

**B** 2023/24\*

# ADDITIONAL INSURANCES

## TERMS & CONDITIONS

\* POLICY YEAR

**BRITANNIA P&I**  
TRUSTED SINCE 1855

**TABLE OF CONTENTS**

**PART I RISKS COVERED**

- Clause 1 Risks covered
- Clause 2 Costs and expenses, Sue and labour

**PART II ADDITIONAL INSURANCES**

**Section A Deviation and other exceptions to coverage in respect of Cargo (*ad hoc*)**

- Clause 1 Deviation from contractually agreed voyage
- Clause 2 Discharge at a port or place other than that provided in the contract of carriage *ad valorem* bills of lading
- Clause 3 Rare and valuable cargo
- Clause 4 Deck cargo

**Section B Extended Cargo Liabilities (Annual Cover)**

- Clause 1 Extended cargo liabilities
- Clause 2 Liabilities arising out of blending and/or commingling

**Section C Extended Contractual Liabilities**

- Clause 1 Extended contractual liabilities

**Section D Extended Towage Liabilities**

- Clause 1 Extended towage liabilities

**Section E Extended Through Transit Liabilities**

- Clause 1 Liabilities arising out of the carriage of *containerised* cargo
- Clause 2 Liabilities arising out of the carriage of *non-containerised* cargo

**Section F LNG Terminals Conditions of Use**

- Clause 1 LNG Terminals Conditions of Use *in relation to a mutual entry in the Association*

**Section G Liabilities arising pre- and post-Entry of the Ship**

- Clause 1 Liabilities arising pre- and post- Entry of the Ship *in relation to a mutual entry in the Association*

**Section H Liabilities arising out of Salvage Services**

- Clause 1 Liabilities arising out of salvage services *in relation to a mutual entry in the Association*

- Clause 2 Liabilities arising out of salvage services *in relation to a non-mutual insurance of a Charterer by the Association*

**Section I Specialist Operations**

- Clause 1 Specialist operations

**Section J Liabilities in respect of Superintendents, other Personnel and Crew**

- Clause 1 Liabilities in respect of superintendents and other personnel *in relation to a mutual entry in the Association*
- Clause 2 Liabilities in respect of Crewmembers not on board the Entered Ship *in relation to a mutual entry in the Association*

**PART III EXTENSIONS TO COVER**

- Clause 1 War and strikes risks

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

- Clause 1 Excluded risks
- Clause 2 Sanctions
- Clause 3 Imprudent trading
- Clause 4 Cyber risks
- Clause 5 Communicable Disease risks
- Clause 6 War and strikes risks
- Clause 7 Nuclear risks
- Clause 8 Other insurances
- Clause 9 Limitation of liability
- Clause 10 Classification and condition of Ships
- Clause 11 Byelaws

**PART V CLAIMS**

- Clause 1 Obligations of the Assured in respect of claims
- Clause 2 Powers of the Managers relating to the handling and settlement of claims
- Clause 3 Powers of the Association relating to the settlement of claims on the Association

**TABLE OF CONTENTS**

**PART VI GENERAL TERMS & CONDITIONS**

Clause 1	Articles of Association
Clause 2	Definitions
Clause 3	Extent of cover
Clause 4	Sanctions
Clause 5	Insurance Act 2015
Clause 6	Right of recovery, Subrogation, Set-off, Incident, Currency, Sanctions (Entitlement to recover)
Clause 7	Application for insurance, Fair presentation of the risk, Certificate of Insurance, Variation, Contract of insurance, Refusal of application
Clause 8	Coassureds
Clause 9	Period of Insurance
Clause 10	Premium and amounts payable to the Association
Clause 11	Mortgagees
Clause 12	Associated Companies
Clause 13	Termination of all insurances
Clause 14	Termination of insurance of Ship
Clause 15	Effect of termination
Clause 16	Premium due on termination of insurance
Clause 17	Reinsurance
Clause 18	Forbearance
Clause 19	Assignment
Clause 20	Delegation
Clause 21	Disputes and differences
Clause 22	Notices
Clause 23	Jurisdiction

**PART I RISKS COVERED**

Clause	Risks Covered
1	<p><b>Risks covered</b></p> <p>Liabilities, costs and expenses arising out of events occurring during the Policy Period and insured by the Association on the terms set out in the Association's <i>Certificate of Insurance</i> and incorporating <i>inter alia</i> the following:</p> <ul style="list-style-type: none"> <li>1.1 <b>Part I Risks Covered</b></li> <li>1.2 <b>Part II Additional Insurances as referenced in the <i>Certificate of Insurance</i></b></li> <li>1.3 <b>Part III Extensions to Cover as referenced in the <i>Certificate of Insurance</i></b></li> <li>1.4 <b>Part IV Exclusions, Limitations and Warranties</b></li> <li>1.5 <b>Part V Claims</b></li> <li>1.6 <b>Part VI General Terms &amp; Conditions</b></li> <li>1.7 - <b>Such other terms and conditions as may be agreed between the Association and the Assured as set out in the <i>Certificate of Insurance</i>.</b></li> </ul>
2	<p><b>Costs and expenses, Sue and labour</b></p> <ul style="list-style-type: none"> <li>2.1 <b>Costs and expenses</b> Costs and expenses, including legal fees, which the Assured may incur in respect of any liability or expenditure against which the Assured is insured.</li> <li>2.2 <b>Sue and labour</b> Losses, costs and expenses necessarily incurred by the Assured after an incident in order to avoid or reduce a liability or expenditure against which the Assured is insured by the Association, even if such losses, costs and expenses would otherwise be excluded by the terms of the insurance. Administrative expenses incurred by the Assured including the salary or retainer of any employee or third party shall be excluded.</li> <li>2.3 <b>Special direction</b> Losses, costs and expenses which the Assured may be required to incur by special direction of the Association in cases in which the Association decides that it is in the interests of the Association that the direction be given, even if such losses, costs and expenses would otherwise be excluded by the insurance.</li> <li>2.4 <b>PROVIDED ALWAYS THAT:</b> <ul style="list-style-type: none"> <li>2.4.1 no such losses, costs or expenses shall be recoverable unless either they have been incurred with the prior agreement of the Managers or the Association shall determine that such losses, costs and expenses were reasonably incurred;</li> <li>2.4.2 unless otherwise agreed any losses, costs and expenses incurred under Clauses 2.1 to 2.3 shall bear the same deductible as the liability or expenditure so avoided or reduced would have borne;</li> </ul> </li> </ul>

**PART I RISKS COVERED**

<b>Clause</b>	<b>Risks Covered</b>
	<p><b>2.4.3</b> costs and expenses incurred in respect of a formal enquiry shall be recoverable to such extent only as the Association may determine;</p> <p><b>2.4.4</b> losses, costs and expenses arising from or related to ransom demands or extortion shall be recoverable only to such extent as the Association may determine.</p>

