

Charterers Terms and Conditions 2026

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Foreword

Terms and Conditions 2026

Unless otherwise agreed, the Terms and Conditions 2026 shall apply to insurance policies incepting between 1 January 2026 and 31 December 2026 inclusive.

The UK P&I Club is a mutual protection and indemnity association, which operates through The United Kingdom Mutual Steam Ship Assurance Association Limited and UK P&I Club N.V.

These Terms and Conditions were adopted in accordance with the powers conferred by the Articles and are Charterers Terms and Conditions of The United Kingdom Mutual Steam Ship Assurance Association Limited and of UK P&I Club N.V., respectively.

For the avoidance of doubt, for the purpose of Clause 12, no contract of insurance or reinsurance with The United Kingdom Mutual Steam Ship Assurance Association Limited or UK P&I Club N.V. shall entitle any person to be or become a member of UK P&I Club N.V.

The notes to the Terms and Conditions are for guidance only and do not form part of the Terms and Conditions.

Clause 1

Clause 1: Introductory

1. The standard cover afforded by the Club to an Assured who has entered a Ship in the Club in its capacity as Charterer is set out in Clause 2. The terms for special risks and additional insurances are set out in Clauses 3 and 4 of these Terms and Conditions.
2. Unless otherwise expressly agreed between the Assured and the Managers, the risks specified in Clauses 2, 3 and 4 are always subject to the warranties, conditions, exceptions, limitations and other terms set out in Clause 5, and in the remainder of these Terms and Conditions.
3. The cover set out in these Terms and Conditions may be excluded, limited, modified, added to or otherwise altered by any special terms which have been agreed in writing between an Assured and the Managers.
4. An Assured is insured against loss, damage, liability or expense incurred by it in respect of risks set out in Clauses 2, 3 and 4, as agreed in writing between the Assured and the Managers, arising:
 - i. out of events occurring during the period of entry of a Ship in the Club; and
 - ii. in respect of the Assured's interest in the Entered Ship; and
 - iii. in direct connection with the operation of the Entered Ship by or on behalf of the Assured.
5. The cover provided by the Club as set out in these Terms and Conditions is solely for the benefit of the Assured, any Co-Assured, other insurer or permitted assignee, to the extent allowed by Clauses 9, 11 and 13. It is not intended that rights should be acquired by any third party through the operation of the Contracts (Rights of Third Parties) Act 1999 of the United Kingdom or similar legislation.
6. Unless otherwise agreed in writing between the Assured and the Managers, the insurance afforded in these Terms and Conditions applies only where the Assured has chartered the Entered Ship under a form of charterparty or other contract approved in writing by the Club.
7. The Managers shall determine whether claims shall be deemed to have arisen out of one or more events and when such events shall be deemed to have occurred.
8. The maximum liability of the Club under the Terms and Conditions is limited in accordance with deductibles and limits set out in the Entered Ship's Certificate of Entry and/or the Endorsement Slip.

Clause 2

Clause 2: Standard Covers

Unless otherwise agreed between an Assured and the Managers in writing, this insurance covers the Assured's liability in respect of risks set out in Sections 1 to 20 below, including its liability to indemnify the 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.

Section 1

Damage to hull

1. Liability to the Owner incurred by the Assured for:
 - A. Physical loss of or damage to the Entered Ship;
 - B. Demurrage, loss of use or hire of the Entered Ship or any similar financial loss, in each case arising as a direct consequence of physical loss of or damage to the Entered Ship;
 - C. Removal and replacement of bunkers.

Extraordinary costs and expenses reasonably and necessarily incurred by the Assured in order to avoid or minimise the Assured's liability for physical damage to the Entered Ship, as set out below:

 - i. to remove the bunkers (including any fuel oil and/or lubricating oil) from the Entered Ship and/or to replace the bunkers so removed with new and sound bunkers, save that there shall be no recovery for the economic value of the bunkers so removed and/or the new and sound bunkers so supplied;
 - ii. to clean the Entered Ship's engines, tanks, pipelines and/or other similar affected areas; and
 - iii. to dispose lawfully of removed bunkers from the Entered Ship as well as substances resulting from the cleaning of the Entered Ship's engines, tanks, pipelines and/or other similar affected areas.
2. For the purposes of Clause 2, Section 1, the expression "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 Assured, or by any Co-Assured.

Section 2

Liability to persons

A. Liability to persons other than Seafarers and passengers

Liability to pay damages or compensation for personal injury, illness or death of any person (other than a Seafarer or a passenger specified in paragraphs B and C of this Section 2) and hospital, medical or funeral expenses incurred in relation to such injury, illness or death.

PROVIDED ALWAYS that:

Where the liability is in respect of a person on another Ship, and arises out of a collision between that Ship and the Entered Ship, that liability is not covered under this Section, but may be covered under and in accordance with Section 6 of this Clause.

B. Liability to Seafarers

Liability to pay damages or compensation for personal injury, illness or death of any Seafarer, including expenses of repatriating the Seafarer and sending abroad a substitute to replace the Seafarer, and hospital, medical or funeral expenses incurred in relation to such injury, illness or death.

C. Liability to passengers

Liability to pay damages or compensation:

Clause 2

- i. for personal injury, illness or death of any passenger, and hospital, medical or funeral expenses incurred in relation to such injury, illness or death;
- ii. to passengers on board an Entered Ship arising as a consequence of a casualty to that Ship while they are on board;
- iii. including the cost of forwarding passengers to destination, returning passengers to port of embarkation and maintenance of passengers ashore;
- iv. for loss of or damage to the effects of any passenger.

PROVIDED ALWAYS that:

- a) The terms of the passage ticket or other contract and any subsequent material changes thereof between the passenger and the Assured have been approved by the Managers in writing and cover for the liabilities set out in this paragraph C has been agreed between the Assured and the Managers on such terms as the Managers may require;
- b) There shall be no recovery from the Club under this paragraph C in respect of liabilities for personal injury or death, or loss of or damage to property, delay or any other consequential loss sustained by any passenger by reason of carriage by air, except where such liability occurs either:
 - i. during repatriation by air of injured or sick passengers or of passengers following a casualty to the Entered Ship; or
 - ii. subject always to proviso (c) of this paragraph C, during an excursion from the Entered Ship.
- c) There shall be no recovery from the Club under this paragraph C in respect of liability of an Assured, incurred under a contract, for death or injury to a passenger whilst on an excursion from the Entered Ship in circumstances where either:
 - i. that contract has been separately entered into by the passenger for the excursion, whether or not with the Assured; or
 - ii. the Assured has waived any or all of its rights of recourse against any sub-contractor or other third party in respect of the excursion.
- d) Unless and to the extent that the Assured has obtained appropriate separate cover by agreement in writing with the Managers, there shall be no recovery from the Club in respect of claims relating to cash, negotiable instruments, precious or rare metals or stones, valuables or objects of a rare or precious nature; and
- e) For the purpose of this paragraph C, "casualty" means an incident involving either:
 - i. a collision, stranding, explosion, fire or any other cause affecting the physical condition of the Entered Ship so as to render it incapable of safe navigation to its intended destination; or
 - ii. a threat to the life, health or safety of passengers in general.

D. Loss of and damage to the effects of Seafarers and others on board

Liability to pay damages or compensation for loss of effects of a Seafarer or any other person on board (other than a passenger specified in paragraph C of this Section 2).

PROVIDED ALWAYS that:

Unless and to the extent that the Assured has obtained appropriate special cover by agreement with the Managers in writing, there shall be no recovery from the Club in respect of claims relating to cash, negotiable instruments, precious or rare metals or stones, valuables or objects of a rare or precious nature.

Section 3

Diversion expenses

Liability for expenses of diversion of an Entered Ship for fuel, insurance costs, wages, stores, provisions and port charges where and to the extent that those expenses are over and above such expenses as would have been incurred but for the diversion and are incurred solely for the purpose of securing treatment for an injured or sick person or while awaiting a substitute for such person or for the purpose of landing stowaways or refugees, or persons saved at sea, provided that the Assured is legally liable for the expenses or they are incurred with the agreement in writing of the Managers.

Section 4

Stowaways and refugees

Expenses, other than those covered under Section 3 of this Clause, incurred by the Assured in discharging its obligations towards or making necessary arrangements for stowaways or refugees, but only if and to the extent that the Assured is legally liable for the expenses or they are incurred with the agreement in writing of the Managers.

Section 5

Life salvage

Sums legally due to third parties by reason of the fact that they have saved or attempted to save the life of any person on or from an Entered Ship but only if and to the extent that the Assured is legally liable to pay and such sums are not recoverable from Cargo owners or underwriters.

Section 6

Collision and contact

Liability for loss of or damage to another Ship or Cargo or other property on the other Ship arising out of a collision between the Entered Ship and the other Ship, or to a fixed or floating object arising out of contact between the Entered Ship and the object.

Section 7

Loss or damage to property

Liability to pay damages or compensation for physical loss of or damage to any property which is not specified elsewhere in these Terms and Conditions and which is not owned or leased by the Assured or by any Co-Assured.

Section 8

Pollution risks

Liability for losses, damages, costs and expenses set out in paragraphs A to D below when and to the extent that they are caused by or incurred in consequence of the discharge or escape from an Entered Ship of oil or any other substance, or of the threat of such discharge or escape:

Clause 2

- A. Loss, damage or contamination;
- B. Costs of any measures reasonably taken for the purpose of avoiding or minimising pollution or any resulting loss or damage together with any liability for loss of or damage to property caused by measures so taken, subject to the prior approval in writing of the Managers;
- C. Costs or liabilities incurred as a result of compliance with any order or direction given by any government or authority, for the purpose of preventing or reducing pollution or the risk of pollution;
- D. Costs or liabilities incurred as a result of pollution damage to the Assured's own property, subject to the prior approval of the Managers.

PROVIDED ALWAYS that:

- a) There shall be no recovery in respect of any liability, loss, damage, cost or expense arising as a consequence of the presence in, or the escape or discharge or threat of escape or discharge from, any land-based dump, storage or disposal facility, of any substance previously carried on the Entered Ship, whether or not as Cargo, fuel, stores or waste, except to the extent that the Club in its discretion, and without having to give any reasons for its decision, otherwise determines;
- b) Unless and to the extent that separate cover has been agreed in writing by the Managers, the Club shall not reimburse any liability, loss, cost or expense which would have been recoverable in general average if the Cargo on board the Entered Ship had been carried on terms of the York-Antwerp Rules or similar;
- c) Unless and to the extent that separate cover has been agreed in writing by the Managers, the Club shall not reimburse any liability, loss, cost or expense incurred by the Assured in its capacity as Cargo owner.

Section 9

Liability arising out of towage of or by an Entered Ship

A. Customary towage of an Entered Ship

Liability, other than for the cost of the contracted services, arising out of, or under the terms of a contract for the customary towage of an Entered Ship, that is to say:

- i. towage for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading; or
- ii. towage of an Entered Ship as is habitually towed in the ordinary course of trading from port to port or from place to place.

B. Towage of an Entered Ship other than customary towage

Liability arising out of, or under the terms of a contract for, towage of an Entered Ship other than the customary towage covered under paragraph A of this Section but only if and to the extent that cover for such liability has been agreed in writing with the Managers upon such terms as the Managers may require.

C. Towage by an Entered Ship

Liability arising out of the towage of another Ship or object by an Entered Ship but only if and to the extent that cover for such liability has been agreed in writing with the Managers upon such terms as the Managers may require.

Section 10

Liability arising under certain indemnities and contracts

Liability, in respect of risks set out in this Clause 2, arising under the terms of an indemnity or contract, given or made by or on behalf of the Assured relating to facilities or services provided by, or provided to, or in connection with, an Entered Ship, but only if and to the extent that such liability arises:

Clause 2

- i. out of any act or omission for which the Assured would be liable under applicable law; or
- ii. under a Knock for Knock provision; or
- iii. on any other basis agreed in writing by the Managers.

Section 11

Wreck liabilities

- A. Liability for costs or expenses relating to the raising, removal, destruction, lighting or marking of the wreck of an Entered Ship, when such raising, removal, destruction, lighting or marking is compulsory by law or the costs thereof are legally recoverable from the Assured.
- B. Liability for costs or expenses relating to the raising, removal or destruction of any property, including Cargo, being carried or having been carried on an Entered Ship, not being oil or any other substance within the scope of Section 8 of this Clause, when such raising, removal or destruction is compulsory by law or the costs thereof are legally recoverable from the Assured.

PROVIDED ALWAYS that:

- a) The Entered Ship became a wreck as the result of a casualty occurring during the period of that Ship's entry in the Club;
- b) The Assured has used best efforts to have the wreck removed by the Owner or its underwriters;
- c) In respect of a claim under paragraphs A and B of this Section, the value of all stores, fuels, Cargo, property and materials saved, to which the Assured is entitled, and any salvage remuneration received by the Assured and any amounts obtained from third parties shall first be deducted from such costs or expenses and only the balance thereof, if any, shall be recoverable from the Club;
- d) Where the liability arises under the terms of an indemnity or contract, and would not have arisen but for those terms, such costs and expenses are only recoverable under this Section if and to the extent that:
 - i. the terms of the indemnity or contract have previously been approved by the Managers and cover has been agreed between the Assured and the Managers on such terms as the Managers may require; or
 - ii. the Club in its discretion decides that the Assured should be reimbursed;
- e) For the purpose of this Clause only, "casualty" means collision, stranding, explosion, fire or similar fortuitous event.

Section 12

Obstruction liabilities

Liability to Owners arising out of the Entered Ship causing an obstruction as a result of a casualty.

Section 13

Quarantine expenses

Liabilities for additional expenses necessarily and solely incurred as a direct consequence of an outbreak of infectious disease on the Entered Ship, including quarantine and disinfection expenses and the extra costs (over and above such expenses as would have been incurred but for the outbreak) in respect of the cost of fuel and port charges.

Section 14

Cargo liabilities

Liabilities and costs set out in paragraphs A to D below when and to the extent that they relate to Cargo intended to be or being or having been carried in an Entered Ship:

A. Loss, shortage, damage or other responsibility

Liability for loss, shortage, damage or other responsibility arising out of any breach by the Assured, or by any person for whose acts, neglect or default the Assured may be legally liable, of its obligation properly to load, handle, stow, carry, keep, care for, discharge or deliver the Cargo or out of unseaworthiness or unfitness of the Entered Ship.

B. Disposing of damaged Cargo or sound Cargo from a damaged Ship

The additional costs (over and above those which would have been incurred by the Assured if the Cargo or the Entered Ship had not been damaged) incurred by the Assured in discharging or disposing of damaged Cargo or sound Cargo following damage to an Entered Ship, always excepting such costs as are claimable in general average or for which the Assured has a right of recourse against any other party.

C. Failure of consignee to remove Cargo

The liabilities and additional costs (over and above the costs which would have been incurred by it if the Cargo had been collected or removed) incurred by an Assured solely by reason of the total failure of a consignee to collect or remove Cargo at the port of discharge or place of delivery, but only if and to the extent that such liabilities or costs exceed the proceeds of sale of the Cargo and the Assured has no recourse to recover those liabilities or costs from any other party.

D. Through or transhipment bills of lading

Liability for loss, shortage, damage or other responsibility to Cargo carried by a means of transport other than the Entered Ship, when the liability arises under a through or transhipment bill of lading, or other form of contract, agreed in writing by the Managers, providing for carriage partly to be performed by the Entered Ship, provided that the Assured has contracted on terms that seek to preserve rights of recourse against others involved in the performance of the contract of carriage.

Note: For the purpose of this paragraph D, a contract is deemed to be approved if it incorporates the ICC Rules or the internationally accepted conventions such as CMR 1956 (Convention relative au Contrat de transport international de Marchandises par Route), CIM 1980 (Les règles uniformes concernant le Contrat de transport International ferroviaire de Marchandises), or the Warsaw Convention 1929, or as amended at The Hague 1955, or the Montreal Convention 1999, whichever is applicable or any national law enacting the same.

PROVIDED ALWAYS that:

a) Standard Terms of Contracts of Carriage

Unless and to the extent that the Club in its discretion otherwise decides, or separate cover has been agreed in writing by the Managers, there shall be no recovery from the Club in respect of liabilities which would not have been incurred or sums which would not have been payable by the Assured if the Cargo (including Cargo on deck) had been carried under a contract incorporating terms no less favourable to the Assured than the Club's recommended standard terms of carriage which shall be the Hague Visby Rules or such other rules which are of mandatory application or such other conventions as the Club may from time to time determine.

