) The liabilities set out in (1) and (2) above, and

Addendum for Charterers

- b) The Member's freight at risk in relation to, and
 - c) The Member's bunkers on board the entered ship.
- 5 Removal and replacement of bunkers
- This insurance includes extraordinary costs and expenses reasonably and necessarily incurred by the Member in order to avoid or minimise the Member's liability for physical damage to the entered ship, its engines or other equipment:
- a) to remove the bunkers from the ship (including any fuel oil and/or lubricating oil);
 - b) to replace the bunkers so removed with new and sound bunkers;
 - c) to clean the ship's engines, tanks, pipelines and/or other similar affected areas; and
 - d) to lawfully dispose of removed bunkers from the ship as well as substances resulting from the cleaning of the ship's engines, tanks pipelines and/or other similar affected areas.

Notwithstanding the above, the following are not covered:

- i) The economic value of the bunkers removed from the ship and/or the new and sound bunkers supplied to the ship;
- ii) Costs and expenses resulting from measures which have been or could have been accomplished by personnel employed by the Member or by the reasonable use of equipment owned and controlled by the Member, and
- iii) Costs and expenses incurred by the Member in any other capacity than as a charterer of the ship, including but not limited to as supplier of the bunker removed and/or replaced.

C Other Terms and Conditions

- 1 Without prejudice to the generality of (A) above this insurance is subject to Rule 5(G), except sub-paragraphs (i), (ii), (iii), (iv), (v), (vi) and (viii) to the extent that they are in conflict with the cover set out in (B) and (C) above. This insurance excludes all liability, loss and damage recoverable under a full entry in the Association, in accordance with the Rules of the Association current at the time of the event from which such liability, loss or damage arises.
- 2 For the purposes of this insurance, the expression "the entered ship" shall be deemed to include any equipment, stores, fuel, lubricants, containers and any other unit load devices and any other property on board that ship except if and to the extent that the same are owned or leased by the Member, or by any company associated with or under the same management as the Member.
- 3 This insurance applies only where the Member has chartered the entered ship under a form of charterparty approved in writing by the Association.
- 4 Substitute ships are held covered under the initial declaration where the charterparty gives liberty to the owner to substitute with another ship of the same size, or where a ship is substituted because it requires repairs, which repairs do not relate to a claim recoverable under this physical

Addendum for Charterers

- damage insurance but always subject to the prior written agreement of the Managers.
- 5 This insurance covers the legal liability of the Member when the claim arises from ships loading or discharging “not always afloat but safely aground” in any port or place where this is customary practice, provided that the charterparty is specifically claused to allow such operations.
 - 6 The Member’s right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.

Charterers’ Liability for Detention of the Entered Ship

A General Terms and Conditions of Cover

Pursuant and subject to Rules 3 and 4, Section I(B) of the Association’s Rules, it is hereby agreed that the cover afforded to the above-named Member in his capacity as charterer in respect of the entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks covered - Liability for Detention of the Entered Ship

This insurance covers the Member’s liability to the owner and/or other parties interested in the entered ship, incurred by the Member as charterer of the entered ship for liabilities arising out of Detention.

For the purpose of this insurance, “Detention” means that while on charter to the Member, the ship is prevented from performing the service required of her, save where caused by or arising out of the following circumstances:

- a) Seizure, arrest, attachment or other delay of the entered ship for the purpose of collecting payment of a legally enforceable debt;
- b) Insolvency of any party;
- c) Failure to comply with requirements of the entered ship’s classification society;
- d) Failure to comply with statutory requirements of the state of the entered ship’s flag relating to the construction, condition, fitment, equipment, manning, safe operation, security and management of the entered ship;
- e) Failure to maintain the validity of statutory certificates that are issued by or on behalf of the state of the entered ship’s flag in relation to the matters listed in (c) to (d) above.

This insurance excludes the Member’s liability to pay hire, freight, demurrage, ice demurrage or any other remuneration for the use or loss of use of the entered ship or for the services to be performed by the entered ship, however and whenever arising.

Addendum for Charterers

C Other Terms and Conditions

- 1 This insurance excludes all liability, loss and damage recoverable under (i) Charterers DTH Cover, or (ii) a full entry in the Association, in accordance with the Rules of the Association current at the time of the event from which such liability, loss or damage arises.
- 2 This insurance applies only where the Member has chartered the entered ship under a form of charterparty approved in writing by the Association.
- 3 This insurance covers the legal liability of the Member when the claim arises from ships loading or discharging “not always afloat but safely aground” in any port or place where this is customary practice, provided that the charterparty is specifically cloused to allow such operations.
- 4 The Member’s right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.

