

Addendum **Clauses referred to in Certificates of Entry or** **Endorsement Slips.**

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

Paperless Trading Endorsement

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

For the purposes of this paragraph,

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

Clean Cargo Clause

- 1 It is hereby agreed that the ship will not carry persistent oil as cargo during the policy year. If persistent oil is carried as cargo at any time during any quarter then the premium rating shall be increased for that quarter only by the amount per entered ton set out in the reference to this clause in the Certificate of Entry/ Endorsement.
- 2 The owner shall make a quarterly declaration in arrears at the end of each quarter ending 20th May, 20th August, 20th November, 20th February, as soon as practicable and in no event later than two calendar months after the end of each quarter, stating, as appropriate,

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(Clean Cargo Clause - continued)

- either (i) that the ship has traded dry (in the case of an OBO) or with clean products (in the case of a tanker) during the relevant quarter and the date of commencement of such change in trade.
 - or (ii) that the ship has traded wet (in the case of an OBO) or with dirty products (in the case of a tanker) during the relevant quarter, and the date of commencement of such change in trade.
- 3 If the owner fails to notify the Managers in accordance with paragraph (2) (ii) above, the owner shall cease to be insured by the Association in respect of this ship with effect from the date of the commencement of loading persistent oil as cargo (the date of cessation). The terms of Rule 28(b) shall apply. Provided always that the Directors may in their discretion and upon such terms as they think fit reinstate the entry of the ship or admit in whole or in part any claim in respect of the ship for which the Association is not liable by virtue of the insurance having ceased in accordance with this paragraph (3).
- 4 For the purposes of this clause, "Persistent Oil" is all persistent hydro-carbon mineral oils other than those falling within the definition of "Non-persistent Oil" set out below.

"Non-persistent Oil" is oil which consists of hydro-carbon fractions:

- (a) at least 50% of which, by volume, distils at a temperature of 340 degrees C, and
- (b) at least 95% of which distils at a temperature of 370 degrees C when tested by the ASTM Method D 86/78 or any subsequent revision thereof.

Dry Cargo Clause

- 1 Warranted carrying dry bulk cargoes only or held covered on terms to be agreed subject to prior notice being given to the Association. If persistent oil is carried as cargo during any quarter then the premium rating shall be increased for that quarter only by the amount per entered ton set out in the reference to this clause in the Certificate of Entry/Endorsement. If non-persistent oil is carried as cargo during any quarter then the premium rating shall be increased for that quarter only by the amount per entered ton set out in the reference to this clause in the Certificate of Entry/Endorsement.
- 2 The owner shall make a quarterly declaration in arrears at the end of each quarter ending 20th May, 20th August, 20th November, 20th February, as soon as practicable and in no event later than two calendar months after the end of each quarter, stating, as appropriate,
- either (i) that the ship has traded dry (in the case of an OBO) or with clean products (in the case of a tanker) during the relevant quarter and the date of commencement of such change in trade

- or (ii) that the ship has traded wet (in the case of an OBO) or with dirty products (in the case of a tanker) during the relevant quarter, and the date of commencement of such change in trade.
- 3 If the owner fails to notify the Managers in accordance with paragraph (2) (ii) above, the owner shall cease to be insured by the Association in respect of this ship with effect from the date of the commencement of loading persistent oil as cargo (the date of cessation). The terms of Rule 28(b) shall apply. Provided always that the Directors may in their discretion and upon such terms as they think fit reinstate the entry of the ship or admit in whole or in part any claim in respect of the ship for which the Association is not liable by virtue of the insurance having ceased in accordance with this paragraph (3).
- 4 For the purposes of this clause, "Persistent Oil" is all persistent hydro-carbon mineral oils other than those falling within the definition of "Non-persistent Oil" set out below.

"Non-persistent Oil" is oil which consists of hydro-carbon fractions:

- (a) at least 50% of which, by volume, distils at a temperature of 340 degrees C, and
- (b) at least 95% of which distils at a temperature of 370 degrees C when tested by the ASTM Method D 86/78 or any subsequent revision thereof.

U.S. Oil Pollution Clause 20/2/2011

It is hereby agreed that for the 2011 policy year this entry includes cover in accordance with the Association's Rules for oil pollution claims arising out of any incident to which the United States Oil Pollution Act 1990 is applicable, on the terms and conditions set out below and subject to the limits of liability provided in Rule 5(B).