Note: For the 2026 Policy Year, the Standard Terms of Contracts of Carriage are the Hague Visby Rules, i.e. the Rules contained in the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25 August 1924, as amended by the Protocol to that Convention signed at Brussels on 23 February 1968; unless and to the extent that terms less favourable than the Hague Visby Rules are of mandatory application and incorporated by law.

Clause 2**b) Deviation**

Unless and to the extent that the Club in its discretion otherwise decides, or cover has been confirmed in writing by the Managers prior to the deviation, there shall be no recovery from the Club in respect of liabilities, costs and expenses which arise out of or which are incurred as a consequence of a deviation, in the sense of a departure from the contractually agreed voyage or adventure which deprives the Assured of the right to rely on defences or rights of limitation which would otherwise have been available to it on the basis of the standard terms of carriage referred to in proviso (a) above to reduce or eliminate its liability.

c) Claims payable only at the discretion of the Club

Unless and to the extent that the Club in its discretion otherwise decides, there shall be no recovery from the Club in respect of liabilities, costs or expenses arising out of:

- i. discharge of Cargo at a port or place other than the port or place provided in the contract of carriage;
- ii. delivery of Cargo carried under a non-negotiable bill of lading, waybill or similar document without production of such document by the person to whom delivery is made, where such production is required by the express terms of that document or the law to which that document, or the contract of carriage contained in or evidenced by it, is subject, except where the Assured is required by any other law to which the carrier is subject to deliver, or relinquish custody or control of, the Cargo, without production of such document;
- iii. delivery of Cargo carried under a negotiable bill of lading or similar document of title without production of that bill of lading or document by the person to whom delivery is made, except where Cargo has been carried on the Entered Ship under the terms of a non-negotiable bill of lading, waybill or other non-negotiable document, and has been properly delivered as required by that document, notwithstanding that the Assured of that Entered Ship may be liable under the terms of a negotiable bill of lading or other similar document of title issued by or on behalf of a party other than that Assured providing for carriage partly by a means of transport other than the Entered Ship;
- iv. the issue of an antedated or post-dated bill of lading, waybill or other document containing or evidencing the contract of carriage, recording the loading or shipment or receipt for shipment on a date prior or subsequent to the date on which the Cargo was in fact loaded, shipped or received as the case may be;
- v. a bill of lading, waybill or other document containing or evidencing the contract of carriage, issued with the knowledge of the Assured or its agent with an incorrect description of the Cargo or its quantity or its condition;
- vi. either the failure to arrive or late arrival of the Entered Ship at a port of loading, or the failure to load any particular Cargo or Cargoes in an Entered Ship other than liabilities, losses and expenses arising under a bill of lading already issued.

d) Ad valorem bills of lading

Unless and to the extent that separate cover has been agreed in writing by the Managers, the Club shall not pay for liability arising from carriage under an ad valorem bill of lading or other document of title, waybill or other contract of carriage in which a value of more than US\$2,500 (or the equivalent in any other currency) is declared and/or inserted by reference to a unit, piece, package or otherwise, where the effect of such a declaration/insertion is to deprive the carrier of any right or rights of limitation to which it would otherwise have been entitled and cause it to incur a greater liability than it would have done but for such declaration/insertion, to the extent that such liability thereby exceeds US\$2,500 (or the equivalent in any other currency) in respect of any such unit piece or package.

e) Rare and valuable Cargo

Unless and to the extent that the Managers have been notified prior to any such carriage, and any directions made by the Managers have been complied with, there shall be no recovery from the Club in respect of claims relating to the carriage of specie, bullion, precious or rare metals or stone, plate or other objects of a rare or precious nature, bank notes or other forms of currency, bonds or other negotiable instruments.

Clause 2**f) Charterer-owned Cargo**

Unless otherwise agreed in writing by the Managers, the Club shall not be liable for liabilities, losses, costs and expenses as set out in Clause 2, Sections 14 and 15, in respect of Cargo owned by the Assured or a Co-Assured or any person affiliated to or associated with the Assured or the Co-Assured when:

- i. such person has a proprietary interest in the Cargo as buyer, seller or holder of the bill of lading; or
- ii. has had such an interest and it is determined by the Club in its discretion that the liabilities are the result of:
 - (a) damage to or loss of 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, 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
 - (b) general monetary loss caused other than by failure properly to carry the Cargo.

g) Electronic Trading Systems

There shall be no recovery from the Club 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 Club in writing, to the extent that such liabilities, losses, costs and expenses would not (save insofar as the Club in its discretion otherwise determines) have arisen under a paper trading system.

For the purpose of proviso (g) of Section 14:

- (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.
- (c) an Electronic Trading System shall be deemed approved, provided:
 - (i) it is a reliable system in accordance with the Electronic Trade Documents Act 2023 of the United Kingdom or UNCITRAL's Model Law on Electronic Transferable Records and the reliability of that system is evidenced by:
 - (ia) an audit by an independent body; or
 - (ib) a declaration by a supervisory, regulatory or accreditation body or applicable voluntary scheme; or
 - (ic) applicable industry standards; and
 - (ii) any electronic document generated thereunder, which performs the functions specified in paragraph (a)(i) to (iii), has the same effect under its applicable law as a paper document performing those functions.

Section 15

General Average and Salvage

A. General average and salvage

Liability to Owners for the Ship's proportion of general average, special charges or salvage as stated in the general average adjustment or as determined by a court, competent tribunal or independent adjudicator appointed by the Managers or as otherwise agreed.

B. Unrecoverable general average contributions

The proportion of general average, special charges or salvage which an Assured may be entitled to claim from Cargo or from some other party to the marine adventure and which is not legally recoverable solely by reason of a breach of the contract of carriage by the Assured.

PROVIDED ALWAYS that:

Proviso (a)(Standard terms of carriage), proviso (b)(Deviation) and proviso (c)(Claims payable only at the discretion of the Club) of Section 14 of this Clause shall apply to any claim under this Section.

C. Assured's proportion of general average

Liability for the proportion of general average, special charges or salvage in respect of the Assured's interest in property (other than Cargo) and/or bunkers owned by the Assured, hire or freight, provided that such liability is not covered by any other insurance.

Section 16

Fines

A. Liabilities for Fines as set out in paragraphs B to E below when and to the extent that they are imposed in respect of an Entered Ship by any court, tribunal or authority, and are imposed:

- i. upon the Assured; or
- ii. upon any person whom the Assured may be legally liable to reimburse or reasonably reimburses with the approval of the Managers; or

B. Liabilities for Fines for short or overlanding or over delivery of Cargo, or for failure to comply with regulations relating to declaration of goods or to documentation of the Entered Ship in respect of its Cargo (other than Fines or penalties arising from the smuggling of goods or Cargo or any attempt thereof);

C. [not used]

D. Liabilities for Fines for contravention of any law or regulation relating to immigration;

E. Liabilities for Fines in respect of an accidental discharge or escape of oil or other substance, or the threat thereof;

Note: For the purpose of Section 16E only, an escape or discharge is deemed to be "accidental" if it is not the proximate result of an act or omission done with intent to discharge any substance from the Ship or a reckless act or omission done (irrespective of intent) with knowledge that an escape or discharge from the Ship would probably result.

F. Liabilities for any Fine to the extent that:

- i. the Assured has satisfied the Club that it took such steps as appear to the Club to be reasonable to avoid the event giving rise to such Fine; and
- ii. the Club in its discretion and without having to give any reasons for its decision, decides that the Assured should recover.

PROVIDED ALWAYS that:

Clause 2

There shall be no recovery from the Club in respect of any Fines arising out of:

- a) overloading of an Entered Ship;
- b) carriage of more passengers than permitted;
- c) illegal fishing;
- d) lack of valid or prescribed certificates relevant in the Assured's operation; or
- e) any breach, disregard or contravention of Section 14, provisos (b), (c) and (g).

Section 17

Enquiry expenses

Costs and expenses incurred by an Assured in defending itself or in protecting its interests before a formal enquiry into the loss of or into a casualty involving the Entered Ship but only to the extent and on such conditions as the Club in its discretion may determine.

Section 18

Expenses incidental to the operation of Ships

Liabilities, costs and expenses incidental to the business of chartering Ships incurred by the Assured which in the opinion of the Club fall within the scope of the Club.

PROVIDED ALWAYS that:

- a) There shall be no recovery under this Section in respect of liabilities, costs and expenses, which are expressly excluded by other provisions of these Terms and Conditions;
- b) The Club may authorise payment of claims which are excluded by Clause 5G of these Terms and Conditions but only if a majority of three-quarters of the Members' Committee present when the claim is considered so decide;
- c) Any amount claimed under this Section shall be recoverable to such extent only as the Club in its discretion may determine without having to give any reasons for its decision.

Section 19

Sue and labour and legal costs

- A. Extraordinary costs and expenses (other than those set out in paragraph B of this Section) reasonably incurred on or after the occurrence of any casualty, event or matter liable to give rise to a claim upon the Club and incurred solely for the purpose of avoiding or minimising any liability or expenditure against which the Assured is wholly or, by reason of a deductible, partly insured by the Club, but only to the extent that those costs and expenses have been incurred with the agreement of the Managers or to the extent that the Club in its discretion decides that the Assured should recover from the Club.
- B. Legal costs and expenses relating to any liability or expenditure against which the Assured is wholly or, by reason of a deductible, partly insured by the Club, but only to the extent that those costs and expenses have been incurred with the agreement of the Managers or to the extent that the Club in its discretion decides that the Assured should recover from the Club.

Section 20

Expenses incurred by direction of the Club

Costs, expenses and losses which an Assured may incur either (i) by reason of a special direction of the Club in cases in which the Club decides that it is in the interests of the Club that the direction be given, or (ii) in the absence of such special direction, as a result of action which the Assured has taken or refrained from taking if the Club in its discretion decides that such action was in the interests of the Club and that the Assured should recover from the Club.

Clause 3: Special Risks Cover

The special risks cover contained in this Clause 3 shall form part of the Assured's insurance if expressly agreed to by the Managers in writing and incorporated by means of a short form reference in the Assured's Certificate of Entry and/or Endorsement Slip.

1. Space Charterers/Consortium Extension

This extension covers liabilities of the Assured in respect of risks set out in Clause 2, incurred in its capacity as a space Charterer of a Ship operating in a consortium as declared arising out of the carriage of Cargo ("consortium claim") but only where space is exchanged or shared on a reciprocal basis, and provided always that this extension shall not apply where cover on similar terms in respect of such consortium claim is (or would have been, absent any double insurance clause) given under an Owner's P&I insurance afforded by the Club or by any other insurer.

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.

2. War and Terror Inclusion

Notwithstanding Clause 5E, cover is hereby restored to include the liabilities, costs or expenses which would otherwise be excluded by Clause 5E(1) only. Unless otherwise agreed in writing, such cover shall be subject to all other terms contained in the Certificate of Entry of the Entered Ship and shall be provided upon and subject to the following terms and conditions:

- A. Warranted that the Entered Ship is chartered on terms to the effect that:
 - i. the Owner is entitled to refuse to send the Entered Ship 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. the Owner is in any event entitled to insure its interests against such war risks; and
 - iii. the Charterer is liable to reimburse the Owner in respect of any war risks Premium incurred as a result of the Entered Ship 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 Assured to use its best endeavours to ensure that the Entered Ship is chartered on terms to the effect that the "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:

i. Cancellation

This extension of cover may be cancelled by either the Club or the Assured giving 72 hours' notice (such cancellation becoming effective on the expiry of 72 hours from midnight GMT of the day on which notice of cancellation is issued by or to the Club).

The Club may subsequently agree however to reinstate cover, if required, at terms to be agreed between the Club and the Assured. Any reinstatement of cover shall occur at a time to be agreed by the Club.

ii. Automatic Termination of Cover

Whether or not notice of cancellation set out under D(1) above has been given, this extension of cover shall terminate automatically:

- (a) upon the occurrence of any hostile detonation of any nuclear weapon of war, wheresoever or whensoever such detonation may occur; and/or
- (b) 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; and/or
- (c) in respect of any Ship in the event of such Ship being requisitioned either for title or use.

Clause 3**iii. Five Powers War Exclusion**

This extension of cover excludes loss, damage, liability or expense arising from:

- (a) the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;
- (b) requisition either for title or use.

- E. Save as set out in Clause 5E(2), 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 Club or the Assured giving 72 hours' notice (such cancellation becoming effective on the expiry of 72 hours from midnight GMT on the day on which Notice of Cancellation is issued by or to the Managers).
- F. 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, biochemical or electromagnetic weapon.

Clause 4

Clause 4: Additional Insurances

- A. Subject to the Articles, the Managers may accept entries of Ships on terms which afford cover to an Assured against any special or additional risks not set out in Clause 2. The nature and extent of the risks and the terms of the cover shall be as agreed in writing between the Assured and the Managers.
- B. Notwithstanding Clause 1(4), an Assured may be insured on the special term that the risks insured may arise otherwise than in respect of the Entered Ship or otherwise than in connection with the operation of chartering the Entered Ship provided always that this shall have been expressly agreed in writing between the Assured and the Managers.
- C. Without prejudice to the generality of paragraphs A and B of this Clause, an Assured may be insured against such of the risks set out in Appendix I and Appendix II as may be appropriate to its interest in an Entered Ship or to its operations as a Charterer, but only by special agreement in writing with the Managers and upon such terms and conditions as the Managers may require.

Note: A collection of such insurances can be found in Appendix I and Appendix II.

Clause 5: Conditions, Exceptions and Limitations

A. Payment first by the Assured

Unless the Club in its discretion otherwise decides, it is a condition precedent of an Assured's right to recover from the funds of the Club in respect of any liabilities, costs or expenses that the Assured shall first have discharged or paid the same out of funds belonging to it unconditionally and not by way of loan or otherwise.

B. Limitation of the Club's liability

i. General

Subject to these Terms and Conditions and to any special terms upon which a Ship may be entered, the Club insures the liability of the Assured in respect of an Entered Ship as this liability may be determined and fixed by law including any laws pertaining to limitation of liability. The Club shall in no circumstances be liable for any sum in excess of such legal liability.

ii. Limit

Without prejudice to the generality in paragraph (i) above, the Club's liability for any and all claims by the Assured, and other Co-Assureds arising out of any one event shall in no circumstances exceed the amount set out in the Certificate of Entry, provided always that the limit of the Club's cover under Clause 2, Section 16 (Fines) of these Terms and Conditions shall in no event exceed US\$50 million any one event.

C. Deductibles

1. The Certificate of Entry for the Entered Ship and any endorsement thereto will state any special deductibles agreed between the Assured and the Managers as a term of entry with the Club.
2. Where a casualty, event or matter gives rise to more than one claim recoverable by the Assured from the Club, those claims in the aggregate shall bear only the highest of the deductibles applicable to any of those claims.

D. Set-off

Without prejudice to anything elsewhere contained in these Terms and Conditions, the Club shall be entitled to set off any amount due from an Assured against any amount due to such Assured from the Club.

E. Exclusion of war risks

1. The Club shall not indemnify an Assured against any liability, loss, damage, cost or expense (irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the Assured or on the part of the Assured's servants or agents) when the loss or damage, injury, illness or death or other accident in respect of which such liability, loss, damage, cost or expense is incurred, caused by, arises out of or is in any way connected with one or more of the following risks:
 - i. war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power;
 - ii. capture, seizure, arrest, restraint or detainment, and the consequences thereof or any attempt thereof;
 - iii. derelict mines, torpedoes, bombs or other derelict weapons of war;
 - iv. strikes, locked-out workmen or persons taking part in labour disturbances, riots or civil commotions;
 - v. terrorism, or any person acting maliciously or from a political motive;
 - vi. confiscation, nationalisation, expropriation, deprivation or requisition.

PROVIDED ALWAYS that:

- a) In the event of any dispute as to whether or not an act constitutes an act of terrorism, the decision of the Club shall be final;
- b) Ransom shall not be recoverable unless and to the extent that the Club in its discretion shall otherwise decide.

Clause 5

Note: When deciding whether to exercise its discretion, the Club shall consider the merits of each case individually including but not limited to whether the Assured had taken such precautions as appear to the Club to be reasonable to avoid the event that gave rise to the ransom.

Note: Notwithstanding Clause 5E(1), cover may be restored to include liabilities, loss, damage, costs or expenses which would otherwise be excluded by Clause 5E(1) subject always to the prior agreement of the Club. The terms and conditions of that reinstatement of cover are contained in Clause 3, Section 2.