Loss of, or Damage to, Charterers’ Bunkers

A General Terms and Conditions of Cover

Pursuant and subject to Rules 3 and 4, Section 1(B) of the Association’s Rules, cover afforded to the above-named Member in his capacity as charterer in respect of the entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risk Covered

Bunkers valued as declared. Policy proof of interest. Full interest admitted.

C Other Terms and Conditions

Cover in accordance with Institute Cargo Clauses (C) 1/1/82 CL.254, Institute War Clauses (Cargo) 1/1/82 CL.255, Institute Strike Clauses (Cargo) 1/1/82 CL.256.

This insurance applies only where the Member has chartered the entered ship under a form of charterparty approved in writing by the Association.

The maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.

Cargo Owner/Trader Extension Cover (in respect of cargo carried on an entered ship)

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 of the Rules of the Association, the cover

Addendum for Charterers

afforded to the above-named Member in their capacity as owner of cargo carried on an entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered

Cargo Owners' Legal Liability in respect of cargo carried on an entered ship:

Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Rule 2, and Rule 4, Section 1(B) of the Rules of The Association, incurred by the Member, in respect of their interest in cargo being or having been carried on a ship entered in the Association, or during customary lighterage of the cargo to or from such ship.

C Other Terms and Conditions

- 1 For the purpose of this insurance the following terms shall mean:
"Cargo Owner" - includes buyer, seller, or holder of the Bill of Lading
"Cargo" - shall mean any lawful and merchantable commodity or goods intended to be or being or having been carried on board a ship pursuant to a contract of carriage but shall exclude any other equipment, stores, fuel (unless carried as cargo) or substance of whatsoever nature, and shall further exclude waste and residues of Cargo(es) and/or of other equipment, stores, fuels and/or substances.
- 2 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.
- 3 When the Member, as a result of an event for which he is covered under this insurance has obtained extra revenue, saved costs or expenses or avoided liability or loss which would otherwise have been incurred and which would not have been covered under this insurance, the Association may deduct from the compensation payable under this insurance an amount corresponding to the benefit obtained.
- 4 This insurance excludes any liabilities, losses, costs and expenses insurable under a full entry of the Association in accordance with the Rules current at the time of the event from which such liability, loss or damage arises.
- 5 This insurance excludes liabilities, losses, costs and expenses in respect of damage to or loss or reduced value of cargo arising as a consequence of a condition, quality or specification of the cargo which existed prior to the cargo being accepted for carriage or which was caused by treatment or processing, including blending, of cargo other than treatment necessary for transportation.
- 6 This insurance excludes any liabilities, losses, costs or expenses which are covered by any public or private insurance required by any applicable legislation, or which would have been covered if such insurance had been taken out.

Addendum for Charterers

- 7 This insurance excludes general monetary loss, loss of time, loss through price or currency fluctuations, loss of market or similar losses howsoever caused.
- 8 This insurance excludes liabilities, losses, costs and expenses in respect of personal injury, illness or death of any person of which the assured has not submitted a notice of claim to the Association within five years from the expiry of the policy year in which the event giving rise to a claim occurred.
- 9 The Association shall determine in its absolute discretion in respect of the cover provided by this Insurance when the event shall be deemed to have occurred and whether liabilities, losses, costs and expenses covered under this insurance in whole or in part shall be deemed to have arisen out of one or several events.
- 10 This insurance excludes liabilities, losses, costs and expenses arising out of inherent defects in products or reliance upon a warranty or representation made in respect of the products.
- 11 This insurance shall not include liabilities, losses costs and expenses caused by or arising in connection with the processing or manufacturing of cargo.

Cargo Owner/Trader Extension Cover (in respect of cargo carried on an entered ship – pollution liability only)

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 of the Rules of the Association, the cover afforded to the above-named Member in their capacity as an owner of cargo carried on an entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered

Cargo Owners' Pollution Liability in respect of cargo carried on an entered ship: Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs and expenses set out in Rule 2, section 12 of the Rules of the Association, incurred by the Member, in respect of his interest in cargo being or having been carried on an entered ship, or during customary ligherage of the cargo to or from the entered ship, arising in consequence of the discharge or escape from the entered ship or the lighter of such cargo, or the threat of such discharge or escape.