**PART II ADDITIONAL INSURANCES**

**Section A / Clause Deviation and other exceptions to coverage in respect of Cargo (*ad hoc*)**

- 1 Deviation from contractually agreed voyage**
- Deviation from contractually agreed voyage**  
This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup> but where, in the opinion of the Association, the Assured has prejudiced or may have prejudiced such coverage from the Association by virtue of the operation of Rule 19(17)(ii) and the deviation from the contractually agreed voyage detailed below:
- 1.1** {Enter details of the breach of contract}.
  - 1.2** Cover is extended to include the cost to the Assured of that proportion of general average expenditure (including salvage) and special charges which should be paid by cargo or by some other party to the maritime adventure, but which are not so paid after the exhaustion of all legal remedies against such parties solely by reason of a breach of the contract of carriage that is covered under this Clause 1.
- <sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*; and the reference to Rule 19(17)(ii) shall include reference to Clause 18.8.2 *Deviation*.
- 2 Discharge at port or place other than that provided in contract of carriage**
- Discharge at port or place other than that provided in contract of carriage**  
This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup> but where, in the opinion of the Association, the Assured has prejudiced or may have prejudiced such coverage from the Association by virtue of the operation of Rule 19(17)(iii)(e) and the discharge of cargo at a port or place other than the port or place provided in the contract of carriage as detailed below:
- 2.1** {Enter details of contractual discharge port and intended / actual discharge port}.
  - 2.2** Cover is extended to include the cost to the Assured of that proportion of general average expenditure (including salvage) and special charges which should be paid by cargo or by some other party to the maritime adventure, but which are not so paid after the exhaustion of all legal remedies against such parties solely by reason of a breach of the contract of carriage that is covered under this Clause 2.
- <sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*; and the reference to Rule 19(17)(iii)(e) shall include reference to Clause 18.8.3.5.

**PART II ADDITIONAL INSURANCES**

**Section A / Clause Deviation and other exceptions to coverage in respect of Cargo (*ad hoc*)**

**3 *ad valorem* bills of lading**

***ad valorem* bills of lading**

This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup> but where, in the opinion of the Association, the Assured has prejudiced or may have prejudiced such coverage from the Association by virtue of the operation of Rule 19(17)(iv):

- 3.1** where cargo or other property carried under an *ad valorem* bill of lading or other document of title, contract of carriage or waybill in which a value of more than two thousand five hundred Dollars (USD 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 Assured of any right or rights of limitation to which the Assured would otherwise have been entitled and cause the Assured to incur a greater liability than the Assured would have done but for such declaration / insertion;
- 3.2** coverage hereunder is limited to the extent that such liability thereby exceeds two thousand five hundred Dollars (USD 2,500) (or the equivalent in local currency) in respect of any such unit, piece, package or otherwise.
- 3.3** {Enter details of the *ad valorem* bill of lading and the value declared and/or inserted therein by reference to each unit, piece, package or otherwise}.

<sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*; and the reference to Rule 19(17)(iv) shall include reference to Clause 18.8.4 *ad valorem bills of lading*.

**4 Rare and valuable cargo**

**Rare and valuable cargo**

This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup> but where, in the opinion of the Association, the Assured has prejudiced or may have prejudiced such coverage from the Association by virtue of the operation of Rule 19(17)(v):

- 4.1** specie, bullion, precious or rare metals or stones, plate, jewellery or other objects of a rare or precious nature, bank notes or other forms of currency, bonds or other negotiable instruments, where the contract of carriage and the spaces, apparatus and means used for the carriage and the instructions given for the safe custody thereof, have not been approved by the Managers prior to any such carriage and/or any directions made by the Managers have not been complied with.
- 4.2** {Enter details of the elements of the contract of carriage and/or the cargo stowage arrangements which (potentially) prejudice such coverage from the Association}.

**PART II ADDITIONAL INSURANCES**

**Section A / Clause Deviation and other exceptions to coverage in respect of Cargo (*ad hoc*)**

<sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*; and the reference to Rule 19(17)(v) shall include reference to Clause 18.8.5 *Rare and valuable cargo*.

**5 Deck cargo**

**Deck cargo**

This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup> but where, in the opinion of the Association, the Assured has prejudiced or may have prejudiced such coverage from the Association by virtue of the operation of Rule 19(17)(x):

- 5.1** in consequence of the carriage of cargo on deck where the cargo is not suitable for carriage as loaded on the deck of the Entered Ship<sup>2</sup>
- 5.2** {Enter details of the cargo deemed unsuitable for carriage on deck which (potentially) prejudice coverage from the Association}.
- 5.3** Notwithstanding that the Association deems the cargo as unsuitable for carriage on deck and that the risk is therefore not poolable<sup>3</sup>, the Assured shall nevertheless properly and carefully load, handle, stow, carry, keep, care for the cargo for the intended voyage.
- 5.4** There shall be no recovery hereunder where such liability arises out of an insufficiency of packaging for the intended on deck stowage and voyage in respect of
  - 5.4.1** rusting, oxidation and/or discolouration; and/or
  - 5.4.2** electrical, mechanical, electromechanical and/or electronic derangement; and/or
  - 5.4.3** bending and twisting of pipes, rods and/or steel bars; and/or
  - 5.4.4** scratching, denting and/or the cost of repainting cars / vehicles.

<sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*; and the reference to Rule 19(17)(x) shall include reference to Clause 18.8.10 *Deck cargo*.

<sup>2</sup> For the purposes of this Clause the term 'Entered Ship' shall include a 'Chartered Ship' covered under the Association's *Charterers' Liability Insurance*.

<sup>3</sup> For the purposes of this Clause 'poolable' shall mean a risk which falls within the pooling eligibility criteria of the Pooling Agreement of the International Group of P&I Associations; or, applying similar criteria, falls within the cover terms set out in the Association's *Charterers' Liability Insurance*.



**PART II ADDITIONAL INSURANCES**

**Section B / Clause Extended Cargo Liabilities (Annual Cover)**

**1 Extended cargo liabilities**

**Extended cargo liabilities**

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, where cover is not otherwise available from the Association by virtue of the operation of the provisos to cover contained within Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup>. The following shall be recoverable:

**1.1 Hague Visby Rules**

Liability arising under a contract of carriage by sea which is on terms less favourable to the carrier than those contained in the Hague or Hague Visby Rules [Rule 19(17)(i)<sup>2</sup>] *provided always* that

**1.1.1** the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association.

**1.2 Deviation**

Liability in consequence of a deviation from the contractually agreed voyage [Rule 19(17)(ii)<sup>3</sup>]

**1.3 Failure to arrive at load port or failure to load**

Liability arising out of the failure to arrive or late arrival at a port of loading, or out of failure to load or late loading of any particular cargo or cargoes [Rule 19(17)(iii)(b)<sup>4</sup>] *provided always* that

**1.3.1** there is a pre-existing contract of carriage in respect of the particular cargo or cargoes and an intention to issue a bill of lading