2. The Club shall not indemnify an Assured in respect of any loss, damage, liability, cost or expense:
 - A. i. caused by or arising from or in connection with any Russia-Ukraine conflict and/or any expansion of such conflict; or
 - ii. in any area or territory or territorial waters where Russian armed forces, Russian-backed forces, and/or Russian authorities are engaged in conflict within the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova; or
 - iii. arising from capture, seizure, arrest, detainment, confiscation, nationalisation, expropriation, deprivation or requisition for title or use, or the restraint of movement of vessels and Cargo in the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova.
- B. caused by or arising from or in connection with any one or more of the risks set out in Clause 5E(1) occurring within the area of the Indian Ocean, Gulf of Aden and Southern Red Sea. The waters enclosed by the following boundaries:
 - i. on the northwest, by the Red Sea, south of Latitude 18°N;
 - ii. on the northeast, from the Yemen border at 16°38.5'N, 53°6.5'E to high seas point 14°55'N, 53°50'E;
 - iii. on the east, by a line from high seas point 14°55'N, 53°50'E to high seas point 10°48'N, 60°15'E, thence to high seas point 6°45'S, 48°45'E; and
 - iv. on the southwest, by the Somalia border at 1°40'S, 41°34'E, to high seas point 6°45'S, 48°45'E excepting coastal waters of adjoining territories up to 12 nautical miles offshore unless otherwise provided.

F. Exclusion of nuclear risks

The Club shall not indemnify an Assured against any liabilities, costs or expenses (irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the Assured or on the part of the Assured's servants or agents) when the loss or damage, injury, illness or death or other accident in respect of which such liability arises or cost or expense is incurred, was directly or indirectly caused by or arises from:

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

PROVIDED ALWAYS that:

This exclusion shall not apply to liabilities, losses, costs or expenses arising out of the carriage of "excepted matter" as Cargo on an Entered Ship. For this purpose, "excepted matter" consists of certain radio isotopes, used in or intended to be used for any industrial, commercial, agricultural, medical or scientific purpose and such further exceptions as the Club may approve within the scope of the definition of "excepted matter" contained in the Nuclear Installations Act 1965 of the United Kingdom and any regulations made thereunder.

Clause 5**G. Exclusion of loss of hire, freight, demurrage, etc.**

Subject to Sections 1, 15 and 18 of Clause 2, the Club shall not pay for:

- i. loss of or damage to any equipment on board the Entered Ship or to any containers, lashings, stores or fuel thereon, to the extent that the same are owned or leased by the Assured or by any Co-Assured;
- ii. claims by or against the Assured relating to loss of freight or hire of an Entered Ship unless such loss of freight or hire forms part of a claim recoverable from the Assured for liabilities in respect of Cargo within the scope of these Terms and Conditions or is, with the written consent of the Managers, included in the settlement of such a claim;
- iii. loss arising out of cancellation of a charter or other engagement of an Entered Ship;
- iv. loss arising out of irrecoverable debts or out of the insolvency of any person, including insolvency of agents;
- v. claims by or against the Assured relating to demurrage, or delay to an Entered Ship unless such demurrage or delay forms part of a claim recoverable from the Assured for liabilities in respect of Cargo within the scope of these Terms and Conditions or is, with the written consent of the Managers, included in the settlement of such a claim.

H. Exclusion of certain operations

Unless and to the extent that separate cover shall have been agreed between the Assured and the Managers in accordance with the provisions of Clause 4, the Club shall not be liable for any claim relating to liabilities, costs and expenses incurred by the Assured of:

- i. an Entered Ship which is a salvage tug or firefighting Ship or other Ship used or intended to be used for salvage or firefighting operations, when the claim arises out of any salvage or firefighting service or attempted salvage or firefighting service (including for the purpose of this paragraph, wreck removal) other than:
 - (a) liabilities, costs and expenses arising out of salvage or firefighting service or attempted salvage or firefighting service conducted by an Entered Ship for the purpose of saving or attempting to save life at sea; and
 - (b) liabilities, costs and expenses incurred by the Assured (being a professional salvor) which are covered by a special agreement between the Assured and the Club, and which arise out of the operation of and in respect of that Assured's interest in an Entered Ship.

Note: In assessing whether the Assured is a professional salvor, the Managers shall take account of the following factors including, but not limited to, whether the Assured has:

- i. *International Salvage Union (or equivalent) membership;*
- ii. *as one of its main commercial activities, the provision of salvage services (such services to include emergency response (including emergency towage), environmental protection and/or wreck removal, as may be appropriate);*
- iii. *access to the necessary equipment, expertise, personnel and other resources needed in order to perform the type of salvage services contemplated;*
- iv. *a successful track record in performing such salvage services;*
- v. *demonstrated necessary safety standards and risk management measures to perform such salvage services; and/or*
- vi. *obtained any necessary industry, local, national or international regulatory approval or accreditation (as may be applicable) for the provision of such salvage services.*

- ii. an Entered Ship which is constructed or adapted for the purpose of carrying, or is used to carry out drilling operations in connection with oil or gas exploration or production when the claim arises out of or during those operations.

PROVIDED ALWAYS that:

Clause 5

For the purposes of paragraph (ii) above:

- (a) the Entered Ship shall be deemed to be carrying out production operations if (inter alia) it is a storage tanker or other Ship engaged in the storage of oil, and either:
 - (i) the oil is transferred directly from a producing well to the storage Ship; or
 - (ii) the storage Ship has oil and gas separation equipment on board and gas is being separated from oil whilst on board the storage Ship other than by natural venting; and
- (b) in respect of any Entered Ship employed to carry out production operations in connection with oil or gas production, the exclusion shall apply from the time that a connection, whether directly or indirectly, has been established between the Entered Ship and the well pursuant to a contract under which the Entered Ship is employed, until such time that the Entered Ship is finally disconnected from the well in accordance with that contract.

iii. an Entered Ship which is used for operations of dredging, blasting, pile-driving, well-intervention, cable or pipe laying, construction, installation, maintenance work, core sampling, depositing of spoil, mining, decommissioning, power generation, the deployment, operation and recovery of pneumatic barriers, and such other operations as the Managers may determine from time to time, when the claim arises as a consequence of:

- (a) claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not), in respect of the specialist nature of the operations; or
- (b) the failure to perform such specialist operations by the Assured or the fitness for purpose or quality of the Assured's work, products or services; or
- (c) any loss of or damage to the contract work.

PROVIDED ALWAYS that:

This exclusion shall not apply to liabilities, costs and expenses incurred by an Assured in respect of:

- (i) loss of life, injury or illness of crew and other personnel on board the Entered Ship; or
- (ii) the wreck removal of the Entered Ship; or
- (iii) oil pollution emanating from the Entered Ship or the threat thereof, but only to the extent that such liabilities, costs and expenses are covered by the Terms and Conditions.

iv. an Entered Ship which is used for waste disposal or incineration operations;

v. an Entered Ship which is used for or in connection with the operations of submarines, mini-submarines, diving bells or remotely operated vehicles, or underwater vessels or equipment, or an Entered Ship which is used for or in connection with professional or commercial diving operations;

vi. an Entered Ship which is moored (otherwise than on a temporary basis) and is open to the public as a hotel, restaurant, bar or other place of entertainment, when the claim is in respect of hotel or restaurant guests or other visitors or catering crew of such Ship;

vii. an Entered Ship which is used as an accommodation vessel, when the claim is in respect of personnel (other than marine crew) employed otherwise than by the Assured, where such vessel is providing accommodation to such personnel in relation to their employment on an oil or gas production or exploration facility, unless there has been a contractual allocation of risk on terms no less favourable to the Assured than Knock for Knock as between the Assured and the employer of the personnel which has been approved by the Managers;

viii. an Entered Ship which is a semi-submersible heavy lift vessel or which is designed exclusively for the carriage of heavy lift Cargo, save where the Cargo is carried under a contract on unamended Heavycon terms or any similar terms approved in writing by the Managers.

Clause 5**I. Double insurance**

The Club shall not, unless and to the extent that the Club in its discretion otherwise decides, be liable for any liabilities, costs or expenses recoverable under any other insurance or which would have been so recoverable:

- i. apart from any terms in such other insurance excluding or limiting liability on the ground of double insurance; and
- ii. if the Ship had not been entered in the Club with cover against the risks set out in these Terms and Conditions.

J. Contraband, blockade running, unlawful trade, imprudent or hazardous operations

No claim shall be recoverable from the Club if it arises out of or is consequent upon an Entered Ship carrying contraband, blockade running or being employed in an unlawful trade or if the Club, having regard to all the circumstances, shall be of the opinion that the carriage, trade or voyage was imprudent, unsafe, unduly hazardous or improper.

K. Classification, insurance and statutory requirements

Unless otherwise agreed in writing between the Assured and the Managers, the following conditions are terms of the insurance of every Entered Ship:

- i. The Assured shall, on the date of the commencement of cover or the date upon which the Entered Ship is chartered, and throughout the period of its entry with the Club, ensure that the Entered Ship:
 - (a) is classed with a Classification Society approved by the Managers; and
 - (b) is insured for Owner's P&I risks with a P&I Club that is a member of the International Group of P&I Clubs or other liability insurer approved by the Club;
- ii. The Assured shall use best endeavours to ensure that the Entered Ship complies with all the rules, recommendations and requirements of the Classification Society relating to the Entered Ship within the time or times specified by the Society;
- iii. The Assured shall use best endeavours to ensure that the Entered Ship complies with all statutory requirements of the state of the ship's flag relating to the construction, adaptation, condition, fitment, equipment and manning of the Entered Ship; and, at all times, maintain the validity of such statutory certificates as are issued by or on behalf of the state of the Ship's flag in relation to such requirements and in relation to the International Safety Management (ISM) Code and the International Ship and Port Facility Security (ISPS) Code.

Unless and to the extent that the Club otherwise decides, an Assured shall not be entitled to any recovery from the Club in respect of any claim arising during a period when that Assured is not fulfilling or has not fulfilled those conditions.

Notwithstanding, and without prejudice to, any other provisions of these Terms and Condition, the Club may in its discretion, in the event of any breach by the Assured of the obligations referred to in (i), (ii) and (iii) above, terminate the insurance of the Assured's entry by giving 7 days' notice to the Assured (such cancellation becoming effective on the expiry of 7 days from midnight GMT of the day on which notice of cancellation is issued by the Club), whereupon the Assured shall cease to be insured in respect of the Entered Ship.

L. Marine Insurance Act 1906 and Insurance Act 2015

- i. Subject to (ii) below, these Terms and Conditions and all contracts of insurance between the Club and the Assured shall be subject to and incorporate the provisions of the Marine Insurance Act 1906 and the Insurance Act 2015 of the United Kingdom and any statutory modifications thereto except insofar as such Acts or modifications may have been excluded by these Terms and Conditions or by any term of such contracts.
- ii. The following provisions of the Insurance Act 2015 ("the Act") are excluded from these Terms and Conditions and any contract of insurance between the Club and the Assured:

Clause 5

- (a) Section 8 of the Act is excluded. As a result, any breach of the duty of fair presentation by the Assured shall entitle the Club to avoid the policy, regardless of whether the breach of the duty of fair presentation is innocent, deliberate or reckless;
- (b) Section 10 of the Act is excluded. As a result, all warranties in these Terms and Conditions or any such contract of insurance must be strictly complied with and if the Assured fails to comply with any such warranty, the Club shall be discharged from liability from the date of the breach, regardless of whether the breach is subsequently remedied;
- (c) Section 11 of the Act is excluded. As a result, these Terms and Conditions and all terms of the contract of insurance between the Club and the Assured, including terms which would tend to reduce the risk of loss of a particular kind, loss at a particular location and/or loss at a particular time, must be strictly complied with and if the Assured fails to comply with any such term, the Club's liability may be excluded, limited or discharged in accordance with these Terms and Conditions notwithstanding that the failure to comply could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred;
- (d) Section 13 of the Act is excluded. As a result, the Club shall be entitled to exercise its right to terminate the contract of insurance in respect of the Assured and all Co-Assureds in the event that a fraudulent claim is submitted by or on behalf of the Assured and/or any Co-Assured;
- (e) Section 13A of the Act is excluded: As a result, these Terms and Conditions and all terms of the contract of insurance between the Club and the Assured shall not be subject to nor shall the Club be in breach of any implied term that it will pay any sums due in respect of a claim within a reasonable time save where the breach is deliberate or reckless and Section 13A of the Act is excluded to this extent;
- (f) Section 14 of the Act is excluded. As a result, the contract of insurance between the Club and the Assured shall be deemed to be a contract of the utmost good faith, and any breach of the duty of utmost good faith shall entitle the Club to avoid the contract of insurance.

M. Obligation to sue and labour

Upon the occurrence of any casualty, event or matter liable to give rise to a claim by an Assured upon the Club, it shall be the duty of the Assured and its agents to take and to continue to take all such steps as may be reasonable for the purpose of averting or minimising any expense or liability in respect whereof it may be insured by the Club. In the event that an Assured commits any breach of this obligation, the Club may in its discretion reject any claim by the Assured against the Club arising out of the casualty, event or matter, or reduce the sum payable by the Club in respect thereof by such amount as it may determine.

N. Obligations with regard to claims

- i. An Assured must promptly notify the Club of every casualty, event or claim upon it which is liable to give rise to a claim upon the Club, and of every event or matter which is liable to cause the Assured to incur liabilities, costs or expenses for which it may be insured by the Club;
- ii. An Assured must promptly notify the Club of every survey or opportunity for survey in connection with a matter referred to under (i);
- iii. An Assured must at all times promptly notify the Managers of any information, documents or reports in its or its agents' possession, power or knowledge relevant to such casualty, event or matter as is referred to under (i) and shall further, whenever so requested by the Managers, promptly produce to the Club and/or allow the Club or its agents to inspect, copy or photograph, all relevant documents of whatsoever nature in its or its agents' possession or power and shall further permit the Club or its agents to interview any servant, agent or other person who may have been employed by the Assured at the material time or at any time thereafter or whom the Club may consider likely to have any direct or indirect knowledge of the matter or who may have been under a duty at any time to report to the Assured in connection therewith;
- iv. An Assured shall not settle or admit liability for any claim for which it may be insured by the Club without the prior written consent of the Managers.

Clause 5

In the event that an Assured commits any breach of its obligations referred to in (i) to (iv) above, the Club may in its discretion reject any claim by the Assured against the Club arising out of the casualty, event or matter, or reduce the sum payable by the Club in respect thereof by such amount as it may determine.

O. Time bar

In the event that:

- i. an Assured fails to notify the Club of any casualty, event or claim referred to in paragraph N(i) of this Clause within one year after it has knowledge thereof; or
- ii. an Assured fails to submit a claim to the Club for reimbursement of any liabilities, costs or expenses within one year after discharging or settling the same,

the Assured's claim against the Club shall be discharged and the Club shall be under no further liability in respect thereof unless the Club in its discretion shall otherwise determine.

P. Rights of recourse, third party recoveries, savings and no waiver by the Assured and subrogation

- i. Unless and to the extent that the Club in its discretion otherwise decides, there shall be no recovery from the Club in respect of liabilities, costs and expenses arising out of or in connection with contracts for carriage wholly or partly by sea to the extent such liabilities, costs and expenses would not have been incurred or borne by the Member but for its waiver or limitation of, or failure to incorporate, rights of recourse that would have been available under a bill of lading contract which incorporated Article IV Rule 6 of the Hague or Hague Visby Rules or any equivalent provision under other applicable law, unless such rights of recourse are not available by reason of mandatorily applicable law;
- ii. Unless otherwise agreed in writing by the Managers, where the Club has paid a claim to or on behalf of an Assured, the whole of any recovery from a third party in respect of that claim shall be credited and paid to the Club up to an amount corresponding with the sum paid by the Club together with any interest element on that sum comprised in the recovery, provided however that where, because of a deductible in its terms of entry, the Assured has contributed to settlement of the claim, any such interest element shall be apportioned between the Assured and the Club taking into account the payments made by each and the dates on which those payments were made;
- iii. Unless otherwise agreed in writing by the Managers, where the Assured, as a result of an event for which it is covered by the Club, has obtained extra revenue or saved costs or expenses which would otherwise have been incurred and which would not have been covered by the Club, the Club may deduct from the sum otherwise payable to the Assured an amount corresponding to the benefit obtained;
- iv. Unless otherwise agreed in writing by the Managers, the Assured must not waive in any manner whatsoever the right to exclude, defend or limit liability and/or any rights of recourse against any party otherwise available to the Assured.
- v. Unless otherwise agreed in writing by the Managers, where the Club has paid a claim to or on behalf of an Assured, the Club shall be subrogated to the rights of the Assured in respect of the claim to the extent of that payment, including the right to any interest accruing on that amount prior to its recovery and the right to recover any costs incurred in relation to the exercise of such rights.