C Other Terms and Conditions

- 1 For the purpose of this insurance the following terms shall mean:
"Cargo Owner" - includes buyer, seller, or holder of the Bill of Lading
"Cargo" - shall mean any lawful and merchantable commodity or goods intended to be or being or having been carried on board a ship pursuant to a contract of carriage but shall exclude any other equipment, stores, fuel (unless carried as cargo) or substance of whatsoever nature, and shall further exclude waste and residues of cargo(es) and/or of other equipment, stores, fuels and/or substances.

Addendum for Charterers

- 2 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.
- 3 When the Member, as a result of an event for which he is covered under this insurance has obtained extra revenue, saved costs or expenses or avoided liability or loss which would otherwise have been incurred and which would not have been covered under this insurance, the Association may deduct from the compensation payable under this insurance an amount corresponding to the benefit obtained.
- 4 This insurance excludes any liabilities, losses, costs and expenses insurable under a full entry of the Association in accordance with the Rules current at the time of the event from which such liability, loss or damage arises.
- 5 This insurance excludes liabilities, losses, costs and expenses in respect of damage to or loss or reduced value of cargo arising as a consequence of a condition, quality or specification of the cargo which existed prior to the cargo being accepted for carriage or which was caused by treatment or processing, including blending, of cargo other than treatment necessary for transportation.
- 6 This insurance excludes any liabilities, losses, costs or expenses which are covered by any public or private insurance required by any applicable legislation, or which would have been covered if such insurance had been taken out.
- 7 This insurance excludes general monetary loss, loss of time, loss through price or currency fluctuations, loss of market or similar losses howsoever caused.
- 8 This insurance excludes liabilities, losses, costs and expenses in respect of personal injury, illness or death of any person of which the assured has not submitted a notice of claim to the Association within five years from the expiry of the policy year in which the event giving rise to a claim occurred.
- 9 The Association shall determine in its absolute discretion in respect of the cover provided by this insurance when the event shall be deemed to have occurred and whether liabilities, losses, costs and expenses covered under this insurance in whole or in part shall be deemed to have arisen out of one or several events.
- 10 This insurance excludes liabilities, losses, costs and expenses arising out of inherent defects in products or reliance upon a warranty or representation made in respect of the products.
- 11 This insurance shall not include liabilities, losses costs and expenses caused by or arising in connection with the processing or manufacturing of cargo.

Cargo Owner/Trader Extension Cover (in respect of cargo carried (i) on an entered ship, (ii) on a non-entered ship)

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 of the Rules of the Association, the cover afforded to the above-named Member in their capacity as an owner of cargo carried on a ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered

Cargo Owners' Legal Liability in respect of cargo carried on an entered ship:

Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Rule 2, and Rule 4, Section 1(B) of the Rules of the Association, incurred by the Member, in respect of their interest in cargo being or having been carried on a ship entered in the Association, or during customary lighterage of the cargo to or from such ship.

Cargo Owners' Legal Liability in respect of cargo carried on a non-entered ship:

Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Rule 2, and Rule 4, Section 1(B) of the Rules of the Association, incurred by the Member, in respect of their interest in cargo being or having been carried on a ship not entered in the Association, or during customary lighterage of the cargo to or from such ship.

C Other Terms and Conditions

- 1 For the purpose of this insurance the following terms shall mean:
"Cargo Owner" - includes buyer, seller, or holder of the Bill of Lading
"Cargo" - shall mean any lawful and merchantable commodity or goods intended to be or being or having been carried on board a ship pursuant to a contract of carriage but shall exclude any other equipment, stores, fuel (unless carried as cargo) or substance of whatsoever nature, and shall further exclude waste and residues of cargo(es) and/or of other equipment, stores, fuels and/or substances.
- 2 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.
- 3 When the Member, as a result of an event for which he is covered under this insurance has obtained extra revenue, saved costs or expenses or avoided liability or loss which would otherwise have been incurred and which would not have been covered under this insurance, the Association