**1.4 Delivery of cargo without production of the bill of lading**

**1.4.1** Liability arising out of the delivery of cargo under a negotiable bill of lading or similar document of title (including an electronic bill of lading) without production (or the equivalent thereof in the case of an electronic bill of lading) by the person to whom delivery is made of the relevant bill of lading or document of title [Rule 19(17)(iii)(c)<sup>5</sup>]

**1.4.2** Liability arising out of the delivery of cargo 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 [Rule 19(17)(iii)(d)<sup>6</sup>]

**1.4.3** *provided always* that there shall be no recovery hereunder where the Assured is on notice that a claim might arise from such delivery

**1.5 Discharge of cargo at a port other than that stated in contract of carriage**

Liability arising out of the discharge of cargo at a port or place other than the port or place provided in the contract of carriage [Rule 19(17)(iii)(e)<sup>7</sup>]

**PART II ADDITIONAL INSURANCES**

**Section B / Clause Extended Cargo Liabilities (Annual Cover)**

**1.6 Ante-dated or post-dated bills of lading**

Liability in respect of the issue of an ante-dated or post-dated bill of lading, waybill or other document containing or evidencing the contract of carriage [Rule 19(17)(iii)(g)<sup>8</sup>] *provided always* that

**1.6.1** there shall be no coverage hereunder where the bill of lading has been so issued with the knowledge or consent of the Assured or the Master

**1.7 Misdescription of cargo in bill of lading**

Liability in respect of a bill of lading, waybill or other document containing or evidencing the contract of carriage issued with an incorrect description of the cargo, its quantity or condition, or of its port of loading or discharge [Rule 19(17)(iii)(h)<sup>9</sup>] *provided always* that

**1.7.1** there shall be no coverage hereunder where the bill of lading has been so issued with the knowledge or consent of the Assured or the Master

**1.8 ad valorem bills of lading**

Liability in respect of cargo or other property carried under an *ad valorem* bill of lading or other document of title, contract of carriage or waybill in which a value of more than two thousand five hundred Dollars (USD 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 Assured of any right or rights of limitation to which the Assured would otherwise have been entitled and cause the Assured to incur a greater liability than the Assured would have done but for such declaration / insertion [Rule 19(17)(iv)<sup>10</sup>], *provided always* that

**1.8.1** coverage hereunder is limited to the extent that such liability thereby exceeds two thousand five hundred Dollars (USD 2,500) (or the equivalent in local currency) in respect of any such unit, piece, package or otherwise

**1.9 Rare and valuable cargo**

Liability in respect of specie, bullion, precious or rare metals or stones, plate, jewellery or other objects of a rare or precious nature, bank notes or other forms of currency, bonds or other negotiable instruments, where the contract of carriage and the spaces, apparatus and means used for the carriage and the instructions given for the safe custody thereof, have not been approved by the Managers prior to any such carriage and/or any directions made by the Managers have not been complied with [Rule 19(17)(v)<sup>11</sup>].

**1.10 Deck cargo**

Liability in consequence of the carriage of cargo on deck where the cargo is not suitable for carriage as loaded on deck [Rule 19(17)(x)<sup>12</sup>] *provided always* that:

**1.10.1** Notwithstanding that the Association deems the cargo as unsuitable for carriage on deck and that the risk is therefore not poolable<sup>13</sup>, the

**PART II ADDITIONAL INSURANCES**

**Section B / Clause Extended Cargo Liabilities (Annual Cover)**

Assured shall nevertheless properly and carefully load, handle, stow, carry, keep, care for the cargo for the intended voyage; and

**1.10.2** there shall be no recovery hereunder where such liability arises out of an insufficiency of packaging for the intended on deck stowage and voyage in respect of

**1.10.2.1** rusting, oxidisation and/or discolouration; and/or

**1.10.2.2** electrical, mechanical, electromechanical and/or electronic derangement; and/or

**1.10.2.3** bending and twisting of pipes, rods and/or steel bars; and/or

**1.10.2.4** scratching, denting and/or the cost of repainting cars / vehicles.

**1.11 Received for shipment bills of lading**

Liability of the Assured which may arise following the issue of a 'received for shipment bill of lading' where the subject cargo is held and/or stored rather than being loaded directly on board the ship and/or conveyance *provided always* that

**1.11.1** coverage hereunder shall cease (and coverage in accordance with the Association's Rules<sup>14</sup> shall be deemed to reattach) as soon as the cargo is loaded on board the ship and/or conveyance.

**1.12 Unrecoverable General Average Contributions**

Cover is extended to include the cost to the Assured of that proportion of general average expenditure (including salvage) and special charges which should be paid by cargo or by some other party to the maritime adventure, but which are not so paid after the exhaustion of all legal remedies against such parties solely by reason of a breach of the contract of carriage that is covered under Clauses 1.1 to 1.7 above.

**1.13 PROVIDED ALWAYS THAT:**

**1.13.1** the coverage reinstated by Clauses 1.2 to 1.11 shall be no wider than that otherwise available under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup>;

**1.13.2** coverage under Clauses 1.8 to 1.10 is in respect of *ad hoc* shipments only; systematic or pre-planned shipments of such cargo are deemed to fall within Rule 19(17)(i)<sup>2</sup> and are not covered hereunder unless expressly agreed under Clause 1.1; and

**1.13.3** nothing in the coverage afforded hereunder shall be construed as aiding and abetting an illegal act or acts(s). Coverage is subject to the implied warranty that the adventure insured is a lawful one and that so far as the Assured can control the matter the adventure shall be carried out in a lawful manner; the Association shall respond to the maximum extent permitted by law.

**PART II ADDITIONAL INSURANCES**

**Section B / Clause Extended Cargo Liabilities (Annual Cover)**

- <sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*.
- <sup>2</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(i) shall include reference to *Charterers' Liability Insurance* Clause 18.8.1 *Hague Visby Rules*.
- <sup>3</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(ii) shall include reference to *Charterers' Liability Insurance* Clause 18.8.2 *Deviation*.
- <sup>4</sup> For the purposes of this Clause, where the Assured is insured the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iii)(b) shall include reference to *Charterers' Liability Insurance* Clause 18.8.3.2.
- <sup>5</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iii)(c) shall include reference to *Charterers' Liability Insurance* Clause 18.8.3.3.
- <sup>6</sup> For the purposes of this Clause, where the Assured is insured the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iii)(d) shall include reference to *Charterers' Liability Insurance* Clause 18.8.3.4.
- <sup>7</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iii)(e) shall include reference to *Charterers' Liability Insurance* Clause 18.8.3.5.
- <sup>8</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iii)(g) shall include reference to *Charterers' Liability Insurance* Clause 18.8.3.7.
- <sup>9</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iii)(h) shall include reference to *Charterers' Liability Insurance* Clause 18.8.3.8.
- <sup>10</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(iv) shall include reference to *Charterers' Liability Insurance* Clause 18.8.4 *ad valorem bills of lading*.
- <sup>11</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(v) shall include reference to *Charterers' Liability Insurance* Clause 18.8.5 *Rare and valuable cargo*.
- <sup>12</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17)(x) shall include reference to *Charterers' Liability Insurance* Clause 18.8.10 *Deck cargo*.
- <sup>13</sup> For the purposes of this Clause 'poolable' shall mean a risk which falls within the pooling eligibility criteria of the Pooling Agreement of the International Group of P&I Associations; or, applying similar criteria, falls within the cover terms set out in the Association's *Charterers' Liability Insurance*.
- <sup>14</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to the Association's Rules shall include reference to the Association's *Charterers' Liability Insurance*.