Q. Survey and audit

The Club may, for its sole benefit, conduct a survey of the condition, operation or trading of the Entered Ship, or audit of the Assured's management systems, at any time. If the survey or audit demonstrates that the condition, operation or trading of the Entered Ship, or the Assured's management systems are not satisfactory, the Assured shall indemnify the Club against the cost of the survey or audit, and the Club shall be entitled to terminate or restrict cover until the condition, operation and trading of the Entered Ship, and the Assured's management systems are satisfactory.

R. Electronic communication

The Club's logs and records of any electronic communication sent or received by the Club shall, in the absence of manifest error, be conclusive evidence of such communication and of its despatch or receipt.

Clause 5**S. Interest**

In no case shall interest be paid upon sums due from the Club.

T. Sanctions

- i. The Club shall not indemnify an Assured against any liabilities, costs or expenses where the provision of cover, the payment of any claim or the provision of any benefit in respect of those liabilities, costs or expenses may expose the Club to the risk of any sanction, prohibition, restriction or adverse action by any competent authority or government.
- ii. The Assured shall in no circumstances be entitled to recover from the Club that part of any liabilities, costs or expenses which is not recovered by the Club from any reinsurer because of a shortfall in recovery from such reinsurer by reason of any sanction, prohibition or adverse action by a competent authority or government or the risk thereof if payment were to be made by such reinsurer. For the purposes of this paragraph, "shortfall" includes, but is not limited to, any failure or delay in recovery by the Club by reason of the said reinsurer delaying payment or making payment into a designated account in compliance with the requirements of any competent authority or government.
- iii. Notwithstanding, and without prejudice to, any other provisions of these Terms and Conditions, the Club may terminate forthwith the insurance of an Assured in respect of any and all Ships entered by it where, in the opinion of the Club, the Assured has exposed or will expose the Club to a material risk of being or becoming subject to a sanction, prohibition, restriction or other adverse action by a competent authority or government, which may materially affect the Club.
- iv. The Directors and the Managers may in their discretion and without notifying the Assured provide such co-operation and information they consider necessary and appropriate to respond to any enquiry, investigation or proceedings conducted by any competent authority, regulator or government in relation to the activities of the Assured which are alleged or reasonably suspected to be in breach of any sanction laws.

U. Regulations by the Club

The Club may make regulations prescribing the conditions or forms of contracts, such as contracts of carriage or other contracts, either generally or for use in any particular trade or at any particular port or place, as the situation may require. Such regulation shall take effect forthwith upon issuance of the regulation unless otherwise decided by the Managers in writing and shall be deemed to be incorporated in these Terms and Conditions from the beginning of the Policy Year next following the time and date of the taking effect of such regulation. Notice of issuance of regulation made pursuant to this Clause shall be sent to every Assured by post or by electronic transmission. If any Assured shall commit a breach of any regulation, the Directors may reject or reduce any claim made by the Assured to the extent to which it would not have arisen if it had complied with the regulation and may further impose such terms upon it as they may think fit as a condition of the continuance of the entry of the Assured's Ship or Ships in the Club.

Note: Current regulations can be found in Appendix III.

V. Contractual liabilities

Where an Assured's or a Co-Assured's liabilities or costs or expenses are incurred under the terms of a contract which would not have arisen but for the terms of that contract, such liabilities, costs or expense are not covered by the Club unless and to the extent that those terms have been approved in writing by the Club with the Assured.

W. Precious objects

Unless and to the extent that the Assured has obtained appropriate separate cover by agreement with the Club in writing, there shall be no recovery from the Club in respect of claims relating to cash, negotiable instruments, precious or rare metals or stones, valuables or objects of a rare or precious nature.

X. Marine Cyber Endorsement LMA5403

1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus, computer process or any other electronic system.

Clause 5

2. Subject to the conditions, limitations and exclusions of the policy to which this Clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software program, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
3. Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software program or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

Y. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014) (Amended)

This Clause shall be paramount and shall override anything contained in this (re)insurance inconsistent therewith.

1. No coverage shall in any event be provided under this (re)insurance for any loss, damage, liability, cost or expense directly arising from any transmission or alleged transmission of the below scheduled Communicable Disease(s) under this (re)insurance:
 - i. COVID-19; and
 - ii. SARS-CoV-2; and
 - iii. any mutation or variation of SARS-CoV-2.
2. In the event that the World Health Organization ("WHO") has determined an outbreak of a Communicable Disease to be a Public Health Emergency of International Concern (a "Declared Communicable Disease"), no coverage will be provided under this (re)insurance for any loss, damage, liability, cost or expense directly arising from any transmission or alleged transmission of the Declared Communicable Disease.
3. The exclusion in paragraph 2 above will not apply to any liability of the Assured otherwise covered by this (re)insurance where the liability directly arises from an identified instance of a transmission of a Declared Communicable Disease and where the Assured proves that identified instance of a transmission took place before the date of determination by the WHO of the Declared Communicable Disease.
4. However, even if the requirements of paragraph 3 above are met, no coverage will be provided under this (re)insurance for any:
 - A. liability, cost or expense to identify, clean up, detoxify, remove, monitor or test for the Communicable Disease(s) scheduled in paragraph 1 or Declared Communicable Disease whether the measures are preventative or remedial;
 - B. liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of the Communicable Disease(s) scheduled in paragraph 1 or Declared Communicable Disease;
 - C. loss, damage, liability, cost or expense caused by or arising out of fear of or the threat of the Communicable Disease(s) scheduled in paragraph 1 or Declared Communicable Disease.
5. For the purpose of this Clause, Communicable Disease means any disease, known or unknown, which can be transmitted by means of any substance or agent from any organism to another organism where:
 - A. the substance or agent includes but is not limited to a virus, bacterium, parasite or other organism, or any variation or mutation of any of the foregoing, whether deemed living or not; and
 - B. the method of transmission, whether direct or indirect, includes but is not limited to human touch or contact, airborne transmission, bodily fluid transmission, transmission to or from or via any solid object or surface or liquid or gas; and

Clause 5

- C. the disease, substance or agent may, acting alone or in conjunction with other co-morbidities, conditions, genetic susceptibilities, or with the human immune system, cause death, illness or bodily harm or temporarily or permanently impair human physical or mental health or adversely affect the value of or safe use of property of any kind.
- 6. This Clause shall not extend this (re)insurance to cover any liability which would not have been covered under this (re)insurance had this Clause not been attached.

All other terms, conditions and limitations of this (re)insurance remain the same.

Clause 6

Clause 6: Assureds and Successors Bound by Terms and Conditions

- A. All contracts of insurance effected by the Club shall, save and insofar as they contain any special terms inconsistent herewith, be deemed to incorporate and shall incorporate all the provisions of these Terms and Conditions.
- B. An Assured or other person (including an insurer to be reinsured under Clause 11) by whom or on whose behalf an application is made for insurance or reinsurance by the Club shall be deemed to have agreed not only on its own behalf but also on behalf of its Successors and each of them that both it and they will in every respect be subject to and bound by the provisions of these Terms and Conditions and by any contract of insurance with the Club.

Clause 7: Applications for Insurance

- A. The Applicant Assured must make to the Managers a fair presentation of the risks by providing the Managers with all circumstances which the Applicant Assured knows or ought to know would influence the Club in deciding whether and on what terms to provide cover.
- B. The Applicant Assured and its agent shall ensure that every material representation as to a matter of fact is substantially correct, and every material representation as to a matter of expectation or belief is made in good faith.
- C. In accordance with Clause 5L of these Terms and Conditions, Section 8 of the Insurance Act 2015 is excluded. Any breach of paragraphs A and B above shall entitle the Club to avoid the contract of insurance, regardless of whether the breach is innocent, deliberate or reckless.
- D. The Assured is obliged to disclose every change in circumstance which the Assured or its agent knows or ought to know alters or may alter the risks covered by the Club. Upon such disclosure, or failure to disclose, the Managers may amend the Assured's Premium or terms of entry, or terminate the policy in respect of such Ship with effect from the time of disclosure or failure to disclose.
- E. The Managers shall be entitled, in their discretion and without assigning any reason, to refuse any application for the entry of a Ship for insurance in the Club whether or not the Applicant Assured of such a Ship is a Member.
- F. Unless otherwise agreed in writing by the Managers, and without prejudice to the generality of this Clause, the following additional requirements apply to entries where, upon written agreement between the Assured and the Managers, the Assured may declare risks in arrears:
 - i. the Assured warrants that all Ships chartered by the Assured and/or its affiliate or associate during the Policy Year shall be entered solely with the Club;
 - ii. declarations by the Assured shall be made no later than 90 days or such other period as it is agreed in writing by the Managers from the date the Assured becomes Charterer;
 - iii. a breach of any of the conditions in (i) and (ii) above shall entitle the Club to amend the Assured's Premium or other terms of entry, including but not limited to declining or restricting cover, or to terminate the insurance effective from the expiry of 7 days' notice.

Clause 8

Clause 8: Premium, Payment and Premium Tax

- A. Before an application is accepted for the entry of a Ship, the Applicant Assured and the Managers shall agree the amount of the Premium and the time or times at which it is payable. In deciding upon the Premium amount for any Ship, the Managers may take into account all matters which they may consider relevant including (without prejudice to the generality of the foregoing) the degree of risk estimated to be involved in the proposed insurance.
- B. If the application is accepted, the Assured shall be bound to pay and shall pay to the Club the Premium agreed with the Managers and at such time or times as the Managers shall have specified.
- C. No claim of any kind whatsoever by an Assured against the Club shall constitute any set-off against Premium or other sums of whatsoever nature due to the Club or shall entitle an Assured to withhold or delay payment of any such sum.
- D. Without prejudice to the rights and remedies of the Club under these Terms and Conditions and in particular Clauses 18 to 20 inclusive, if any Premium or part thereof or any other sum of whatsoever nature due from any Assured is not paid by such Assured on or before the date specified for payment thereof, such Assured shall pay interest on the amount not so paid from and including the date so specified to the date of payment at such rate as the Club may from time to time determine, but the Club may also waive payment of such interest in whole or in part.
- E. The Club shall have a lien or other right of action against any Ship entered by the Assured and any property owned by the Assured in respect of any sum of whatsoever nature owed by it to any of the Clubs, notwithstanding that the cover of the Assured or in respect of any Ship entered by it may have ceased or been terminated or cancelled.
- F. An Assured shall pay on demand to the Club or to its order the amount of any Premium tax or other tax levied on or in connection with the insurance or reinsurance provided by the Club to the Assured which the Club determines it or the Assured has or may become liable, and shall indemnify the Club and hold it harmless in respect of any loss, damage, liability, cost or expense which it may incur in respect of such Premium tax or other similar tax.

Clause 9

Clause 9: Co-Assureds

A. The Managers may accept the entry of any Ship upon terms that within the limits and upon the conditions set out in this Clause, the benefit of the cover afforded by the Club to the Assured in respect of that Ship shall be extended to persons or companies named as Co-Assureds with that Assured under the same entry.

PROVIDED ALWAYS that:

- a) Unless otherwise agreed in writing by the Managers, the Assured and all Co-Assureds shall be jointly and severally liable to pay all Premium or other sums due to the Club in respect of such entry.
- b) The cover afforded under this Clause 9A shall, subject to Clause 5B extend only to risks, liabilities and expenses arising out of operations and/or activities customarily carried on by or at the risk and responsibility of a Charterer and which are within the scope of the cover afforded by the Rules and any special terms set out in the Certificate of Entry.

B. Unless and to the extent that separate cover has been agreed in writing with the Assured by the Managers, the benefit of the cover extended to Co-Assureds in accordance with Clause 9A shall be limited to reimbursement of claims relating to the liabilities, costs or expenses incurred by them to the extent that the Assured:

- i. would have incurred the same liabilities, costs and expenses if the same claims had been pursued against it; and
- ii. would thereafter have been entitled to obtain reimbursement from the Club in accordance with the terms of entry of the Entered Ship in the Club.

C. The total liability of the Club in respect of any one event to the Assured and to all Co-Assureds to whom the benefit of the Assured's cover has been extended in accordance with this Clause shall not exceed such sum as would have been recoverable from the Club in respect of such event by the Assured, and the receipt by the Assured or any Co-Assureds of that sum or of separate payments by the Club amounting in aggregate to that sum shall be a full and sufficient discharge of the Club's liability.

D. The failure by the Assured or any Co-Assured to disclose material information within its knowledge shall be deemed to have been the failure of the Assured and all Co-Assureds.

E. Conduct of the Assured or any of the Co-Assureds under this Clause which would have entitled the Club to decline to indemnify it shall be deemed the conduct of the Assured and all Co-Assureds under the same entry.

F. Any failure by the Assured or any one of the Co-Assureds to comply with any of the obligations under these Terms and Conditions shall be deemed to be a failure of the Assured and all Co-Assureds.

G. Any provision of these Clauses which would entitle the Club to reject or reduce recovery in respect of the Assured or one of the Co-Assureds shall be deemed to apply to the Assured and all Co-Assureds.

H. Unless the Managers have otherwise agreed in writing, the contents of any communication from or on behalf of the Club to the Assured and any Co-Assured shall be deemed to be within the knowledge of the Assured and all Co-Assureds, and any communication from the Assured or any Co-Assured to the Club, the Managers or their agents shall be deemed to have been made with the full approval of the Assured and all Co-Assureds.

I. Notice served on the Assured or any Co-Assured by the Club pursuant to Clause 25 shall be deemed to be served on the Assured and all Co-Assureds.

J. There shall be no reimbursement from the Club of claims relating to any liabilities, costs, expenses or disputes among the Assured and Co-Assureds.

Clause 10

Clause 10: Certificate of Entry and Endorsement Slip

- A. As soon as reasonably practicable after accepting an application for the entry of a Ship for insurance in the Club and at the commencement of each subsequent Policy Year during which such entry continues, the Managers shall issue to the Assured of such Ship a Certificate of Entry in such form as may from time to time be prescribed by the Managers but so that such Certificate of Entry shall state the date of the commencement of the period of insurance or the Policy Year as the case may be and the terms and conditions on which the Ship has been accepted for insurance.
- B. If at any other time or from time to time the Managers and the Assured of any Ship entered for insurance shall agree to vary the terms relating to the Entered Ship, the Managers shall, as soon as reasonably practicable thereafter, issue to the Assured of such Ship an Endorsement Slip stating the terms of such variation and the date from which such variation is to be effective.
- C. Every Certificate of Entry and every Endorsement Slip issued as aforesaid shall be conclusive evidence and binding for all purposes as to the commencement of the period of insurance, as to the terms and conditions on which the Ship has been entered for insurance, and as to the terms of any variation and the date from which such variation is to be effective; provided that in the event that any Certificate of Entry or any Endorsement Slip shall in the opinion of the Managers contain any error or omission, the Managers may in their discretion issue a new Certificate of Entry or a new Endorsement Slip which shall be conclusive evidence and binding as aforesaid.

Clause 11

Clause 11: Reinsurance

- A. Subject to the Articles, and save insofar as expressly prohibited by these Terms and Conditions, the Managers may enter into contracts of reinsurance on behalf of the Club whereby the Club agrees to reinsure the risks arising in connection with any one or more Ships insured by another insurer or else agrees to reinsurance the whole or any part or proportion of the insurance business of any insurer. The consideration payable to the Club and the terms and conditions on which the reinsurance is accepted by the Club shall be such as are agreed between the Managers and the insurer. Save where otherwise agreed in writing, the other insurer shall be in every respect subject to and bound by the provisions of these Terms and Conditions and its contract with the Club shall for all purposes take effect as though it were the Assured of any Ship or Ships in connection with which the relevant risks may arise and had the Assured entered the Ship or Ships in the Club for insurance.
- B. The Managers shall have the right in their discretion to effect on behalf of the Club the reinsurance or ceding of any risks insured by the Club (including any risk which may fall on the Club by reason of a reinsurance referred to in paragraph A of this Clause) with reinsurers and on such terms as the Managers shall consider appropriate. Where such reinsurance is arranged, the Assured shall be entitled to recover only the net amount actually recovered from reinsurer(s), together with that portion (if any) of the risk or risks retained by the Club.
- C. Notwithstanding paragraph B of this Clause and subject always to Clause 5, paragraphs B and T, the Assured shall not be entitled to recover from the Club in respect of risks set out in Clause 2 (except Clause 2, Section 1) any amount exceeding US\$100 million (or equivalent in another currency) in respect of those risks unless and to the extent such amount is recovered by the Club from the reinsurer(s).