Addendum for Charterers

- may deduct from the compensation payable under this insurance an amount corresponding to the benefit obtained.
- 4 This insurance excludes any liabilities, losses, costs and expenses insurable under a full entry of the Association in accordance with the Rules current at the time of the event from which such liability, loss or damage arises.
 - 5 This insurance excludes liabilities, losses, costs and expenses in respect of damage to or loss or reduced value of cargo arising as a consequence of a condition, quality or specification of the cargo which existed prior to the cargo being accepted for carriage or which was caused by treatment or processing, including blending, of cargo other than treatment necessary for transportation.
 - 6 This insurance excludes any liabilities, losses, costs or expenses which are covered by any public or private insurance required by any applicable legislation, or which would have been covered if such insurance had been taken out.
 - 7 This insurance excludes general monetary loss, loss of time, loss through price or currency fluctuations, loss of market or similar losses howsoever caused.
 - 8 This insurance excludes liabilities, losses, costs and expenses in respect of personal injury, illness or death of any person of which the assured has not submitted a notice of claim to the Association within five years from the expiry of the policy year in which the event giving rise to a claim occurred.
 - 9 The Association shall determine in its absolute discretion in respect of the cover provided by this insurance when the event shall be deemed to have occurred and whether liabilities, losses, costs and expenses covered under this insurance in whole or in part shall be deemed to have arisen out of one or several events.
 - 10 This insurance excludes liabilities, losses, costs and expenses arising out of inherent defects in products or reliance upon a warranty or representation made in respect of the products.
 - 11 This insurance shall not include liabilities, losses costs and expenses caused by or arising in connection with the processing or manufacturing of cargo.

Cargo Owner/Trader Extension Cover (in respect of (i) cargo carried on an entered ship, (ii) cargo carried on a non-entered ship, or (iii) cargo off ship)

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 of the Rules of the Association, the cover afforded to the above-named Member in their capacity as an owner of cargo carried on a ship includes the risks set out in (B) below but subject always to (C) below.

Addendum for Charterers

B Risks Covered

Cargo Owners' Legal Liability in respect of cargo carried on an entered ship: Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Rule 2, and Rule 4, Section 1(B) of the Rules of the Association, incurred by the Member, in respect of their interest in cargo being or having been carried on a ship entered in the Association, or during customary lighterage of the cargo to or from such ship.

Cargo Owners' Legal Liability in respect of cargo carried on a non-entered ship:

Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Rule 2, and Rule 4, Section 1(B) of the Rules of the Association, incurred by the Member, in respect of their interest in cargo being or having been carried on a ship not entered in the Association, or during customary lighterage of the cargo to or from such ship.

Cargo Owners' Legal Liability in respect of cargo off ship:

Pursuant and subject to Rule 3 of the Rules of the Association, this insurance covers liabilities, losses, costs and expenses in respect of risks set out in Rule 2 of the Rules of the Association, incurred by the Member, in his capacity as cargo owner of cargo transported between the ship and the first or last land-based storage tank, provided that:

- i) in respect of the Member's liabilities for death, personal injury or illness, cover is conditional upon the Member submitting a written notice of claim to the Association within five years from the expiry of the policy year in which the event giving rise to the claim occurred;
- ii) in respect of the Member's liabilities arising in consequence of the discharge or escape of such cargo while so transported from any source other than the ship, or the threat of such escape or discharge, cover is subject to the following requirements :
 - i) The escape is sudden, unintended and unexpected, and
 - ii) The Member has submitted a written notice of a claim to the Association within one year from the expiry of the Policy Year in which the event giving rise to the claim occurred.

C Other Terms and Conditions

- 1 For the purpose of this insurance the following terms shall mean:
"Cargo Owner" - includes buyer, seller, or holder of the Bill of Lading
"Cargo" - shall mean any lawful and merchantable commodity or goods intended to be or being or having been carried on board a ship pursuant to a contract of carriage but shall exclude any other equipment, stores, fuel (unless carried as cargo) or substance of whatsoever nature, and shall further exclude waste and residues of cargo(es) and/or of other equipment, stores, fuels and/or substances.
- 2 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in