**PART II ADDITIONAL INSURANCES**

**Section B / Clause Extended Cargo Liabilities (Annual Cover)**

**2 Liabilities arising out of blending and/or commingling**  
*For use only with coverage for extended cargo liabilities*

**Liabilities arising out of blending and/or commingling**

*For use only with coverage for extended cargo liabilities*

Coverage under Section B Clause 1 is extended to include liabilities, losses, costs and expenses not otherwise recoverable under Rule 19(17) *Responsibilities in Respect of Cargo*<sup>1</sup> arising out of the non-accidental blending and/or non-accidental commingling of cargo *provided always* that

**2.1 Exclusion of product liability**

there shall be no recovery hereunder in respect of liabilities arising out of or in any way connected with product liability; and

**2.2 Indemnities**

coverage is subject to the Managers approving the indemnities from the Assured's principal or party by whom the Assured has been instructed to blend or commingle in respect of such blending and/or commingling.

<sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*.

**PART II ADDITIONAL INSURANCES**

**Section C / Clause Extended Contractual Liabilities**

**1 Extended contractual liabilities**

**Extended contractual liabilities**

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, arising under the terms of a contract made by the Assured in relation to services to be provided to or by the Entered Ship<sup>1</sup>. The following shall be recoverable:

**1.1 Illness, injury and death**

Liability of the Assured for illness or death of, or injury to, any person; and/or

**1.2 Loss of or damage to cargo or other property**

Liability of the Assured for loss of or damage to cargo or other property.

**1.3 PROVIDED ALWAYS THAT:**

**1.3.1** the liability arises out of the terms of the contract of indemnity or guarantee between the Assured and a third party stated below  
{Enter details of the contract}

which has been reviewed by the Managers who have concluded that the contract is not poolable<sup>2</sup>; and

**1.3.2** the contract has been approved by the Managers for coverage hereunder in accordance with Rule 19(15) *Contracts of Indemnity or Guarantee*<sup>3</sup>.

<sup>1</sup> For the purposes of this Clause the term 'Entered Ship' shall include a 'Chartered Ship' covered under the Association's *Charterers' Liability Insurance*.

<sup>2</sup> For the purposes of this Clause 'poolable' shall mean a contract of indemnity or guarantee that falls within the pooling eligibility criteria of the Pooling Agreement of the International Group of P&I Associations; or, applying similar criteria, falls within the cover terms set out in the Association's *Charterers' Liability Insurance*.

<sup>3</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(15) shall include reference to *Charterers' Liability Insurance* Clause 16 *Contracts of indemnity or guarantee*.

**PART II ADDITIONAL INSURANCES**

**Section D / Clause Extended Towing Liabilities**

**1 Extended towing liabilities**

**Extended towing liabilities**

This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association under Rule 19(14)(B) *Towage by an Entered Ship*<sup>1 2</sup> but where, in the opinion of the Association, the Assured has prejudiced or may have prejudiced such coverage from the Association by virtue of the operation of Rule 19(14)(B)(ii)<sup>3</sup> and the towage contract failing to conform to the requirements of the Association.

**1.1** This insurance excludes liabilities, losses, costs and expenses arising out of:

**1.1.1** the towage of rigs and/or platforms; and/or

**1.1.2** towage contracts subject to the federal or state law of the United States of America.

**1.2** In determining whether a towage contract should be approved or when considering whether a towage contract is reasonable, reference is made to paragraph 16 of Appendix V *Excluded Losses* of the Pooling Agreement of the International Group of P&I Associations [see *Extract from 2023 Pooling Agreement quoted below*]

**16** *Towage by an Insured Vessel*

Liability for loss of or damage to or wreck removal of a vessel or other floating structure towed by an Insured Vessel or the cargo or other property on such tow (together with costs and expenses associated therewith), save insofar as either

(a) the towage or attempt thereat is made for the purpose of saving or attempting to save life or property at sea, or

(b) the Insured Vessel is towing under a contract approved by the Association in the exercise of a discretion under its Rules, provided that in the exercise of any such discretion the Association shall take account of the following Guidelines<sup>21</sup>:

(A) Market Forms of Towage Contract under which towage take place

The following contracts are acceptable:

(a) United Kingdom, Netherlands and Scandinavian standard towage conditions;

(b) Towcon and Towhire;

(c) Lloyd's Open Form of Salvage Agreement (whether or not incorporating SCOPIIC);

(d) Supplytime.

(B) Other Acceptable Contracts under which towage takes place

(a) Contracts containing similar exclusions of liability clauses to those in the contracts specified in Guideline (A).

(b) Contracts incorporating a term as between the Insured Owner of the Insured Vessel on the one part, and the owner of the tow and the owners of any cargo or other property on board the tow on the other part, that each shall be responsible for any loss or damage to his own ship, cargo or property, without any recourse whatsoever against the other.

(c) Other contracts where

(i) a term or terms of the contract complying with Guideline (B)(b) is or is likely to be unlawful or unenforceable in whole or in part, and

**PART II ADDITIONAL INSURANCES**

**Section D / Clause Extended Towing Liabilities**

- (ii) the contract does not impose on the Insured Owner any liability to any person arising out of any act, neglect or default of the owner of the tow or any other person; and
  - (iii) the contract limits the liability of the Insured Owner under the contract or otherwise to the maximum extent possible by law.
- (C) Supply Boat Charters
- If the Insured Vessel is working under a time charter and there is no contract between the Insured Owner and the owner of the tow, then liability for loss of or damage to or wreck removal of a towed object and/or property on board shall only be covered provided the Association concerned has approved in writing the charter which in their opinion contains:
- (a) a clause in terms set out in Guideline (B)(b) above covering the property of sub-contractors of the charterers as well as the property of the charterers themselves, or
  - (b) a separate clause requiring that all towing be carried out on terms no worse than as provided in Guideline (B)(b); or
  - (c) it otherwise complies with the requirements of Guideline B(c).
- (D) As a general rule, an Association should ensure that, so far as possible, the Insured Owner:
- (a) includes in the towing contract, charterparty or other agreement under which the Insured Vessel is employed, a "Himalaya Clause"; or
  - (b) that the towing contract, charterparty or other agreement under which the Insured Vessel is employed includes a clause specifying that any other contract entered into by the charterer or other contracting party with any other third party shall contain a "Himalaya Clause".
- (a) A Himalaya Clause is a clause stipulating that the servant, agent, or independent contractor employed by the contracting party shall be entitled to the protection and benefit of every right, exemption, limitation, immunity or defence available to that contracting party and that the contracting party is contracting not only on his own behalf but as agent or trustee for such persons.