Clause 12

Clause 12: Membership

- A. If the Club accepts an application from an Applicant Assured who is not already a Member for a Ship to be entered on terms that the Premium is payable to the Club, then such Applicant Assured shall, as from the date of the acceptance of such entry, be and become a Member and shall be bound by these Terms and Conditions and its name shall be entered in the register of Members.
- B. An Assured shall cease to be a Member if for any reason whatsoever the period of insurance shall have terminated in respect of all Ships entered in the Club in its name. Whenever the period of any reinsurance shall have terminated, the insurer reinsured by the Club and the Assured insured by such insurer, if previously a Member, shall cease to be one.

Clause 13

Clause 13: Assignment

- A. No insurance given by the Club and no interest under these Terms and Conditions or under any contract between the Club and any Assured may be assigned without the written consent of the Managers who shall have the right in their discretion to give or refuse such consent without stating any reason or to give such consent upon any such terms or conditions as they may think fit. Any purported assignment made without such written consent or without there being due compliance with any such terms and conditions as the Managers may impose shall, unless the Managers in their discretion otherwise decide, be void and of no effect.
- B. Whether or not the Managers shall expressly so stipulate as a condition for giving their consent to any assignment, the Club shall be entitled in settling any claim presented by the assignee to deduct or retain such amount as the Managers may then estimate to be sufficient to discharge any liabilities of the assignor to the Club, whether existing at the time of the assignment or having accrued or being likely to accrue thereafter.

Clause 14

Clause 14: Period of Insurance

- A. Subject as otherwise provided in these Terms and Conditions, the insurance by the Club of a Ship entered in the Club otherwise than for a fixed period shall commence from the time and date of entry specified in the Certificate of Entry and shall continue until the time and date of expiry specified on the Certificate of Entry, unless terminated in accordance with these Terms and Conditions.
- B. The insurance by the Club of each Ship entered for insurance for a fixed period shall, subject as otherwise provided in these Terms and Conditions, cease at the expiry of such fixed period.

Clause 15: Amendments of the Terms and Conditions

The Club may amend these Terms and Conditions as the situation may require with effect from noon GMT on any date by giving at least 30 days' notice prior to that date. Notice of amendments made pursuant to this Clause shall be sent to every Assured by post or by electronic transmission.

Clause 16

Clause 16: Notice of Termination

A. The insurance of any Ship entered in the Club may be terminated in the following manner:

- i. The Club may at any time give a written notice of termination to any Assured in the following manner:
 - (a) under Clause 5T (sanction risks), on such notice in writing as the Managers may decide; or
 - (b) under Clause 5L(ii)(d)(fraudulent claim), Clause 5Q (Survey and audit), Clause 7D (disclosure) and Clause 19 (Cancellation of Insurance) on not less than 7 days' notice;
 - (c) without giving any reason, on 30 days' written notice prior to noon GMT on the date of expiry specified in the Certificate of Entry.
- ii. An Assured may give a written notice of termination to the Club in the following manner:
 - (a) without giving any reason, on 30 days' written notice, prior to noon GMT on the date of expiry specified in the Certificate of Entry.

B. If a notice shall have been given pursuant to paragraph A of this Clause, the insurance shall terminate at noon GMT on the day of expiry of the notice period. Save with the agreement of the Managers, a Ship may not be withdrawn from the Club nor may any notice of termination be given at any other time.

C. Without prejudice to paragraphs A and B of this Clause, the Club may at any time and without giving any reason terminate the insurance on 30 days' written notice, given not later than 30 days before the date of expiry specified in the Certificate of Entry.

Clause 17: Termination and Its Effects

- A. Upon an Assured ceasing to be insured by the Club in respect of any Ship by virtue of a notice given (whether by the Assured or the Club) in accordance with Clause 16A and without prejudice to the effects of cancellation of insurance pursuant to Clause 19, then:
 - i. Such Assured and its Successors shall be and remain liable for all Premium and other sums payable in respect of the whole of the Policy Year in which such notice was given, and in respect of previous Policy Years; and
 - ii. Subject to the other provisions of these Terms and Conditions and to the terms of entry, the Club shall remain liable in respect of such Entered Ship for all claims under these Terms and Conditions and any additional terms of entry arising by reason of any event which had occurred prior to noon GMT on the date of expiry specified in the Certificate of Entry immediately following the giving of such notice, but shall not otherwise be under any liability whatsoever by reason of anything occurring at or after that date and time.
- B. Upon an Assured ceasing to be insured by the Club in respect of any Ship pursuant to paragraphs L(ii)(d) (fraudulent claim), Q (survey and audit) or T (sanctions risks) of Clause 5 or Clause 7D (disclosure), then:
 - i. Such Assured and its Successors shall be and remain liable in relation to Premium and other sums payable:
 - (a) in respect of the Policy Year in which such cessation occurs, on a pro rata basis, namely for the proportion of such sums applicable to the period beginning at the date of entry specified in the Certificate of Entry and ending at noon GMT on the date of such cessation; and
 - (b) in respect of previous Policy Years, for the whole of those Policy Years; and
 - ii. Subject to the other provisions of these Terms and Conditions and any additional terms of entry, the Club shall remain liable in respect of such Entered Ship for all claims under these Terms and Conditions and any additional terms of entry arising by reason of any event which had occurred prior to noon GMT on the day of such cessation, but shall not otherwise be under any liability whatsoever by reason of anything occurring at or after that date and time.

Clause 18: Cesser of Insurance and Its Effects

A. An Assured shall forthwith cease to be insured by the Club in respect of any and all Ships entered by it or on its behalf upon the happening of any of the following events:

- i. upon the passing of any resolution for the Assured's voluntary winding up (other than voluntary winding up for the purposes of company or group reorganisation);
- ii. upon an order being made for the Assured's compulsory winding up;
- iii. upon the Assured's dissolution;
- iv. upon a receiver being appointed of all or part of the Assured's business or undertaking;
- v. upon the Assured commencing proceedings under any bankruptcy or insolvency laws to seek protection from the Assured's creditors or reorganisation or rehabilitation pursuant to any applicable law, or if a creditor takes uncontested possession of any of its assets pursuant to any security interest therein.

And for the purposes of this Clause 18A, the Assured shall include any parent company of the Assured.

B. Unless otherwise agreed in writing by the Managers, an Assured shall forthwith cease to be insured by the Club in respect of any Ship entered by it or on its behalf upon the happening of any of the following events in relation to such Ship:

- i. upon the Assured, as at noon GMT on the date of expiry specified in the Certificate of Entry, failing to pay in respect of the Entered Ship any amounts due from it to the Club;
- ii. upon the Assured, as at noon GMT on the date of expiry specified in the Certificate of Entry, being in breach of, or otherwise failing to fulfil, its obligations in respect of the Entered Ship under Clause 5K or 5Q;
- iii. upon the Assured ceasing to be a Charterer of an Entered Ship;
- iv. upon the Entered Ship becoming an actual total loss or becoming or being deemed to have become a constructive total loss.

PROVIDED ALWAYS that, with regards to paragraphs A and B above:

- a) Notwithstanding the cesser of the insurance under sub-paragraph B(iv) of this Clause, the Club shall, subject to these Terms and Conditions and to the terms of entry, remain liable for claims arising directly from the casualty giving rise to the actual or constructive total loss of the Entered Ship;
- b) If the Managers agree that the insurance of the Entered Ship shall continue after the happening of any of the events listed in paragraph A or B of this Clause, they may in their discretion impose such terms and conditions as they think fit for the continuation of the insurance.

C. On the occurrence of any of the events specified in this Clause in respect of an Entered Ship, the Assured shall give notice in writing of such event to the Managers within one month after the date thereof.

D. Upon an Assured ceasing to be insured by virtue of this Clause, then:

- i. Such Assured and its Successors shall be and remain liable in relation to Premium and other sums payable:
 - (a) in respect of the Policy Year in which such cessation occurs, on a pro rata basis, namely for the proportion of such sums applicable to the period beginning at the date of entry specified in the Certificate of Entry and ending at noon GMT on the date of such cessation; provided that, if the Assured fails to give notice of the event in accordance with paragraph C of this Clause, such period shall end at noon GMT on such later date as the Managers in their discretion shall decide; and
 - (b) in respect of previous Policy Years, for the whole of those Policy Years; and
- ii. Subject to the other provisions of these Terms and Conditions and to the terms of entry, the Club shall remain liable in respect of any Ship entered by such Assured or in respect of such Entered Ship (as the case may be) for all claims under these Terms and Conditions arising by reason of any event which had occurred prior to the date of such cessation, but shall not otherwise be under any liability whatsoever by reason of anything occurring after that date.

Clause 19: Cancellation of Insurance and Its Effects

- A. Where an Assured has failed to pay Premium, either in whole or in part, or any other amount due from it to the Club, the Managers may give it notice in writing requiring it to pay such amount by any date specified in such notice, not being less than 7 days from the date on which such notice is given. Further:
 - i. Unless the Club otherwise decides, an Assured shall not be entitled to recover from the Club any liabilities, costs and expenses in respect of any claim arising from the date of such failure until the date such sum owing to the Club is paid in full;
 - ii. If the Assured fails to make such a payment in full on or before the date so specified, the insurance of the Assured in respect of any and all Ships referred to in such notice and entered in the Club by it or on its behalf shall be cancelled forthwith without further notice or other formality.
- B. When the insurance of an Assured is cancelled in accordance with paragraph A of this Clause (which time is hereinafter in this Clause 19 referred to as "the date of cancellation") then:
 - i. Such Assured and its Successors shall be and remain liable in relation to Premium and other sums payable:
 - (a) in respect of the Policy Year in which the date of cancellation falls, on a pro rata basis, namely for the proportion of such sums applicable to the period beginning at the date of entry specified in the Certificate of Entry and ending on the date of cancellation or such earlier date as the Managers in their discretion decide and agree in writing; and
 - (b) in respect of previous Policy Years, for the whole of those Policy Years; and
 - ii. The Club shall with effect from the date of cancellation cease to be liable for any claims of whatsoever kind under these Terms and Conditions in respect of any and all Ships in relation to which the insurance of the Assured has been cancelled:
 - (a) irrespective of whether such claims have occurred or arisen or may arise by reason of any event which has occurred at any time prior to the date of cancellation, including during previous years;
 - (b) irrespective of whether such claims arise by reason of any event occurring after the date of cancellation;
 - (c) irrespective of whether the Club may have admitted liability for or appointed lawyers, surveyors or any other person to deal with such claims;
 - (d) irrespective of whether the Club at the date of or prior to the date of cancellation knew that such claims might or would arise, and as from the date of cancellation, any liability of the Club for such claims shall terminate retrospectively and the Club shall be under no liability to such Assured for any such claims or on any account whatsoever.

PROVIDED ALWAYS that:

The Club may in its discretion and upon such terms as it thinks fit, including but not restricted to terms as to payment of Premium or other sums, admit either in whole or in part any claim in respect of any Ship entered by an Assured for which the Club is under no liability by virtue of paragraph A or B of this Clause, whether such claim has arisen before or arises after the date of cessation or the date of cancellation as the case may be, or remit wholly or partly any payment of contribution, Premiums or other sums due to the Club.

Clause 20

Clause 20: Sums Due to the Club for the Purpose of Application of the Terms and Conditions on Cancellation

- A. For the purpose of determining whether any (and, if so, what) sum is due for the purposes of Clause 19A or otherwise under these Terms and Conditions, no account shall be taken of any amount due or alleged to be due by the Club to the Assured on any ground whatever, and no set-off of any kind (including set-off which might otherwise have arisen by reason of the bankruptcy or winding up of the Assured) shall be allowed against such sum (whether or not any set-off against Premium or other sums payable has been allowed at any time in the past), except to the extent (if any) to which any sum demanded by the Managers as due, and required to be paid in a notice served under the said paragraph, may (in the Managers' discretion) in itself have already allowed for a set-off or credit in favour of the Assured.
- B. Without prejudice to the generality of Clause 23, no act, omission, course of dealing, forbearance, delay or indulgence of any kind by or on behalf of the Club nor the granting of time, nor the acceptance by the Club (whether expressed or implied) of liability for, or the recognition of, any claim, and whether occurring before or after any date of cessation or date of cancellation as hereinbefore referred to shall derogate from the effect of Clauses 17 to 20 inclusive or be treated as any waiver of any of the Club's rights thereunder.

Clause 21

Clause 21: Claims

- A. Without prejudice to any other provision of these Terms and Conditions and without waiving any of the Club's rights hereunder, the Managers may at any and all times appoint and employ on behalf of the Assured upon such terms as the Managers may think fit, lawyers, surveyors or other persons for the purpose of dealing with any matter liable to give rise to a claim by an Assured upon the Club, including investigating or advising upon any such matter and taking or defending legal or other proceedings in connection therewith. The Managers may also at any time discontinue such employment if they think fit.
- B. All lawyers, surveyors and other persons appointed by the Managers on behalf of the Assured or appointed by the Assured with the prior consent of the Managers shall at all times be and be deemed to be appointed and employed on the terms that they have been instructed by the Assured at all times (both while so acting and after having retired from the matter) to give advice and to report to the Club in connection with the matter without prior reference to the Assured and to produce to the Club without prior reference to the Assured any documents or information in their possession or power relating to such matter, all as if such person had been appointed to act and had at all times been acting on behalf of the Club.
- C. The Assured shall provide to all lawyers, surveyors and other persons appointed by the Managers on behalf of the Assured any information or documentation relevant to any matter liable to give rise to a claim by the Assured upon the Club of which it is aware or is in its power, custody or control and make available for interview any employee or agent of the Assured whom the lawyers, surveyors or the Club believe may have any knowledge of the matter. The Assured shall not withhold or conceal any documents or other evidence which may be relevant to disclose or make any false statements, and where such evidence is withheld or concealed or a false statement made, any liabilities, costs and expenses incurred or reimbursed by the Club shall be repaid by the Assured.

Clause 22

Clause 22: Powers of the Managers Relating to the Handling and Settlement of Claims

- A. The Managers shall have the right if they so decide to control or direct the conduct of any claim or legal or other proceedings relating to any liability, loss or damage in respect whereof the Assured is or may be insured in whole or in part, and to require the Assured to settle, compromise or otherwise dispose of such claim or proceedings in such manner and upon such terms as the Managers see fit.
- B. If the Assured does not settle, compromise or dispose of a claim or of proceedings after being required to do so by the Managers in accordance with paragraph A of this Clause, any eventual recovery by the Assured from the Club in respect of such claim or proceedings shall be limited to the amount the Assured would have recovered if it had acted as required by the Managers.
- C. The Club is under no obligation to provide bail or other security on behalf of any Assured, but where the same is provided, it shall be on such terms as the Managers may consider appropriate and shall not constitute any admission of liability by the Club for the claim in respect of which the bail or other security is given. It shall be a condition of the provision of bail or other security that the Assured shall indemnify the Club for any costs or liability arising therefrom or associated therewith, save to the extent that such costs or liability would have been recoverable from the Club if the Assured had incurred them directly.

Clause 23

Clause 23: Forbearance and Reimbursement

- A. No act, omission, course of dealing, forbearance, delay or indulgence by the Club in enforcing any of these Terms and Conditions or any of the terms or conditions of its contracts with an Assured nor any granting of time by the Club shall prejudice or affect the rights and remedies of the Club under these Terms and Conditions or under such contracts, and no such matter shall be treated as any evidence of waiver of the Club's rights thereunder, nor shall any waiver by the Club of a breach by an Assured of such Terms and Conditions or contracts operate as a waiver of any subsequent breach(es) thereof. The Club shall at all times and without notice be entitled to insist on the strict application of these Terms and Conditions and on the strict enforcement of its contracts with Assureds.
- B. The Assured shall reimburse to the Club on demand the amount of any payment made to any third party by the Club on behalf of or as guarantor for such Assured to the extent that such payment is in respect of any amount which in the opinion of the Managers is not recoverable from the Club.