Addendum for Charterers

- accordance with deductibles and limits set out in the Certificate of Entry.
- 3 When the Member, as a result of an event for which he is covered under this insurance has obtained extra revenue, saved costs or expenses or avoided liability or loss which would otherwise have been incurred and which would not have been covered under this insurance, the Association may deduct from the compensation payable under this insurance an amount corresponding to the benefit obtained.
 - 4 This insurance excludes any liabilities, losses, costs and expenses insurable under a full entry of the Association in accordance with the Rules current at the time of the event from which such liability, loss or damage arises.
 - 5 This insurance excludes liabilities, losses, costs and expenses in respect of damage to or loss or reduced value of cargo arising as a consequence of a condition, quality or specification of the cargo which existed prior to the cargo being accepted for carriage or which was caused by treatment or processing, including blending, of cargo other than treatment necessary for transportation.
 - 6 This insurance excludes any liabilities, losses, costs or expenses which are covered by any public or private insurance required by any applicable legislation, or which would have been covered if such insurance had been taken out.
 - 7 This insurance excludes general monetary loss, loss of time, loss through price or currency fluctuations, loss of market or similar losses howsoever caused.
 - 8 This insurance excludes liabilities, losses, costs and expenses in respect of personal injury, illness or death of any person of which the assured has not submitted a notice of claim to the Association within five years from the expiry of the policy year in which the event giving rise to a claim occurred.
 - 9 The Association shall determine in its absolute discretion in respect of the cover provided by this insurance when the event shall be deemed to have occurred and whether liabilities, losses, costs and expenses covered under this insurance in whole or in part shall be deemed to have arisen out of one or several events.
 - 10 This insurance excludes liabilities, losses, costs and expenses arising out of inherent defects in products or reliance upon a warranty or representation made in respect of the products.
 - 11 This insurance shall not include liabilities, losses costs and expenses caused by or arising in connection with the processing or manufacturing of cargo.

Extension of Cover to NVOCC

A General Terms and Conditions of Cover

Pursuant and subject to Rule 3 of the Rules of the Association, the cover afforded to the above-named Member in his capacity as charterer in respect

Addendum for Charterers

of the entered ship includes the risks set out in (B) below but subject always to (C) below.

B Risks Covered

This insurance includes Member's liability incurred in his capacity as an NVOCC (Non-vessel operating common carrier) in respect of cargoes loaded under the Member's approved bill of lading on vessels not owned or chartered by the Member.

C Other Terms and Conditions

- 1 The Member's right of recovery is restricted to the amount to which the Member may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with deductibles and limits set out in the Certificate of Entry.
- 2 When the Member, as a result of an event for which he is covered under this insurance has obtained extra revenue, saved costs or expenses or avoided liability or loss which would otherwise have been incurred and which would not have been covered under this insurance, the Association may deduct from the compensation payable under this insurance an amount corresponding to the benefit obtained.
- 3 This insurance excludes any liabilities, losses, costs and expenses insurable under the Member's standard cover in the Association in accordance with the Rules of the Association current at the time of the event from which such liability, loss or damage arises.
- 4 This insurance excludes liabilities, losses, costs or expenses which are covered by any public or private insurance required by any applicable legislation, or which would have been covered if such insurance had been taken out.
- 5 This insurance excludes claims by or against the Member relating to demurrage on, detention of or delay to the entered ship, unless such demurrage, detention or delay forms part of a claim resulting from liabilities in respect of physical loss of or damage in respect of cargo.
- 6 This insurance excludes general monetary loss, loss of time, loss through price or currency fluctuations, loss of market or similar losses howsoever caused.
- 7 This insurance excludes loss of or damage to the entered ship or any part thereof.
- 8 This insurance excludes, notwithstanding any terms and conditions to the contrary, liabilities, costs and expenses arising out of the issuance of a Bill of Lading, Waybill or other document containing or evidencing a contract of carriage of steel products of any type whatsoever, where it is known by the Member or the master to contain an incorrect description of the cargo or its quantity or its condition.
- 9 This insurance excludes claims by or against the Member relating to loss of freight or hire on the ship or any proportion thereof unless the freight or hire forms part of a claim for liabilities in respect of cargo.
- 10 The Association shall determine in its absolute discretion in respect of the cover provided by this insurance when the event shall be deemed to have occurred and whether liabilities, losses, costs or expenses covered under

Addendum for Charterers

this insurance in whole or in part shall be deemed to have arisen out of one or several events.

Space Charterers/Consortium Extension Cover Clause

This entry is extended to cover the liability of the above-named Member in respect of risks set out in Rule 2, incurred in his capacity as a space charterer of a ship operating in a consortium as declared arising out of the carriage of cargo but only where space is exchanged or shared on a reciprocal basis, provided that no Space Charterer/Consortium Extension Cover or cover on similar terms is given under any other insurance afforded by the Association or by any other insurer which is a party to the Pooling Agreement.