For the purposes of this Clause, "U.S. Voyage" is any cargo voyage involving loading or discharging persistent oil as cargo at any port or place in the United States of America or within the Exclusive Economic Zone of the U.S.A. as defined in the United States Oil Pollution Act, 1990;

"Persistent oil" is all persistent hydro-carbon mineral oils other than those falling within the definition of "non-persistent oil" set out below.

"Non-persistent oil" is oil which consists of hydro-carbon fractions:

- (a) at least 50% of which, by volume, distils at a temperature of 340 degrees C, and
- (b) at least 95% of which distils at a temperature of 370 degrees C when tested by the ASTM D 86/78 or any subsequent revision thereof.

"SBT rate" is the rate applicable to tankers equipped with segregated ballast tanks in accordance with requirements of Regulation 13 of Annex 1 to MARPOL 73/78.

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(U.S. Oil Pollution Clause 20/2/2011 - continued)

- 1 The Owner shall make a declaration quarterly in arrears at the end of each quarter ending 20th May, 20th August, 20th November, 20th February, as soon as practicable and in no event later than two calendar months after the end of each quarter, stating, as appropriate,
either (a) that the ship has not performed a cargo voyage involving loading or discharging cargo at any port or place in the United States of America or within the Exclusive Economic Zone of the United States of America during the relevant quarter,
or (b) that the ship has performed one or more such voyages during the relevant period and, in that event, the number of such voyages, the nature of the cargo(es), the port(s) or place(s) of loading, discharging or transfer and the date(s) of such loading, discharging or transfer.
- 2 The Owner shall be liable to pay and shall pay a fixed additional premium calculated as follows:
 - A) For tankers of more than 1,000 gross tons:
either US\$0.068 (SBT rate US\$0.0566) per entered ton, each U.S. voyage,
or US\$0.034 (SBT rate US\$0.0283) per entered ton, each U.S. voyage
in respect of cargoes exclusively loaded or discharged at LOOP or cargoes exclusively transferred to or from another ship at a place (other than a port) approved by the United States Coast Guard within the Exclusive Economic Zone of the United States of America.

PROVIDED ALWAYS that:

the maximum number of voyages in any one policy year in respect of which an additional premium is payable shall be twenty voyages, irrespective of the number of U.S. voyages actually performed.

- B) For tankers of 1,000 gross tons or less:
either a fixed rate of US\$68 (SBT rate US\$57) each U.S. voyage, provided always that the maximum number of voyages in any one policy year in respect of which an additional premium is payable shall be twenty voyages, irrespective of the number of US voyages actually performed,
or a fixed rate of US\$1,360 (SBT rate US\$1,140) per annum.
- C) For tankers which are constructed or adapted primarily to carry cargoes of noxious liquid substances in bulk and which are capable of carrying at least ten grades of cargo simultaneously, and where the quantity of persistent oil carried as cargo on each U.S. voyage is less than 5,000 metric tons:

A fixed rate of US\$204 (SBT rate US\$170) each U.S. voyage, provided always that the maximum number of voyages in any one policy year in respect of which an additional premium is payable shall be twenty voyages, irrespective of the number of US voyages actually performed.

(U.S. Oil Pollution Clause 20/2/2011 - continued)

D) For tankers which are constructed or adapted primarily to carry cargoes of noxious liquid substances in bulk and which are capable of carrying at least ten grades of cargo simultaneously, and where the quantity of persistent oil carried as cargo on each U.S. voyage is between 5,000 and 9,999 metric tons:

A fixed rate of US\$510 (SBT rate US\$425) each U.S. voyage, provided always that the maximum number of voyages in any one policy year in respect of which an additional premium is payable shall be twenty voyages, irrespective of the number of US voyages actually performed.

E) For tankers which are constructed or adapted primarily to carry cargoes of noxious liquid substances in bulk and which are capable of carrying at least ten grades of cargo simultaneously, and where the quantity of persistent oil carried as cargo on each U.S. voyage is more than 9,999 metric tons:

US\$0.068 (SBT rate US\$0.0566) per entered ton, each U.S. voyage, provided always that the maximum number of voyages in any one policy year in respect of which an additional premium is payable shall be twenty voyages, irrespective of the number of US voyages actually performed.