<sup>21</sup> Note also that certain towing operations may constitute specialist operations excluded by Appendix V paragraph 18.

<sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(14)(B) shall include reference to *Charterers' Liability Insurance* Clause 15.2 *Towing by the Chartered Ship*.

<sup>2</sup> For the purposes of this Clause the term 'Entered Ship' shall include a 'Chartered Ship' covered under the Association's *Charterers' Liability Insurance*.

<sup>3</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(14)(B)(ii) shall include reference to *Charterers' Liability Insurance* Clause 15.2.2.



**PART II ADDITIONAL INSURANCES**

**Section E / Clause Extended Through Transit Liabilities**

**1 Liabilities arising out of the carriage of containerised cargo**

**Liabilities arising out of the carriage of containerised cargo**

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, arising out of the carriage of *containerised cargo* by or on behalf of the Assured. The following shall be recoverable:

**1.1 Illness, injury and death**

Compensation and damages for which the Assured is liable which are payable by reason of the illness or death of, or injury to, any person, other than a Crewmember, Passenger or any person on board the Entered Ship<sup>1</sup>.

**1.2 Damage to property**

Liability of the Assured for loss of or damage to any fixed or moveable property whatsoever (not being cargo or other property carried in the Entered Ship<sup>1</sup>).

**1.3 PROVIDED ALWAYS THAT:**

**1.3.1** there shall be no recovery under this Clause for liabilities arising out of the carriage of any cargo or container whilst it is on board the Entered Ship<sup>1</sup>; and

**1.3.2** the cargo or container, as the case may be, is intended to be or has been carried on an Entered Ship<sup>1</sup>; and

**1.3.3** the liability does not arise out of the terms of a contract of indemnity or guarantee between the Assured and a third party (See Rule 19(15)<sup>2</sup>); and

**1.3.4** the liability does not fall within the terms of Rule 19(17) (Responsibilities in Respect of Cargo)<sup>3</sup>; and

**1.3.5** there shall be no recovery under this Clause for loss of or damage to any ship and/or water borne conveyance in which the cargo or container is carried.

**1.3.6** There shall be no recovery arising out of the carriage of the container itself.

<sup>1</sup> For the purposes of this Clause the term 'Entered Ship' shall include a 'Chartered Ship' covered under the Association's *Charterers' Liability Insurance*.

<sup>2</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(15) shall include reference to *Charterers' Liability Insurance* Clause 16 *Contracts of indemnity or guarantee*.

<sup>3</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*.

**PART II ADDITIONAL INSURANCES**

**Section E / Clause Extended Through Transit Liabilities**

**2 Liabilities arising out of the carriage of non-containerised cargo**

**Liabilities arising out of the carriage of *non-containerised* cargo**

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, arising out of the carriage of *non-containerised* cargo by or on behalf of the Assured. The following shall be recoverable:

**2.1 Illness, injury and death**

Compensation and damages for which the Assured is liable which are payable by reason of the illness or death of, or injury to, any person, other than a Crewmember, Passenger or any person on board the Entered Ship<sup>1</sup>.

**2.2 Damage to property**

Liability of the Assured for loss of or damage to any fixed or moveable property whatsoever (not being cargo or other property carried in the Entered Ship<sup>1</sup>).

**2.3 PROVIDED ALWAYS THAT:**

**2.3.1** there shall be no recovery under this Clause for liabilities arising out of the carriage of any cargo whilst it is on board the Entered Ship<sup>1</sup>; and

**2.3.2** the cargo is intended to be or has been carried on an Entered Ship<sup>1</sup>; and

**2.3.3** the liability does not arise out of the terms of a contract of indemnity or guarantee between the Assured and a third party (See Rule 19(15)<sup>2</sup>); and

**2.3.4** the liability does not fall within the terms of Rule 19(17) (Responsibilities in Respect of Cargo)<sup>3</sup>; and

**2.3.5** there shall be no recovery under this Clause for loss of or damage to any ship and/or water borne conveyance in which the cargo is carried.

<sup>1</sup> For the purposes of this Clause the term 'Entered Ship' shall include a 'Chartered Ship' covered under the Association's *Charterers' Liability Insurance*.

<sup>2</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(15) shall include reference to *Charterers' Liability Insurance* Clause 16 *Contracts of indemnity or guarantee*.

<sup>3</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(17) shall include reference to the *Charterers' Liability Insurance* Clause 18 *Responsibilities in respect of cargo*.

**PART II ADDITIONAL INSURANCES**

**Section F / Clause LNG Terminals Conditions of Use**

**1 LNG Terminals Conditions of Use**  
*in relation to a mutual entry in the Association*

**LNG Terminals Conditions of Use**  
*in relation to a mutual entry in the Association*

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, arising under the terms of the LNG Terminal *Conditions of Use* agreement referenced below made by the Assured in relation to services to be provided to the Entered Ship.

**1.1** {Enter details of the *Conditions of Use* agreement}

**1.2** The following shall be recoverable:

**1.2.1 Illness, injury and death**

Liability of the Assured for illness or death of, or injury to, any person; and/or

**1.2.2 Loss of or damage to cargo or other property**

Liability of the Assured for loss of or damage to cargo or other property.

**1.3** PROVIDED ALWAYS THAT:

**1.3.1** the liability arises out of the terms of the *Conditions of Use* agreement which has been reviewed by the Managers who have concluded that the contract is not poolable<sup>1</sup>; and

**1.3.2** the contract has been approved by the Managers for coverage hereunder in accordance with Rule 19(15) *Contracts of Indemnity or Guarantee*.

<sup>1</sup> For the purposes of this Clause 'poolable' shall mean a *Conditions of Use* agreement that falls within the pooling eligibility criteria of the Pooling Agreement of the International Group of P&I Associations.

**PART II ADDITIONAL INSURANCES**

**Section G / Clause Liabilities arising pre- and post- Entry of the Ship**

- 1 Liabilities arising pre- and post- Entry of the Ship**  
*in relation to a mutual entry in the Association*
- Liabilities arising pre- and post- Entry of the Ship**  
*in relation to a mutual entry in the Association*
- 1.1 Pre-entry liabilities**  
This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, which may be incurred prior to the entry of the Ship in the Association arising out of
- 1.1.1** the presence on board the Ship of the Assured's Crewmember or Crewmembers prior to the entry of the Ship in the Association; and/or
- 1.1.2** the supply of bunkers and/or other ship supplies to the Ship prior to the entry of the Ship in the Association.
- 1.2 Post-entry liabilities**  
This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, which may be incurred after the cesser of the entry of the Ship in the Association arising out of the presence on board the Ship of the Assured's Crewmember or Crewmembers.
- 1.3** The following shall be recoverable:
- 1.3.1 Illness, injury and death**  
Compensation and damages for which the Assured is liable which are payable by reason of the illness or death of, or injury to, any third person.
- 1.3.2 Damage to property**  
Liability of the Assured for loss of or damage to any fixed or moveable property whatsoever.
- 1.4 PROVIDED ALWAYS THAT:**
- 1.4.1 Condition precedent**  
it shall be a condition precedent to coverage under this Clause that the Assured shall have approached the Association to cover, and the Association shall have agreed to cover, the Crewmember or Crewmembers in accordance with Rule 19(1) *Liabilities in respect of Seamen* whether as 'pre-delivery crew' or otherwise.
- 1.4.2 Exclusion of illness, injury and death of Crewmembers**  
there shall be no recovery under this Clause for liabilities arising out of the illness or death of, or injury to the Crewmember or Crewmembers;
- 1.4.3 Contracts of indemnity or guarantee**  
there shall be no recovery against any liability which would not have been incurred but for the provisions of a contract of indemnity or guarantee given by the Assured unless the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association (see Rule 19(15) *Contracts of Indemnity or Guarantee*).