Clause 24

Clause 24: Disputes

- A. The Assured hereby submits to the jurisdiction of the High Court of Justice of England in respect of any action brought by the Club to recover sums which the Club may consider to be due to it from the Assured. Without prejudice to the foregoing, the Club shall be entitled to commence and maintain in any jurisdiction any action to recover sums which the Club may consider to be due to it from the Assured.
- B. If any other difference or dispute shall arise between an Assured or any other person and the Club out of or in connection with these Terms and Conditions or any contract between the Assured and the Club or as to the rights or obligations of the Club or the Assured or any other person thereunder or in connection therewith, such difference or dispute shall in the first instance be referred to and adjudicated upon by the Club, unless the Club elects to waive such adjudication, whereupon the Assured or such other person concerned shall be entitled to refer the difference or dispute to arbitration in accordance with the provisions of paragraph C of this Clause. Such reference and adjudication shall be on written submissions only.
- C. If the Assured or such other person concerned in such difference or dispute does not accept the decision of the Club, such difference or dispute shall be referred to the arbitration in London of 3 Arbitrators (one to be appointed by the Club and the other by such Assured or such other person and the third by the 2 Arbitrators so appointed), and the submission to arbitration and all the proceedings therein shall be subject to the provisions of the English Arbitration Act, 1996, and any statutory modification or re-enactment thereof.
- D. No Assured nor such other person shall be entitled to maintain any action, suit or other legal proceedings against the Club upon any such difference or dispute:
 - i. unless and until the same has been so referred to the Club for adjudication under paragraph B of this Clause and the Club shall have given its decision thereon or the reference to such adjudication shall have been waived in accordance with the proviso to paragraph B of this Clause; and
 - ii. if such decision is not accepted by such Assured or such other person or if the reference to such adjudication shall have been waived, unless and until such difference or dispute shall have been referred to arbitration as provided in paragraph C of this Clause and the Award in such reference shall have been published; and
 - iii. then only for such sum (if any) as the Award may direct to be paid by the Club; and
 - iv. the sole obligation of the Club to such Assured or such other person under these Terms and Conditions and any contract between the Club and the Assured or otherwise howsoever in respect of any such dispute or difference shall be to pay such sum as may be directed by such an Award.
- E. If any difference or dispute shall arise between an Assured or any other person and the Managers or their servants or agents (collectively the Managers' Group), out of or in connection with these Terms and Conditions or any contract between the Assured and the Club or as to the rights or obligations of anyone of the Manager's Group or the Assured in any other way in connection therewith, such difference or dispute shall be referred to arbitration in London of 3 Arbitrators (one to be appointed by the Manager's Group and the other by such Assured or other person and the third by the 2 Arbitrators so appointed), and the submission to arbitration and all the proceedings therein shall be subject to the provisions of the English Arbitration Act, 1996, and any statutory modification or re-enactment thereof.

Clause 25

Clause 25: Notices

- A. A notice or other document required under these Terms and Conditions to be served on the Club may be served by sending it by courier or through the post in a prepaid letter addressed to the Club at the Club's registered office for the time being.
- B. A notice or other document required under these Terms and Conditions to be served on an Assured may be served by sending it by courier or through the post in a prepaid letter or by electronic transmission (email) addressed to such Assured:
 - i. at the address which shall have been expressly furnished by it to the Club as the address at which notices from the Club may be served upon it; or
 - ii. if no such address shall have been furnished, at its address as appearing in the Register of Members; or
 - iii. if such Assured is not and was not a Member, at the address which is its last known address to the knowledge of the Managers.
- C. Any such notice or other document if served by courier or by post shall be deemed to have been served on the day following the day on which the letter containing the same was handed to the courier or put into the post, and in proving such service, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and handed to the courier or put into the post as a prepaid letter. Any such notice or other document if served by electronic transmission (email) shall be deemed to have been served on the day on which it was despatched, and in proving such service, it shall be sufficient to prove that the notice or other document by such electronic transmission (email) was duly despatched. Where any such notice is served on an Assured by one or more forms of communication, the earliest date such notice is proved or deemed to have been served shall be treated as the date of service for all purposes.
- D. Any such notice or other document may be sent or supplied to an Assured by making it available on the Club's website (www.ukpandi.com), and it is deemed served or delivered when the Assured is notified by electronic transmission (email) that it is available on such website.
- E. The Successors of anyone who is or was at any time an Assured of an Entered Ship shall be bound by a notice or other document served as aforesaid if sent to the last such address of such Assured notwithstanding that the Club may have notice of the Assured's bankruptcy, liquidation or ceasing to be a Charterer.

Clause 26

Clause 26: Law of Contract

These Terms and Conditions and any contract of insurance howsoever made between the Club and an Assured shall be governed by and construed in accordance with English law.

Clause 27

Clause 27: Delegation

- A. Whenever any power, duty or discretion is conferred or imposed upon the Managers by virtue of these Terms and Conditions, such power, duty or discretion may, subject to any terms, conditions or restrictions contained in these Terms and Conditions, be exercised by any one or more of the Managers or by any servant or agent of the Managers to whom the same shall have been delegated or sub-delegated.
- B. Whenever any power, duty or discretion is stated in these Terms and Conditions to be vested in the Directors, such power, duty or discretion shall be exercisable by the Directors unless the same shall have been delegated to any Committee of the Directors or to the Managers or to the Members' Committee in accordance with the provisions as regards delegation contained in the Articles, in which event the power, duty or discretion may be exercised by any person to whom the same shall have been so delegated.

Clause 28: Definitions

In these Clauses, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

Applicant Assured	In relation to a Ship which is desired or intended to be entered for insurance in the Club, means Charterer, other than bareboat/demise charterer, of such Ship, by or on whose behalf an application has been, is being or is to be made for the entry of the same in the Club for insurance whether it be or is to be a Member of the Club or not.
Articles	The Articles for the time being of The United Kingdom Mutual Steam Ship Assurance Association Limited.
Assured	In relation to an Entered Ship means Charterer other than bareboat/demise Charterer, named in the Certificate of Entry or Endorsement Slip, by or on whose behalf the Ship has been entered in the Club.
Cargo	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, including anything used or intended to be used to pack or secure goods, but excluding containers or 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 containers or other equipment, stores, fuels and/or substances.
Charterer	A Charterer of a Ship, or part of a Ship, other than a demise or bareboat charterer.
Club	The United Kingdom Mutual Steam Ship Assurance Association Limited or UK P&I Club N.V., as applicable.
Clubs	The United Kingdom Mutual Steam Ship Assurance Association Limited, UK P&I Club N.V., and The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited.
Co-Assured	A party, other than the Assured, who is named on the Certificate of Entry, to whom the Club has agreed (subject to restrictions) to extend the cover afforded to the Assured.
Directors	The Board of Directors for the time being of The United Kingdom Mutual Steam Ship Assurance Association Limited, or the Management Board and/or Supervisory Board for the time being of UK P&I Club N.V., as applicable.
Electronic Trading System	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 are documents of title, or entitle the holder to delivery or possession of the goods referred to in such documents, or evidence a contract of carriage under which the rights and obligations of either of the contracting parties may be transferred to a third party. For the purpose of the definition, a "document" shall mean anything in which information of any description is recorded including, but not limited to, computer or other electronically generated information.
Entered Ship	A Ship which has been entered by an Assured in its capacity as a Charterer in the Club for insurance under these Terms and Conditions.
Entered Tonnage	The Tonnage figure recorded as Entered Tonnage in the Certificate of Entry of an Entered Ship and used for the purposes of calculation of Premium whether (a) the Tonnage of the Ship or (b) a proportion of the Tonnage of the Ship or (c) a figure exceeding the Tonnage of the Ship.
Fines	Include penalties and other impositions similar in nature to Fines.

Clause 28

Insurance	Any insurance or reinsurance.
In writing	Written, printed or lithographed, or visibly expressed in all or any of those or any other modes of representing or reproducing words.
Knock for Knock	A provision or provisions stipulating that: <ol style="list-style-type: none">i. each party to a contract shall be similarly responsible for:<ol style="list-style-type: none">(a) 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 parties; and/or(b) liability arising out of the ownership or operation of its own property; and thatii. such responsibility shall be without recourse to the other party and arise notwithstanding any fault or neglect of any party; and thatiii. each party shall, in respect of those losses, damages or liabilities for which it has assumed responsibility, correspondingly indemnify the other against any liability that that party shall incur in relation thereto.
Managers	The Managers for the time being of the Club.
Member	Member for the time being of The United Kingdom Mutual Steam Ship Assurance Association Limited.
Members' Committee	A committee of the Members constituted in accordance with the Articles.
Owner	In relation to an Entered Ship means registered owner, demise or bareboat charterer, disponent owner, owners in partnership, owners holding separate shares in severalty, part owner, mortgagee, trustee, operator, manager or builder of such Ship, or other person with an interest in that Ship but not being an Assured or any company associated with or under the same management as the Assured.
Passenger	Any person carried on board an Entered Ship pursuant to contract of carriage, not being a person engaged or employed in any capacity in connection with the operation of the Entered ship.
Policy Year	A year commencing from the time and date specified in the Certificate of Entry.
Premium	Sum or sums payable to the Club in respect of an Entered Ship.
Seafarer	Any person (including the master and apprentices) employed as part of a Ship's complement under the terms of a crew agreement or other contract of service or employment to serve on board an Entered Ship, whether or not on board that Ship.
Ship	Ship shall mean Ship, boat, hovercraft or other description of vessel or structure (including any Ship, boat, hovercraft or other vessel or structure under construction) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part thereof or any proportion of the Tonnage thereof or any share therein.
Standard terms	The terms of contracts of carriage referred to in proviso (a) to Clause 2, Section 14.

Clause 28

Successors	In relation to all the persons hereinbefore specified in connection with "Assured", "Applicant Assured" and "Co-Assured", and in relation to any other person whatsoever by whom or on whose behalf a Ship shall have been entered for insurance or reinsurance in the Club, shall include their heirs, executors, administrators, personal representatives, assigns (when permitted under these Terms and Conditions), receiver, curator or other person authorised to act on behalf of one who becomes incapable by reason of mental disorder/incapacity of managing its property or affairs, trustee in bankruptcy, liquidator and other Successors whatsoever.
Terms and Conditions	These Terms and Conditions as originally framed or as from time to time altered, abrogated or added to and for the time being in force, providing insurance for Ships entered in the Club, by Charterers, other than bareboat or demise charterers.
Ton	The unit of Tonnage.
Tonnage	The registered Tonnage of a Ship as certified in the certificate of registry of such Ship or in any other official document relating to the registration of such Ship.

Words importing the singular number only shall include the plural number and vice versa. Words importing persons shall include corporations.

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Appendix I: Additional Insurances (Pursuant to Clause 4)

Additional insurances as provided in Clause 4 may be afforded by the Club for the following risks:

Contractual Extension Cover

[Note: The terms and conditions for this cover can be obtained from the Managers]

Extended Cargo Cover

[Note: The terms and conditions for this cover can be obtained from the Managers]

Passengers Extension Cover

[Note: The terms and conditions for this cover can be obtained from the Managers]

Loss of, or Damage to, Charterers' Bunkers

A. General Terms and Conditions of Cover

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions, cover afforded to the above-named Assured in its capacity as Charterer in respect of the Entered Ship includes the risks set out in Subsection B below but subject always to Subsection C below.

B. Risk Covered

Bunkers' value as declared. Subject to the policy limit of this insurance, the sum recoverable under this policy shall be limited to the value of the quantity of bunkers on board at the time of the incident, lost or damaged and calculated by reference to the invoiced price of the bunkers stemmed at last bunkering port of the Entered Ship prior to the event giving rise to the physical loss of bunkers.

C. Other Terms and Conditions

In no circumstance shall this insurance cover any loss of or damage to bunkers consisting of or resulting from any mechanism of degradation or deterioration, whether sudden or gradual, and regardless of whether such degradation, instability or deterioration is directly or indirectly caused by or contributed to by or arises from any risk insured hereunder.

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, and with JLC Notice of Cancellation JL2022-020, 21 December 2022, and JLC Territorial and Conflict Exclusion Clause JL2022-019, 21 December 2022, in respect of war risks only. In addition, cover excludes any loss or recovery in respect of damage to and/or loss of bunkers caused by or arising from or in connection with any one or more of the risks set out in Clause 5E(1) occurring within the area of the Indian Ocean, Gulf of Aden and Southern Red Sea. The waters enclosed by the following boundaries:

- (i) on the northwest, by the Red Sea, south of Latitude 18°N;
- (ii) on the northeast, from the Yemen border at 16°38.5'N, 53°6.5'E to high seas point 14°55'N, 53°50'E;
- (iii) on the east, by a line from high seas point 14°55'N, 53°50'E to high seas point 10°48'N, 60°15'E, thence to high seas point 6°45'S, 48°45'E; and
- (iv) and on the southwest, by the Somalia border at 1°40'S, 41°34'E, to high seas point 6°45'S, 48°45'E

excepting coastal waters of adjoining territories up to 12 nautical miles offshore unless otherwise provided.

This insurance applies only where the Assured has chartered the Entered Ship under a form of charterparty approved in writing by the Club. The maximum recovery under this insurance is limited in accordance with the 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 Clause 4 of the Charterers Terms and Conditions, the cover afforded to the above-named Assured in its capacity as owner of Cargo carried on an Entered Ship includes the risks set out in Subsection B below but subject always to Subsection C below.

B. Risks Covered

Cargo Owners' Legal Liability in respect of Cargo carried on an Entered Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Clause 2 of the Charterers Terms and Conditions, incurred by the Assured, in respect of its owning interest in Cargo being or having been carried on a Ship entered in the Club, or during customary lighterage of the Cargo to or from such Ship.

C. Other Terms and Conditions

1. For the purpose of this insurance, "Cargo Owner" shall include buyer, seller or holder of the Bill of Lading.
2. The Assured's right of recovery is restricted to the amount to which the Assured 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 Assured, as a result of an event for which it 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 Club 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 the Assured's standard cover as set out in Clause 2 in accordance with the Charterers Terms and Conditions 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 of 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 Club within 5 years from the expiry of the Policy Year in which the event giving rise to a claim occurred.
9. The Club shall determine in its 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 Clause 4 of the Charterers Terms and Conditions, the cover afforded to the above-named Assured in its capacity as an owner of Cargo carried on an Entered Ship includes the risks set out in Subsection B below but subject always to Subsection C below.

B. Risks Covered

Cargo Owners' Pollution Liability in respect of Cargo carried on an Entered Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions, this insurance covers liabilities, losses, costs and expenses set out in Clause 2, Section 8 of the Charterers Terms and Conditions, incurred by the Assured, in respect of its owning interest in Cargo being or having been carried on an Entered Ship, or during customary lighterage 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, "Cargo Owner" shall include buyer, seller or holder of the Bill of Lading.
2. The Assured's right of recovery is restricted to the amount to which the Assured 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 Assured, as a result of an event for which it 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 Club 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 the Assured's standard cover as set out in Clause 2 in accordance with the Charterers Terms and Conditions 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 of 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 Club within 5 years from the expiry of the Policy Year in which the event giving rise to a claim occurred.
9. The Club shall determine in its 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.

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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 Clause 4 of the Charterers Terms and Conditions of the Club, the cover afforded to the above-named Assured in its capacity as an owner of Cargo carried on a Ship includes the risks set out in Subsection B below but subject always to Subsection C below.

B. Risks Covered

i. Cargo Owners' Legal Liability in respect of Cargo carried on an Entered Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions of the Club, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Clause 2 of the Charterers Terms and Conditions, incurred by the Assured, in respect of its owning interest in Cargo being or having been carried on a Ship entered in the Club, or during customary lighterage of the Cargo to or from such Ship.

ii. Cargo Owners' Legal Liability in respect of Cargo carried on a non-entered Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Clause 2 of the Charterers Terms and Conditions, incurred by the Assured, in respect of its owning interest in Cargo being or having been carried on a Ship not entered in the Club, or during customary lighterage of the Cargo to or from such Ship.

C. Other Terms and Conditions

1. For the purpose of this insurance, "Cargo Owner" shall include buyer, seller or holder of the Bill of Lading.
2. The Assured's right of recovery is restricted to the amount to which the Assured may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with the deductibles and limits set out in the Certificate of Entry.
3. When the Assured, as a result of an event for which it 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 Club 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 the Assured's standard cover as set out in Clause 2 in accordance with the Charterers Terms and Conditions 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 of 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 Club within 5 years from the expiry of the Policy Year in which the event giving rise to a claim occurred.
9. The Club shall determine in its 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.

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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 Clause 4 of the Charterers Terms and Conditions of the Club, the cover afforded to the above-named Assured in its capacity as an owner of Cargo carried on a Ship includes the risks set out in Subsection B below but subject always to Subsection C below.

B. Risks Covered

- i. Cargo Owners' Legal Liability in respect of Cargo carried on an Entered Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Clause 2 of the Charterers Terms and Conditions, incurred by the Assured, in respect of its owning interest in Cargo being or having been carried on a Ship entered in the Club, or during customary lighterage of the Cargo to or from such Ship.