- 3 The Owner shall pay such additional premium on or before the date specified in the debit note issued by the Managers in accordance with the declarations made under paragraph (1) above.
- 4 In the event that the Owner fails for any reason to make a declaration (whether or not any U.S. voyage has been performed) within two calendar months of the quarter dates specified in paragraph (1) above, the terms of entry in respect of all tankers entered in the Association by him or on his behalf shall be deemed to have been amended with effect from the expiry of the said period of two months to incorporate the following exclusion:

“Excluding any and all claims in respect of oil pollution arising out of any incident to which the United States Oil Pollution Act 1990 is applicable” and the Owner shall remain liable to pay any additional premium in respect of any U.S. voyage performed prior to the incorporation of the above exclusion in the terms of entry.
- 5 In the event that any declaration made by the Owner or on his behalf pursuant to paragraph (1) above is in any material respect inaccurate, the insurance of the Owner in respect of any and all ships entered in the Association by him or on his behalf shall cease with effect from the date of the inaccurate declaration, and Rule 28(B) shall apply.

PROVIDED ALWAYS that:

the Directors may in their discretion and upon such terms as they think fit,

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(U.S. Oil Pollution Clause 20/2/2011 - continued)

- either (a) reinstate the entry of any or all of the ships for which the insurance has ceased pursuant to this paragraph (5),
or (b) admit in whole or in part any claim in respect of any ship entered by the Owner for which the Association is under no liability by reason of the cessation of the insurance in accordance with this paragraph (5).
- 6 In the event that the Owner fails to pay either in whole or in part any additional premium in accordance with paragraph (3) above, the provisions of Rule 31 shall apply.
- 7 The additional fixed premium payable in accordance with paragraph (3) above shall be deemed to be a fixed premium within the terms of Rule 9(A) and, save as otherwise provided in this clause, the Rules of the Association shall apply in all respects accordingly.

Charterers' Co-Assureds Clause

This entry is to cover the time and/or voyage and/or slot charterer(s) named in this Certificate of Entry/Endorsement as Member(s) in respect of claims recoverable under the Rules and terms of entry set out herein.

This entry is subject to the terms of Rule 5(B) and the aggregate amount recoverable from the Association by all such charterer(s) named as joint owner(s) in respect of all claims arising out of any event, or (for cargo claims) any one cargo voyage, is limited to a maximum of US\$350 million, PROVIDED ALWAYS that:

- 1 for any and all claims in respect of oil pollution, the aggregate amount recoverable by all the joint owners named above shall in no event exceed US\$1,000 million any one event, and shall be subject to provisos (a) and (b) of Rule 5(B)(ii).
- 2 for any and all claims
 - (i) in respect of liability to Passengers, the aggregate amount recoverable by all the joint owners named above shall in no event exceed US\$2,000 million any one event and
 - (ii) in respect of liability to Passengers and Seamen, the aggregate amount recoverable by all the joint owners named above shall in no event exceed US\$3,000 million any one event.

Space Charterers/Consortium Extension Cover Clause

This entry is extended to cover the Owner's liabilities, incurred as space charterer of a ship operating in a consortium identified in the Certificate of Entry/Endorsement, arising out of the carriage of cargo and excluding any physical damage to such a ship, its equipment or containers on board, but only where space is exchanged or shared on a reciprocal basis as defined below. This entry is subject to the Rules and the terms and conditions of entry of the entered ship and the aggregate amount recoverable from the Association under this entry in respect of all claims arising out of any one event, or (for cargo claims) any one cargo voyage, is limited:

- (a) in respect of all entered ships employed in the consortium to a maximum of US\$350 million,
- (b) where the Owner has ships entered in the Association and any other insurer which is a party to the Pooling Agreement, to that proportion of a maximum of US\$350 million as the claims incurred by the Association bear to the claims incurred by the Association and any such other insurers.

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

War Risks P&I Excess Cover Clause

In accordance with the proviso to Rule 5(E) of the Association's Rules, special cover is provided to the Owner against risks which are excluded from cover solely by virtue of the provisions of Rule 5(E). Unless otherwise agreed in writing, such cover shall be subject to all other terms and conditions of the entered ship and shall be provided upon and subject to the terms of the Director's Resolution dated 1 February 2010 issued in the Club Circular on War Risks P&I Excess Cover Special Cover under Proviso to Rule 5E.