**PART II ADDITIONAL INSURANCES**

**Section H / Clause Liabilities arising out of Salvage Services**

**1 Liabilities arising out of salvage services**  
*in relation to a mutual entry in the Association*

**Liabilities arising out of salvage services**  
*in relation to a mutual entry in the Association*

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, which may be incurred in connection with any salvage service or attempted salvage service provided to a ship by the Assured or by any subcontractor of the Assured or any of their respective servants or agents. The following shall be recoverable:

**1.1 Salvage ships**

Liabilities, together with costs and expenses incidental thereto, arising in respect of the Assured's interest in an Entered Ship out of events occurring during the period of entry of the Ship in the Association and in connection with the operation of the Ship.

**1.2 Oil pollution**

Liabilities, together with costs and expenses incidental thereto, caused by an escape or discharge of oil which occurs during such salvage services in accordance with the provisions of Rule 19(12) *Pollution*, whether or not they are in respect of the Assured's interest in an Entered Ship (despite the provisions of Rule 3(1) *Extent of Cover*).

**1.3 Salvors' liabilities**

Liabilities, together with costs and expenses incidental thereto, caused by events occurring during such salvage services, and which are not covered under Clauses 1.1 or 1.2 above, whether or not they are in respect of the Assured's interest in an Entered Ship (despite the provisions of Rule 3(1) *Extent of Cover*).

**1.4 PROVIDED ALWAYS THAT:**

**1.4.1 Specific cover**

there shall be no recovery under this Clause unless cover has been specifically extended in writing by the Managers and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association;

**1.4.2 Risks covered**

the cover given under this Clause in connection with any salvage or attempted salvage service provided to a ship shall be in all respects the same as that given under Rule 19(1) to Rule 19(21) inclusive in respect of the operation of Entered Ships, save that in the case of cover given under Clauses 1.2 and 1.3 of this Clause the liability need not have been imposed or incurred in respect of an Entered Ship;

**1.4.3 Contracts of indemnity or guarantee**

there shall be no recovery against any liability which would not have been incurred but for the provisions of a contract of indemnity or guarantee given by the Assured or the Assured's subcontractor, or any

**PART II ADDITIONAL INSURANCES**

**Section H / Clause Liabilities arising out of Salvage Services**

of their respective servants or agents, unless the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association (see Rule 19(15) *Contracts of Indemnity or Guarantee*);

**1.4.4 Condition precedent**

it is a condition precedent of every insurance under Clauses 1.2 and 1.3 that the Assured and each of the Assured's Associated Companies, shall at the time when insurance is given under this Clause and thereafter within 30 days before the beginning of each Policy Year, apply to enter for insurance in the Association every ship of which the Assured and each of the Assured's Associated Companies are then in possession or control, being a ship used or intended to be used in connection with salvage operations, on terms that every such application may be accepted in respect of such one or more ships as the Managers may in their discretion determine.

**2 Liabilities arising out of salvage services**

*in relation to a non-mutual insurance of a Charterer by the Association*

**Liabilities arising out of salvage services**

*in relation to a non-mutual insurance of a Charterer by the Association*

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto, which may be incurred in connection with any salvage service or attempted salvage service provided to a ship by the Assured or by any subcontractor of the Assured or any of their respective servants or agents. The following shall be recoverable:

**2.1 Salvage ships**

Liabilities, together with costs and expenses incidental thereto, arising in respect of the Assured's interest in a Chartered Ship out of events occurring during the period of insurance of the Ship by the Association and in connection with the employment of the Chartered Ship.

**2.2 Oil pollution**

Liabilities, together with costs and expenses incidental thereto, caused by an escape or discharge of oil which occurs during such salvage services in accordance with the provisions of the Association's *Charterers' Liability Insurance* Clause 13 *Pollution*, whether or not they are in respect of the Assured's interest in the Chartered Ship.

**2.3 Salvors' liabilities**

Liabilities, together with costs and expenses incidental thereto, caused by events occurring during such salvage services, and which are not covered under Clauses 2.1 and 2.2 above, whether or not they are in respect of the Assured's interest in the Chartered Ship.

**2.4 PROVIDED ALWAYS THAT:**

**PART II    ADDITIONAL INSURANCES**

**Section H / Clause      Liabilities arising out of Salvage Services**

- 2.4.1**    *Specific cover*  
there shall be no recovery under this Clause unless cover has been specifically extended in writing by the Managers and the Assured has paid or agreed to pay such additional premium as may be required by the Association;
- 2.4.2**    *Risks covered*  
the cover given under this Clause in connection with any salvage or attempted salvage service provided to a ship shall be in all respects the same as that given under the Association's *Charterers' Liability Insurance* Clauses 3 to 20 inclusive in respect of the employment of Chartered Ships, save that in the case of cover given under Clause 2.2 and 2.3 of this Clause the liability need not have been imposed or incurred in respect of the Chartered Ship;
- 2.4.3**    *Contracts of indemnity or guarantee*  
there shall be no recovery against any liability which would not have been incurred but for the provisions of a contract of indemnity or guarantee given by the Assured or the Assured's subcontractor, or any of their respective servants or agents, unless the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional premium as may be required by the Association (see the Association's *Charterers' Liability Insurance* Clause 16 *Contracts of indemnity or guarantee*).