- ii. Cargo Owners' Legal Liability in respect of Cargo carried on a non-entered Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions of the Club, this insurance covers liabilities, losses, costs or expenses in respect of risks set out in Clause 2 of the Charterers Terms and Conditions of the Club, incurred by the Assured, in respect of its owning interest in Cargo being or having been carried on a Ship not entered in the Club, or during customary lighterage of the Cargo to or from such Ship.

- iii. Cargo Owners' Legal Liability in respect of Cargo off Ship:

Pursuant and subject to Clause 4 of the Charterers Terms and Conditions of the Club, this insurance covers liabilities, losses, costs and expenses in respect of risks set out in Clause 2 (except Clause 2, Section 1) of the Charterers Terms and Conditions of the Club, incurred by the Assured, in its 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 Assured's liabilities for death, personal injury or illness, cover is conditional upon the Assured submitting a written notice of claim to the Club within 5 years from the expiry of the Policy Year in which the event giving rise to the claim occurred;
- ii) in respect of the Assured'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:
 - a) The escape is sudden, unintended and unexpected; and
 - b) The Assured has submitted a written notice of a claim to the Club 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, "Cargo Owner" shall include buyer, seller or holder of the Bill of Lading.
2. The Assured's right of recovery is restricted to the amount to which the Assured may limit liability pursuant to any applicable law, provided always that the maximum recovery under this insurance is limited in accordance with the deductibles and limits set out in the Certificate of Entry.
3. When the Assured, as a result of an event for which it 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 Club 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 the Assured's standard cover as set out in Clause 2 in accordance with the Charterers Terms and Conditions current at the time of the event from which such liability, loss or damage arises.

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5. This insurance excludes liabilities, losses, costs and expenses in respect of damage to or loss of 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 Club within 5 years from the expiry of the Policy Year in which the event giving rise to a claim occurred.
9. The Club shall determine in its 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 Clause 4 of the Charterers Terms and Conditions, the cover afforded to the above-named Assured in its capacity as Charterer in respect of the Entered Ship includes the risks set out in Subsection B below but subject always to Subsection C below.

B. Risks Covered

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

C. Other Terms and Conditions

1. The Assured's right of recovery is restricted to the amount to which the Assured 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 Assured, as a result of an event for which it 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 Club 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 Assured's standard cover in the Club in accordance with the Charterers Terms and Conditions 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 Assured 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.

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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 or ought to have been known by the Assured or its agent to contain an incorrect description of the Cargo or its quantity or its condition.
9. This insurance excludes claims by or against the Assured 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 Club shall determine in its 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 this insurance in whole or in part shall be deemed to have arisen out of one or several events.

Appendix II: Additional Insurances – Offshore (Pursuant to Clause 4)

Pursuant to Clause 4, additional covers as set out in the following Sections below relating to Offshore Specialist Operations and related risks may be provided, where contractually agreed under the terms and conditions on which a Ship is entered in the Club by, or on behalf of, the Assured, in the Certificate of Entry or in an Endorsement Slip:

- Section 1: Offshore Specialist Operations
- Section 2: Offshore Underwater Operations
- Section 3: Supply/Towing and Others

Section 1

Offshore Specialist Operations Cover

1.1 Extended P&I in respect of Specialist Operations

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(iii) in respect of one or more of the risks set out in Subsection B below but subject always to the conditions and exclusions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover is extended to an Assured of an Entered Ship which is used for Specialist Operations in respect of the risks, liabilities, costs or expenses set out below.

- a) The Assured of an Entered Ship which is used for operations of dredging, blasting, pile-driving, well-intervention, cable or pipe laying, construction, installation, maintenance work, core sampling, depositing of spoil, mining, power generation, decommissioning or such other operations as the Managers may determine from time to time (together Specialist Operations) is insured against the risks set out in Clause 2 if and to the extent liabilities, costs and expenses are incurred by the Assured as a consequence of claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not), in respect of the specialist nature of the operations.
- b) Clause 2, Section 10 – Liability arising under certain indemnities and contracts

For the purposes of Clause 2, Section 10, contractually assumed liabilities within the scope of the risks set out in Clause 2 are covered hereunder if and to the extent that such liabilities are expressly assumed under a written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which (i) is executed prior to an event giving rise to a claim and (ii) contains terms to the effect that:

- i. the Assured and the Assured's contract principal shall each be responsible for loss of or loss of use of or damage to its own property howsoever caused and for personal injury, illness or death of its own employees, howsoever caused; or
- ii. if and so far as the proper law of the written agreement or any law applied by a Court in order to give effect to the written agreement permits, the Assured and the Assured's contract principal shall each indemnify, protect, defend and hold the other harmless from and against any and all claims, actions, suits, proceedings, liabilities, costs, expenses or demands whatsoever arising out of or in connection with loss of or loss of use of or damage to its own property and/or personal injury, illness or death of its own employees, regardless of the act, neglect or default of the other; and
- iii. the indemnity or contract preserves the Assured's right to limit liability.

Appendix II**C. Conditions and Exclusions**

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under Rule 2, Section 10. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- iii. Down-hole Equipment Exclusion;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

1.2 Extended Contractual Liability Cover**A. General Conditions**

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(iii) or otherwise under Clause 2, Section 10 in respect of one or more of the risks set out in Subsection B but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured to include the liabilities, costs or expenses set out below to the extent that they are expressly assumed by the Assured under a written agreement. For the purpose of this cover, a "written agreement" means any written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which is executed prior to an event giving rise to a claim:

- a) Liabilities, costs and expenses which arise as a consequence of naming other persons as additional assureds and waiving rights of subrogation against such persons, where this is required by a written agreement;
- b) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement in respect of personal injury or illness or death of any third parties or in respect of loss of or loss of use of or damage to the property of third parties;
- c) Liabilities, costs and expenses which arise out of any claim or claims made by any employee of the Assured against any party to a written agreement on the basis of the "borrowed servant" doctrine;
- d) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement relating to the raising, removal, destruction, lighting or marking of the wreck of an Entered Ship.

Endorsements

- i. Where any proceedings are commenced or claims are made by any additional assured or the Assured against the Assured or any other additional assured, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured.
- ii. Where any proceedings are commenced or claims are made against the Assured and/or any additional assureds, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.

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- iii. Where this cover is prejudiced as a result of the acts or omissions of the Assured or any person for whom it is, was, may be or may have been responsible, this cover shall subsist for the benefit of any person or persons named as additional assureds provided that any additional assured claiming the benefit of this provision is not privy to any such acts or omissions.
- iv. This cover is not prejudiced by the fact that the Assured or any additional assured has waived its rights or is otherwise not entitled to limit its liability in accordance with any law, statute or convention in force which provides for limitation of liability in the circumstances of the occurrence giving rise to a claim, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.
- v. This cover shall be deemed to be primary in relation to those contractual liabilities assumed by the Assured which may be the subject of separate insurance carried by the other party or parties to the written agreement.

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- ii. Care, Custody, Control Exclusion;
- iii. Down-hole Equipment Exclusion;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

1.3 Care, Custody or Control Cover

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(iii) or otherwise under Clause 2, Section 10 in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured to include the liabilities, costs or expenses set out below to the extent that they are expressly assumed by the Assured under a written agreement. For the purpose of this cover, a "written agreement" means any written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which is executed prior to an event giving rise to a claim:

- a) Liabilities for personal injury, illness or death of any person, other than employees of the Assured however deemed to be in its care, custody or control.
- b) Liability for loss of or loss of use of or damage by property owned by persons other than the Assured howsoever deemed to be in its care, custody or control.

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c) Liabilities, costs and expenses incurred as a result of seepage and/or pollution and/or clean-up and/or containment of substances emanating from property owned by persons other than the Assured howsoever deemed to be in its care, custody or control.

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- iii. Down-hole Equipment Exclusion;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

1.4 Marine Employers' Liability Cover

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(iii) in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured to include the liabilities, costs or expenses set out below.

Notwithstanding Clause 1, paragraph 4 of the Club's Charterers Terms and Conditions, cover is provided in respect of the liabilities, costs and expenses specified in Clause 2, Sections 2B and 5 to the extent that such liabilities, costs and expenses are incurred in relation to any employee of the Assured within the categories set out in paragraphs (a), (b) and (c) below, notwithstanding that such employee may not be a Seafarer within the scope of the Charterers Terms and Conditions:

- a) Employees of the Assured who are habitually assigned to an Entered Ship but who, in the course of their employment, are carrying out work, services or operations other than on, in or from an Entered Ship;
- b) Employees of the Assured who are not habitually assigned to an Entered Ship but who, in the course of their employment, are carrying out work, services or operations on, in or from an Entered Ship;
- c) Any other employee of the Assured not being an employee within the categories set out in (a) or (b), who is deemed to be a Seafarer by a court having jurisdiction in respect of the claim.

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

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- i. Limit;
- ii. Care, Custody, Control Exclusion;
- iii. Down-hole Equipment Exclusion;
- iv. (a) Employee Benefits Exclusions;
- v. Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014) (Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

1.5 Excess Liability Cover (bespoke)

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(iii) in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured to include the liabilities, costs or expenses set out below:

Bespoke Risks: *(to be agreed in writing between the Assured and the Managers).*

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. Unless otherwise agreed in writing between the Assured and the Managers, the following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- ii. Care, Custody, Control Exclusion;
- iii. Down-hole Equipment Exclusion;
- iv. (a) Employee Benefits Exclusions;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014) (Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

Section 2

Offshore Underwater Operations Cover

2.1 Extended P&I In Respect Of Underwater Operations

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(v) in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover is extended to an Assured of an Entered Ship which is used for Underwater Operations in respect of the risks, liabilities, costs or expenses set out below.

- a) The Assured of an Entered Ship which is used for or in connection with the operations of submarines or underwater vessels or equipment, or for or in connection with professional or commercial diving operations (together "Underwater Operations") is insured against the risks set out in Clause 2 for liabilities, costs and expenses arising out of or in connection with the Underwater Operations.
- b) Clause 2, Section 10 – Liabilities arising under certain indemnities and contracts

For the purposes of Clause 2, Section 10, contractually assumed liabilities are covered hereunder if and to the extent that such liabilities are expressly assumed under a written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which (i) is executed prior to an event giving rise to a claim and (ii) contains terms to the effect that:

- i. the Assured and the Assured's contract principal shall each be responsible for loss of or loss of use of or damage to its own property howsoever caused and for personal injury, illness or death of its own employees, howsoever caused; or
- ii. if and so far as the proper law of the written agreement or any law applied by a Court in order to give effect to the written agreement permits, the Assured and the Assured's contract principal shall each indemnify, protect, defend and hold the other harmless from and against any and all claims, actions, suits, proceedings, liabilities, costs, expenses or demands whatsoever arising out of or in connection with the loss of or loss of use of or damage to its own property and/or personal injury, illness or death of its own employees, regardless of the act, neglect or default of the other; and
- iii. the indemnity or contract preserves the Assured's right to limit liability.

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- iii. Down-hole Equipment Exclusion;
- iv. (b) Employee Benefits Exclusions (divers);
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;

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- xi. Workers' Compensation Exclusions
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

2.2 Extended Contractual Liability Cover

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(v) or otherwise under Clause 2, Section 10 in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover is extended to an Assured of an Entered Ship which is used for Underwater Operations in respect of the risks, liabilities, costs or expenses set out below to the extent that they are expressly assumed by the Assured under a written agreement.

For the purpose of this cover, a "written agreement" means any written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which is executed prior to an event giving rise to a claim:

- a) Liabilities, costs and expenses which arise as a consequence of naming other persons as additional assureds and waiving rights of subrogation against such persons, where this is required by a written agreement.
- b) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement in respect of personal injury or illness or death of any third parties or in respect of loss of, or loss of use of, or damage to the property of any third party.
- c) Liabilities, costs and expenses which arise out of any claim or claims made by any employee of the Assured against any party to a written agreement on the basis of the "borrowed servant" doctrine.
- d) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement relating to the raising, removal, destruction, lighting or marking of the wreck of an Entered Ship.

Endorsements

- i. Where any proceedings are commenced or claims are made by any additional assured or the Assured against the Assured or any other additional assured, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured.
- ii. Where any proceedings are commenced or claims are made against the Assured and/or any additional assureds, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.
- iii. Where this cover is prejudiced as a result of the acts or omissions of the Assured or any person for whom it is, was, may be or may have been responsible, this cover shall subsist for the benefit of any person or persons named as additional assureds provided that any additional assured claiming the benefit of this provision is not privy to any such acts or omissions.
- iv. This cover is not prejudiced by the fact that the Assured or any additional assured has waived its rights or is otherwise not entitled to limit its liability in accordance with any law, statute or convention in force which provides for limitation of liability in the circumstances of the occurrence giving rise to a claim, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.
- v. This cover shall be deemed to be primary in relation to those contractual liabilities assumed by the Assured which may be the subject of separate insurance carried by the other party or parties to the written agreement.

Appendix II**C. Conditions and Exclusions**

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- iii. Down-hole Equipment Exclusion;
- iv. (b) Employee Benefits Exclusions (divers);
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

2.3 Excess Liability Cover (bespoke)**A. General Conditions**

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for which cover is restricted or excluded under Clause 5H(v) in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured to include the liabilities, costs or expenses set out below.

Bespoke Risks: *(to be agreed in writing between the Assured and the Managers).*

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. Unless otherwise agreed in writing between the Assured and the Managers, the following exclusions as set out under Conditions, Exceptions and Limitations above also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- ii. Care, Custody, Control Exclusion;
- iii. Down-hole Equipment Exclusion;
- iv. (b) Employee Benefits Exclusions (divers);
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

Section 3

Supply and Towing Cover

3.1(a) Towage Of An Entered Ship – Extended Contractual Liability Cover

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for liability in connection with towage of an Entered Ship or otherwise under Clause 2, Section 10 in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured of an Entered Ship being towed to include the liabilities, costs or expenses set out below to the extent that they are expressly assumed by the Assured under a written agreement. For the purpose of this cover, a "written agreement" means any written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which is executed prior to an event giving rise to a claim:

- a) Liabilities, costs and expenses which arise as a consequence of naming other persons as additional assureds and waiving rights of subrogation against such persons, where this is required by a written agreement;
- b) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement in respect of personal injury or illness or death of any third parties;
- c) Liabilities, costs and expenses which arise out of any claim or claims made by any employee of the Assured against any party to a written agreement on the basis of the "borrowed servant" doctrine;
- d) Liabilities, costs and expenses in respect of Cargo or other property intended to be or being or having been carried on the Entered Ship and the proportion of general average which the Assured cannot recover solely by reason of a breach of the contract of carriage, to the extent that either such liabilities, costs and expenses or such loss would not have been incurred or payable had the Cargo or property been carried on terms no less favourable to the Assured than the Club's standard terms of carriage as set out in proviso (a) to Clause 2, Section 14;
- e) Liabilities, costs and expenses for loss of, or damage to, or wreck removal of the Ship or object towing the Entered Ship or any property on board that Ship or object to the extent that such liability is incurred otherwise than in accordance with the terms and conditions set out in Clause 2, Section 9B;
- f) Liability, costs and expenses for personal injury, illness or death arising out of towage of the Entered Ship to the extent that such liability is incurred otherwise than in accordance with the terms and conditions set out in Clause 2, Section 9B;
- g) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement, in respect of loss of, or loss of use of, or damage to the property of any third party other than such property as is referred to in paragraph (d) above;
- h) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement relating to the raising, removal, destruction, lighting or marking of the wreck of an Entered Ship.

Endorsements

- i. Where any proceedings are commenced or claims are made by any additional assured or the Assured against the Assured or any other additional assured, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured.
- ii. Where any proceedings are commenced or claims are made against the Assured and/or any additional assureds, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.

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- iii. Where this cover is prejudiced as a result of the acts or omissions of the Assured or any person for whom it is, was, may be or may have been responsible, this cover shall subsist for the benefit of any person or persons named as additional assureds provided that any additional assured claiming the benefit of this provision is not privy to any such acts or omissions.
- iv. This cover is not prejudiced by the fact that the Assured or any additional assured has waived its rights or is otherwise not entitled to limit its liability in accordance with any law, statute or convention in force which provides for limitation of liability in the circumstances of the occurrence giving rise to a claim, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.
- v. This cover shall be deemed to be primary in relation to those contractual liabilities assumed by the Assured which may be the subject of separate insurance carried by the other party or parties to the written agreement.