An exchange or sharing of a space will be on a reciprocal basis if the intention is that the space given and taken is broadly in balance.

War Risks Cover

Notwithstanding Rule 5(E) cover includes liabilities, costs or expenses which would otherwise be excluded by Rule 5(E). Unless otherwise agreed in writing, such cover shall be subject to all other terms and conditions of the entered ship and shall be provided upon and subject to the following terms and conditions:

- A Warranted that the vessel is chartered on terms to the effect that:-
 - i) Owner is entitled to refuse to send the vessel to any port or place that is dangerous by reason of war risks (as defined in any current standard war risks insurance policy), and
 - ii) Owner is in any event entitled to insure their interests against such war risks, and
 - iii) Charterer is liable to reimburse the owner in respect of any war risks premium incurred as a result of the vessel being ordered to or employed in such port or place.
- B Held covered in the event of breach of this warranty at a premium to be agreed.
- C The Member to use his best endeavours to ensure that the vessel is chartered on terms to the effect that "Charterer is under no circumstances whatsoever to be liable for any loss, damage or expense which is or could be covered by war risks insurance available commercially".
- D Subject to the Notice of Cancellation Automatic Termination of Cover and Five Powers War Exclusion Clause as follows:
 - 1 Cancellation
This extension of cover may be cancelled by either the Association or the Owner giving 7 days notice (such cancellation becoming effective on the expiry of 7 days from midnight of the day on which notice of

Addendum for Charterers

cancellation is issued by or to the Association). The Association agree however to reinstate cover, if required, at terms to be agreed between the Association and the Owner, prior to the expiry of such notice of cancellation.

2 Automatic Termination of Cover

Whether or not notice of cancellation has been given this extension of cover 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 ship in the event of such ship being requisitioned either for title or use.

3 Five Powers War Exclusion

This extension of cover 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.

E This insurance is not subject to the current navigation limitations for Hull War, Piracy, Terrorism and Related Perils, but cover may be cancelled by either the Association or the Member giving seven days notice (such cancellation becoming effective on the expiry of seven days from midnight GMT on the day on which Notice of Cancellation is issued by or to the Managers).

F However, in no case shall this extension cover loss, damage, liability or expense directly or indirectly caused by or contributed to, by or arising from any chemical, biological, bio-chemical or electromagnetic weapon.

Charterer-owned Cargo Clause

Notwithstanding Rule 2, section 17, proviso f), this cover excludes liabilities, losses, costs and expenses as set out in Rule 2, sections 17, 19 and 20, in respect of cargo owned by the Member or a Co-assured or any person affiliated to or associated with the Member or the Co-assured when:

- a) such person has a proprietary interest in the cargo as buyer, seller, or holder of the Bill of Lading or
- b) has had such an interest and it is determined by the Association in its absolute discretion that the liabilities are the result of
 - i) damage to or loss or reduction in the value of the cargo arising out of the condition, quality or specification of the cargo existing prior to the cargo being received for shipment for the expected voyage, or any change to or deterioration in the condition or quality caused other than by its carriage,

Addendum for Charterers

- or which was the result of any treatment or processing, including blending, of the cargo other than such treatment necessary solely for its safe carriage; or
- ii) general monetary loss caused other than by failure properly to carry the cargo

Nickel Ore Clause

It is a condition of this insurance that a Member who intends to load any nickel ore cargoes from ports in Indonesia or the Philippines must provide advance notice to the Managers as early as possible before loading.

Such notice shall be in writing to the Managers and shall include the following information where possible:

- ship name
- port/anchorage of loading and estimated time of arrival
- date of intended loading
- charterer/shipper's details
- agent's details
- a copy of the shipper's cargo declaration and supporting certificates

The Managers may, at their discretion, require that a survey of the cargo be conducted on behalf of the Member to determine the condition of such cargo before loading is allowed to commence which survey may be continued into loading operations.

Unless the Association in its sole discretion otherwise determines, there shall be no recovery from the Association in respect of liabilities, losses, costs or expenses to the extent that such liabilities, losses, costs or expenses result from events relating directly or indirectly to the condition of the cargo where the above specified written notice has not been provided in advance of the loading of the cargo, or where any subsequent requirement or recommendation of the Managers in relation to the cargo has not been complied with.

Addendum for Charterers