**PART II ADDITIONAL INSURANCES**

**Section I / Clause Specialist Operations**

**1 Specialist operations**

**Specialist operations**

This insurance is to indemnify the Assured in respect of liabilities, losses, costs and expenses as would be covered by the Association but for Rule 21(8) *Specialist Operations*<sup>1</sup>. Accordingly, the following shall be recoverable:

**1.1** Claims relating to liabilities, losses, costs and expenses of an Entered Ship<sup>2</sup> used for dredging, blasting, pile-driving, well-intervention, cable or pipelaying, construction, installation or maintenance work, core sampling, mining, depositing of spoil, and power generation and decommissioning, and such other operations as may be determined by the Managers from time to time, to the extent that such liabilities, losses, costs and expenses arise as a consequence of:

**1.1.1** 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)

**1.2** PROVIDED ALWAYS THAT:

**1.2.1** There shall be no recovery in respect of any liabilities, losses, costs and expenses in respect of:

**1.2.1.1** loss of and/or damage to the Assured's owned, chartered, operated or managed ships, property, plant and/or equipment; and the loss of use of such property and/or loss of earnings or additional expenses of any kind or description arising therefrom;

**1.2.1.2** loss of and/or damage to third party cargo and/or equipment carried on board the Assured's conveyances;

**1.2.1.3** 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;

**1.2.1.4** any loss of or damage to the contract work<sup>3</sup>

**1.2.2** *Contracts of indemnity or guarantee*

There shall be no recovery against any liability which would not have been incurred but for the provisions of a contract of indemnity or guarantee given by the Assured unless the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association (see Rule 19(15) *Contracts of indemnity or guarantee*<sup>4</sup>) *provided always that*

**1.2.2.1** this exclusion shall not be construed to apply to liabilities, losses, costs and expenses arising under any form of contract



**PART II ADDITIONAL INSURANCES**

**Section I / Clause Specialist Operations**

of indemnity or guarantee where the contract of indemnity or guarantee is deemed by the Association to be poolable<sup>5</sup>.

- <sup>1</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 21(8) shall include reference to *Charterers' Liability Insurance* Clause 24.8 *Specialist operations*.
- <sup>2</sup> For the purposes of this Clause the term 'Entered Ship' shall include a 'Chartered Ship' covered under the Association's *Charterers' Liability Insurance*.
- <sup>3</sup> For the purposes of this Clause 'contract' refers to the contract pursuant to which the specialist operations are performed; and 'contract work' the work performed under the contract.
- <sup>4</sup> For the purposes of this Clause, where the Assured is insured under the Association's *Charterers' Liability Insurance* the reference to Rule 19(15) shall include reference to *Charterers' Liability Insurance* Clause 16 *Contracts of indemnity or guarantee*.
- <sup>5</sup> For the purposes of this Clause 'poolable' shall mean a contract of indemnity or guarantee that falls within the pooling eligibility criteria of the Pooling Agreement of the International Group of P&I Associations; or, applying similar criteria, falls within the cover terms set out in the Association's *Charterers' Liability Insurance*.

**PART II ADDITIONAL INSURANCES**

**Section J / Clause Liabilities in respect of Superintendents, other Personnel and Crew**

- 1 Liabilities in respect of superintendents and other personnel**  
*in relation to a mutual entry in the Association*
- Liabilities in respect of superintendents and other personnel**  
*in relation to a mutual entry in the Association*
- 1.1 Superintendents and other personnel**  
This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto in respect of
- 1.1.1** the presence of superintendents at shipyards either in connection with and/or on board newbuildings or ships under reconstruction or refurbishment prior to (re-)entry into the Association; and/or
- 1.1.2** the presence of employees, supercargoes, surveyors, experts and/or other contractors or personnel on board ships pre- or post- entry in the Association.
- 1.2** The following shall be recoverable:
- 1.2.1 Illness, injury and death**  
Compensation and damages for which the Assured is liable which are payable by reason of the illness or death of, or injury to, any third person.
- 1.2.2 Damage to property**  
Liability of the Assured for loss of or damage to any fixed or moveable property whatsoever.
- 1.3 PROVIDED ALWAYS THAT:**
- 1.3.1 Exclusion of illness, injury and death of Superintendents and other personnel**  
there shall be no recovery under this Clause for liabilities arising out of the illness or death of, or injury to the Superintendents and other personnel;
- 1.3.2 Exclusion of Employers' Liability**  
For the avoidance of doubt there shall be no recovery in respect of a breach of any obligation to an employee (other than Crewmembers) owed by the Assured as an employer.
- 1.3.3 Contracts of indemnity or guarantee**  
there shall be no recovery against any liability which would not have been incurred but for the provisions of a contract of indemnity or guarantee given by the Assured unless the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association (see Rule 19(15) *Contracts of Indemnity or Guarantee*).

**PART II ADDITIONAL INSURANCES**

**Section J / Clause Liabilities in respect of Superintendents, other Personnel and Crew**

**2 Liabilities in respect of Crewmembers not on board the Entered Ship**  
*in relation to a mutual entry in the Association*

**Liabilities in respect of Crewmembers not on board the Entered Ship**  
*in relation to a mutual entry in the Association*

This insurance is to indemnify the Assured against liabilities, together with costs and expenses incidental thereto arising out of the transfer of Crewmembers from the Entered Ship to a ship not entered in the Association and/or the temporary presence on board a non-entered ship of the Assured's crewmembers where such transfer / presence arises out of the operational and/or safety requirements of the Entered Ship.

**2.1** The following shall be recoverable:

**2.1.1 Illness, injury and death**

Compensation and damages for which the Assured is liable which are payable by reason of the illness or death of, or injury to, any third person.

**2.1.2 Damage to property**

Liability of the Assured for loss of or damage to any fixed or moveable property whatsoever.

**2.2** PROVIDED ALWAYS THAT:

**2.2.1** *Exclusion of illness, injury and death*

there shall be no recovery under this Clause for liabilities arising out of the illness or death of, or injury to the Crewmembers;

**2.2.2** *Contracts of indemnity or guarantee*

there shall be no recovery against any liability which would not have been incurred but for the provisions of a contract of indemnity or guarantee given by the Assured unless the Managers shall have approved such contract in advance and the Assured has paid or agreed to pay such additional Call or premium as may be required by the Association (see Rule 19(15) *Contracts of Indemnity or Guarantee*).

**PART III EXTENSIONS TO COVER**

**Clause War and Strikes Risks**

**1 War and strikes risks**

**War and strikes risks**

Where separately and expressly agreed by the Managers in writing it is hereby agreed in accordance with the provisions of Part IV Clause 6 *War and strikes risks* that cover is extended to include such losses, liabilities, costs and expenses as would be covered by the Association but for the exclusion of war and strikes risks as set out in Part IV Clause 6.1. Accordingly, the following shall be additionally recoverable:

- 1.1 Liability, loss, damage, cost or expense caused by, arising out of or in any way connected with one or more of the following risks:
  - 1.1.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;
  - 1.1.2 capture, seizure, arrest, restraint or detainment, and the consequences thereof or any attempt thereat;
  - 1.1.3 derelict mines, torpedoes, bombs, or other derelict weapons of war;
  - 1.1.4 strikes, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;
  - 1.1.5 terrorism, or any person acting maliciously or from a political motive;
  - 1.1.6 confiscation, nationalisation, expropriation, deprivation or requisition.
- 1.2 In no case shall the cover afforded under this Clause 1 cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from any chemical, biological, bio-chemical or electromagnetic weapon.
- 1.3 *Association's right to give Notice of Cancellation*  
Notwithstanding any other term or condition of this insurance, coverage under this Clause 1 may be cancelled by the Association giving 48 hours' notice (such cancellation becoming effective on the expiry of 48 hours from 24:00:00 Greenwich Mean Time on the day on which notice of cancellation is issued by the Association) and the Association may at any time after the issue of notice of such cancellation resolve to reinstate this cover pursuant to Part IV Clause 6.2 on such terms and conditions and subject to such limit as the Association in its discretion may determine.
- 1.4 *Association's right to determine Prohibited Areas*  
In accordance with Part IV Clause 6.3, the Association may in its discretion at any time or times before, or at the commencement of, or during the currency of any Policy Year of the Association, determine that any ports, places, countries, zones or areas (whether on land or sea) and/or any conflicts be excluded from the coverage provided by this insurance for war and strikes risks (Prohibited Areas). Save as otherwise provided by the Association this insurance shall cease in respect of Prohibited Areas at 24:00:00 Greenwich Mean Time 48 hours following the issue of notice of such determination in accordance with Part IV Clause 6.3. Unless and to the extent that the Association in its discretion otherwise decides there shall be no recovery from the Association