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- iii. Down-hole Equipment Exclusion;
- iv. (a) Employee Benefits Exclusions;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

3.1(b) Towage By An Entered Ship – Extended Contractual Liability Cover**A. General Conditions**

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for liability in connection with towage, or supply, by an Entered Ship or otherwise under Clause 2, Section 10 in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured of an Entered Ship which is used for supplying and/or towing to include the liabilities, costs or expenses set out below to the extent that they are expressly assumed by the Assured under a written agreement or arise out of the towage of another Ship or object by the Entered Ship. For the purpose of this cover, a "written agreement" means any written agreement relating to facilities or services provided or to be provided to or in connection with an Entered Ship which is executed prior to an event giving rise to a claim:

- a) Liabilities, costs and expenses which arise as a consequence of naming other persons as additional assureds and waiving rights of subrogation against such persons, where this is required by a written agreement;

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- b) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement in respect of personal injury or illness or death of any third parties;
- c) Liabilities, costs and expenses which arise out of any claim or claims made by any employee of the Assured against any party to a written agreement on the basis of the "borrowed servant" doctrine;
- d) Liabilities, costs and expenses in respect of Cargo or other property intended to be or being or having been carried on the Entered Ship and the proportion of general average which the Assured cannot recover solely by reason of a breach of the contract of carriage, to the extent that either such liabilities, costs and expenses or such loss would not have been incurred or payable had the Cargo or property been carried on terms no less favourable to the Assured than the Club's standard terms of carriage as set out in proviso (a) to Clause 2, Section 14;
- e) Liabilities, costs and expenses for loss of, or damage to, or wreck removal of a towed object or any property on board the towed object to the extent that such liability is incurred otherwise than in accordance with the terms and conditions set out in Clause 2, Section 9C;
- f) Liabilities, costs and expenses for personal injury, illness or death arising out of towage by the Entered Ship to the extent that such liability is incurred otherwise than in accordance with the terms and conditions set out in Clause 2, Section 9C;
- g) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement, in respect of loss of, or loss of use of, or damage to the property of any third party other than such property as is referred to in paragraph (d) above;
- h) Liabilities, costs and expenses arising out of any obligation assumed under a written agreement which would not have arisen but for the existence of that agreement relating to the raising, removal, destruction, lighting or marking of the wreck of an Entered Ship.

Endorsements

- i. Where any proceedings are commenced or claims are made by any additional assured or the Assured against the Assured or any other additional assured, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured.
- ii. Where any proceedings are commenced or claims are made against the Assured and/or any additional assureds, this cover shall apply as if a separate Certificate of Entry had been issued to each Assured, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.
- iii. Where this cover is prejudiced as a result of the acts or omissions of the Assured or any person for whom it is, was, may be or may have been responsible, this cover shall subsist for the benefit of any person or persons named as additional assureds provided that any additional assured claiming the benefit of this provision is not privy to any such acts or omissions.
- iv. This cover is not prejudiced by the fact that the Assured or any additional assured has waived its rights or is otherwise not entitled to limit its liability in accordance with any law, statute or convention in force which provides for limitation of liability in the circumstances of the occurrence giving rise to a claim, provided always that this provision shall not operate to increase the limit of liability of the Club endorsed upon the Certificate of Entry.
- v. This cover shall be deemed to be primary in relation to those contractual liabilities assumed by the Assured which may be the subject of separate insurance carried by the other party or parties to the written agreement.

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- ii. Down-hole Equipment Exclusion;

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- iv. (a) Employee Benefits Exclusions;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- x. Underwater Operations Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

3.2 Excess Liability Cover (bespoke)

A. General Conditions

Pursuant to Clause 4 of the Club's Charterers Terms and Conditions, cover is afforded to the Assured of an Entered Ship for liability in connection with towage by, or supply by, an Entered Ship, in respect of one or more of the risks set out in Subsection B below but subject always to the terms and conditions contained in Subsection C below.

B. Risks Covered

Subject to the GENERAL CONDITIONS set out above, cover hereunder is extended to an Assured to include the liabilities, costs or expenses set out below.

Bespoke Risks: *(to be agreed in writing between the Assured and the Managers).*

C. Conditions and Exclusions

There shall be no recovery for any and/or all contractually assumed liabilities which would not have arisen but for the existence of the contract other than those set out in and accepted under the conditions set out in Subsection B above. The following exclusions as set out in full under Conditions, Exceptions and Limitations below also apply to all and any of the Risks Covered in Subsection B above, namely:

- i. Limit;
- ii. Care, Custody, Control Exclusion;
- iii. Down-hole Equipment Exclusion;
- iv. (a) Employee Benefits Exclusions;
- v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014)(Amended);
- vi. Marine Cyber Endorsement LMA5403;
- vii. Marine Insurance Act 1906 and Insurance Act 2015;
- viii. Penalty Clause Exclusion;
- ix. Seabed Structures Exclusion;
- xi. Workers' Compensation Exclusions;
- xii. Work, Products and Services Exclusions (excepting sub-paragraph (a)).

Conditions, Exceptions and Limitations

Unless otherwise agreed in writing between the Assured and the Managers, the following conditions, exceptions and limitations will apply as expressly stated under Subsection C of each Section of additional cover above, in addition to the terms set out in these Terms and Conditions and the Certificate of Entry or in an Endorsement Slip.

i. Limit

The Club's liability for any and all claims under this insurance shall be subject to a combined single limit of liability each accident or occurrence or series of accidents or occurrences arising out of any one event, such limit being the limit of liability endorsed upon the Certificate of Entry.

ii. Care, Custody, Control Exclusion

There shall be no recovery for any and/or all contractually assumed liabilities for personal injury, illness or death of any person other than employees of the Assured and/or for loss of or loss of use of or damage to or caused by property owned by, or employees of, persons other than the Assured howsoever deemed to be in its care, custody or control and/or liabilities, costs and expenses incurred as a result of seepage and/or pollution and/or clean-up and/or containment of substances emanating from property owned by persons other than the Assured howsoever deemed to be in its care, custody or control.

iii. Down-hole Equipment Exclusion

There shall be no recovery for any and/or all liabilities, costs and expenses arising out of loss of or loss of use, whether temporary or permanent, of or damage to down-hole equipment, including but not limited to drilling and production.

iv. (a) Employee Benefits Exclusions

There shall be no recovery for any and/or all liabilities arising out of any act or omission of the Assured, whether negligent or otherwise, or of any other person for whom the Assured is, was, may be or may have been legally responsible, in connection with any employee benefits of any employee of the Assured.

iv. (b) Employee Benefits Exclusions (divers)

There shall be no recovery for any and/or all liabilities arising out of any act or omission of the Assured, whether negligent or otherwise, or of any other person for whom the Assured is, was, may be or may have been legally responsible, in connection with any employee benefit of any diver employed by the Assured.

v. Exclusion of Communicable Disease risks following a Public Health Emergency of International Concern (PHEIC) (based on market cover JL2021-014) (Amended)

This Clause shall be paramount and shall override anything contained in this (re)insurance inconsistent therewith.

1. No coverage shall in any event be provided under this (re)insurance for any loss, damage, liability, cost or expense directly arising from any transmission or alleged transmission of the below scheduled Communicable Disease(s) under this (re)insurance:
 - (i) COVID-19; and
 - (ii) SARS-CoV-2; and
 - (iii) any mutation or variation of SARS-CoV-2.
2. In the event that the World Health Organization ("WHO") has determined an outbreak of a Communicable Disease to be a Public Health Emergency of International Concern (a "Declared Communicable Disease"), no coverage will be provided under this (re)insurance for any loss, damage, liability, cost or expense directly arising from any transmission or alleged transmission of the Declared Communicable Disease.
3. The exclusion in paragraph 2 above will not apply to any liability of the Assured otherwise covered by this (re)insurance where the liability directly arises from an identified instance of a transmission of a Declared Communicable Disease and where the Assured proves that identified instance of a transmission took place before the date of determination by the WHO of the Declared Communicable Disease.
4. However, even if the requirements of paragraph 3 above are met, no coverage will be provided under this (re)insurance for any:

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- A. liability, cost or expense to identify, clean up, detoxify, remove, monitor or test for the Communicable Disease(s) scheduled in paragraph 1 or Declared Communicable Disease whether the measures are preventative or remedial;
- B. liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of the Communicable Disease(s) scheduled in paragraph 1 or Declared Communicable Disease;
- C. loss, damage, liability, cost or expense caused by or arising out of fear of or the threat of the Communicable Disease(s) scheduled in paragraph 1 or Declared Communicable Disease.

5. For the purpose of this Clause, Communicable Disease means any disease, known or unknown, which can be transmitted by means of any substance or agent from any organism to another organism where:
 - A. the substance or agent includes but is not limited to a virus, bacterium, parasite or other organism or any variation or mutation of any of the foregoing, whether deemed living or not; and
 - B. the method of transmission, whether direct or indirect, includes but is not limited to human touch or contact, airborne transmission, bodily fluid transmission, transmission to or from or via any solid object or surface or liquid or gas; and
 - C. the disease, substance or agent may, acting alone or in conjunction with other co-morbidities, conditions, genetic susceptibilities, or with the human immune system, cause death, illness or bodily harm or temporarily or permanently impair human physical or mental health or adversely affect the value of or safe use of property of any kind.
6. This Clause shall not extend this (re)insurance to cover any liability which would not have been covered under this (re)insurance had this Clause not been attached.

All other terms, conditions and limitations of this (re)insurance remain the same.

vi. Marine Cyber Endorsement LMA5403

1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus, computer process or any other electronic system.
2. Subject to the conditions, limitations and exclusions of the policy to which this Clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software program, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
3. Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software program or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

vii. Marine Insurance Act 1906 and Insurance Act 2015

Clause 5L and Clause 7 concerning the exclusion of the Insurance Act 2015 apply.

viii. Penalty Clause Exclusion

There shall be no recovery for any and/or all liabilities, costs and expenses incurred as a result of the operation of any penalty clause or liquidated damages agreement, or any performance bond or guarantee, or any agreement in respect of tax or any other revenue liabilities.

ix. Seabed Structures Exclusion

There shall be no recovery for any and/or all liabilities for loss of or loss of use of or damage to or caused by structures which are or can be fixed, whether temporarily or permanently, to the seabed and which are in the care, custody or control of the Assured in any manner whatsoever, unless and to the extent that the terms, conditions and limits of such cover is agreed between the Assured and the Managers and endorsed upon the Certificate of Entry.

Appendix II**x. Underwater Operations Exclusion**

Cover in respect of risks relating to Underwater Operations is not given under this insurance but only in accordance with the terms and conditions of Underwater Operations Cover where this has been selected by the Assured.

xi. Workers' Compensation Exclusions

United States - There shall be no recovery for any and/or all liabilities for the payment of compensation and/or damages and/or benefits to or for the benefit of any employee of the Assured or to any third party who is the statutory assignee of any employee of the Assured, under, or in consequence of any default under, the workers' compensation laws of any of the States of the United States, the United States Longshoremen's and Harbour Workers' Compensation Act, or any other similar Act, law or scheme in force or in operation in any of the States of the United States or under the federal jurisdiction of the United States.

Other Jurisdictions - There shall be no recovery for any and/or all liabilities for the payment of compensation and/or damages and/or benefits to or for the benefit of any employee of the Assured under any Workers' Compensation Act, law or scheme in force or in operation in any other jurisdiction, unless and to the extent that the terms, conditions and limits of such cover are agreed between the Assured and the Managers and endorsed upon the Certificate of Entry.

xii. Work, Products and Services Exclusions

There shall be no recovery for any and/or all liabilities, costs and expenses incurred by an Assured to the extent that such liabilities, costs and expenses arise as a consequence of:

- (a) claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not), in respect of the Contract Work; or
- (b) the failure to perform such Contract Work by the Assured or the fitness for purpose and quality of the Assured's Contract Work, products or services, including any defect or latent defect in the Assured's Contract Work, products or services; or
- (c) any loss of or damage to the Contract Work.

For the purpose of this insurance, Contract Work shall include but is not limited to any work and service provided under the contract and all and every part of the materials, components, equipment, machinery or other property or objects intended to be part of the work completed under the contract in respect of which the services or operations are performed by or from the Entered Ship.

Offshore – Additional Insurances

Overview of Conditions, Exceptions and Limitations applicable to each respective additional insurance cover, subject always to the Offshore Terms and Conditions.

Section 1

Offshore Specialist Operations Cover

	1.1 Extended P&I In Respect Of Specialist Operations	1.2 Extended Contractual Liability Cover	1.3 Care, Custody or Control Cover	1.4 Marine Employers' Liability Cover	1.5 Excess Liability Cover (bespoke)
i. Limit	Yes	Yes	Yes	Yes	Yes
ii. Care, Custody, Control Exclusion		Yes		Yes	Yes
iii. Down-hole Equipment Exclusion	Yes	Yes	Yes	Yes	Yes
iv. a) Employee Benefits Exclusions				Yes	Yes
v. Exclusion of Communicable Diseases	Yes	Yes	Yes	Yes	Yes
vi. Marine Cyber Exclusion	Yes	Yes	Yes	Yes	Yes
vii. Marine Insurance Acts	Yes	Yes	Yes	Yes	Yes
viii. Penalty Clause Exclusion	Yes	Yes	Yes	Yes	Yes
ix. Seabed Structures Exclusion			Yes	Yes	Yes
x. Underwater Operations Exclusion	Yes	Yes	Yes	Yes	Yes
xi. Workers' Compensation Exclusions	Yes	Yes	Yes	Yes	Yes
xii. Work, Products and Services Exclusions	Yes(excepting sub-paragraph (a))	Yes(excepting sub-paragraph (a))	Yes(excepting sub-paragraph (a))	Yes(excepting sub-paragraph (a))	Yes(excepting sub-paragraph (a))

Section 2

Offshore Underwater Operations Cover

	2.1 Extended P&I In Respect Of Underwater Operations	2.2 Extended Contractual Liability Cover	2.3 Excess Liability Cover (bespoke)
i. Limit	Yes	Yes	Yes
ii. Care, Custody, Control Exclusion			Yes
iii. Down-hole Equipment Exclusion	Yes	Yes	Yes
iv. (b) Employee Benefits Exclusions (divers)	Yes	Yes	Yes
v. Exclusion of Communicable Diseases	Yes	Yes	Yes
vi. Marine Cyber Exclusion	Yes	Yes	Yes
vii. Marine Insurance Acts	Yes	Yes	Yes
viii. Penalty Clause Exclusion	Yes	Yes	Yes
ix. Seabed Structures Exclusion			Yes
xi. Workers' Compensation Exclusions	Yes	Yes	Yes
xii. Work, Products and Services Exclusions	Yes(excepting sub-paragraph (a))	Yes(excepting sub-paragraph (a))	Yes(excepting sub-paragraph (a))

Appendix II

Section 3

Supply and Towing Cover

	3.1(a) Towage Of An Entered Ship – Extended Contractual Liability Cover	3.1(b) Towage By An Entered Ship – Extended Contractual Liability Cover	3.2 Excess Liability Cover (bespoke)
i. Limit	Yes	Yes	Yes
ii. Care, Custody, Control Exclusion			Yes
iii. Down-hole Equipment Exclusion	Yes	Yes	Yes
iv. Employee Benefits Exclusions	Yes	Yes	Yes
v. Exclusion of Communicable Diseases	Yes	Yes	Yes
vi. Marine Cyber Exclusion	Yes	Yes	Yes
vii. Marine Insurance Acts	Yes	Yes	Yes
viii. Penalty Clause Exclusion	Yes	Yes	Yes
ix. Seabed Structures Exclusion	Yes	Yes	Yes
x. Underwater Operations Exclusion	Yes	Yes	
xi. Workers' Compensation Exclusions	Yes	Yes	Yes
xii. Work, Products and Services Exclusions	Yes(excepting sub-paragraph(a))	Yes(excepting sub-paragraph(a))	Yes(excepting sub-paragraph(a))

Appendix III

Appendix III: Regulations (Pursuant to Clause 5U)

Nickel Ore Clause

- a) An Assured 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:
 - i. ship name
 - ii. port/anchorage of loading and estimated time of arrival
 - iii. date of intended loading
 - iv. sub-charterer and/or shipper's details
 - v. agent's details
 - vi. a copy of the shipper's Cargo declaration and supporting certificates.
- b) The Managers may, at their discretion, require that a survey of the Cargo be conducted on behalf of the Assured to determine the condition of such Cargo before loading is allowed to commence, which survey may be continued into loading operations.
- c) Unless the Club in its discretion otherwise determines, there shall be no recovery from the Club 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.