**PART III EXTENSIONS TO COVER**

**Clause War and Strikes Risks**

under this Clause 1 in respect of any liability, loss, damage, cost or expense howsoever arising out of any event, accident or occurrence within the Prohibited Areas after such date.

**1.5** Without prejudice to the provisions of Part IV Clause 6.3 coverage under this Clause 1 is subject to the following:

**1.5.1** *Five Powers War Exclusion*

This insurance excludes loss damage liability or expense arising from:

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

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

**1.5.1.2** requisition either for title or use.

**1.5.2** Cover under this Clause 1 shall not become effective if, subsequent to acceptance by the Association and prior to the intended time of attachment of risk, there has occurred any event which would have automatically terminated cover under the provisions of Clause 1.

**1.6** *Automatic Termination of Cover*

Whether or not notice of cancellation has been given in accordance with Clause 1.3 above cover hereunder in respect of the risks of war and strikes shall TERMINATE AUTOMATICALLY:

**1.6.1** upon the occurrence of any hostile detonation of any nuclear weapon of war, wheresoever or whensoever such detonation may occur, and/or

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

United Kingdom  
United States of America  
France  
The Russian Federation  
The People's Republic of China.

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

<b>Clause</b>	<b>Exclusions, Limitations and Warranties</b>
<b>1 Excluded risks</b>	<p>There shall be no recovery from the Association, except as otherwise provided in the <i>Certificate of Insurance</i>, in respect of:</p> <p><b>1.1 Charterparties</b> Loss arising out of breach of or cancellation of a charter or other engagement of an insured Ship.</p> <p><b>1.2 Road vehicles</b> Liabilities which an Assured may incur as the owner or operator of a road vehicle.</p> <p><b>1.3 Employers' liability</b> The breach of any obligation to an employee (other than Crewmembers) owed by the Assured as an employer.</p> <p><b>1.4 Bad debts</b> Loss arising out of irrecoverable debts or out of the insolvency of any person.</p> <p><b>1.5 Fraud</b> Loss arising out of the fraud of agents, or of an Associated Company or of employees of the Assured acting as an agent, unless the Association shall, in its discretion, otherwise determine.</p> <p><b>1.6 Demurrage and delay</b> Claims relating to demurrage on or detention of an insured Ship.</p>
<b>2 Sanctions</b>	<p>There shall be no recovery from the Association in respect of losses or liabilities where the provision of cover or a payment by the Association in respect thereof may expose the Association or the Managers to the risk of being subject to any Sanction, penalty, prohibition or any adverse action by a state, international or supranational organisation or other competent authority.</p>
<b>3 Imprudent trading</b>	<p>The Association shall not insure the Assured against any liabilities, costs or expenses arising out of or consequent upon an insured Ship carrying contraband, blockade running, or being employed in an unlawful trade, or performing any voyage or being employed in any trade if the Association having regard to all the circumstances shall be of the opinion that the nature of the carriage, trade or voyage in which the Ship was engaged was imprudent, unsafe, unduly hazardous or improper.</p>
<b>4 Cyber risks</b>	<p><b>4.1</b> Unless otherwise agreed in writing, subject only to Clause 4.3 below, there shall be no recovery from the Association against any loss, damage, liability, cost or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus,</p>

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

computer process or any other electronic system.

**4.2** Subject otherwise to the terms and conditions of this insurance, the indemnity otherwise recoverable under this insurance shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.

**4.3** Where this insurance otherwise affords cover in respect of the risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 4.1 shall not operate to exclude losses (which would otherwise be recoverable) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

**5 Communicable Disease risks**  
*(PHEIC Limitation Clause)*

*Limitation of liability in relation to a Communicable Disease following a Public Health Emergency of International Concern*

**5.1** 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*), recovery under this insurance for any loss, damage, liability, cost or expense otherwise recoverable hereunder directly arising from any transmission or alleged transmission of the *Declared Communicable Disease* shall be limited to the amounts stated in Clause 5.6.

**5.2** The limitation in Clause 5.1 shall not apply to any liability of the Assured otherwise covered by this 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*.

**5.3** However, irrespective of whether the requirements of Clause 5.2 are met, there shall in any event be no recovery from the Association for any:

**5.3.1** liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for the *Declared Communicable Disease* whether the measures are preventative or remedial;

**5.3.2** 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 *Declared Communicable Disease*;

**5.3.3** loss, damage, liability, cost or expense caused by or arising out of fear of or the threat of the *Declared Communicable Disease*.

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

- 5.4** As used in this Clause 5, *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:
  - 5.4.1** 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
  - 5.4.2** 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
  - 5.4.3** 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.
- 5.5** This Clause 5 shall not extend this insurance to cover any liability which would not otherwise have been covered under this insurance.
- 5.6** Recovery from the Association where this Clause 5 applies
  - 5.6.1** shall be limited to:
    - 5.6.1.1** USD 3,000,000 (see Clause 5.6.2.1 below); and
    - 5.6.1.2** USD 6,000,000 in the annual aggregate per Assured.
  - 5.6.2** For the avoidance of doubt and for the purposes of this Clause 5 only:
    - 5.6.2.1** the sublimit and annual aggregate limit in Clause 5.6.1 replace the Limit of liability stated in the *Certificate of Insurance* and are not in addition to that Limit of liability; and
    - 5.6.2.2** the sublimit shall not serve to increase the amount otherwise recoverable under this insurance.
  - 5.6.3** Recovery from the Association in respect of the *PHEIC Limitation Clause* applying to any and all coverages and/or insurances afforded by the Association is limited to USD 10,000,000 in the annual aggregate per Assured. For the purposes of the *PHEIC Limitation Clause*, 'Assured' shall mean, taken together as the Managers may determine:
    - 5.6.3.1** a Member insured under the Association's *Rules of Class 3*;
    - 5.6.3.2** a Member insured under the Association's *Rules of Class 6*;
    - 5.6.3.3** an Assured insured under the Association's *Charterers' Liability Insurance*;



**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

and 'annual' in the term 'annual aggregate' shall mean the 12-month period commencing at the inception of the first coverage or insurance to which the *PHEIC Limitation Clause* applies.

Based on JL2021-014  
08 March 2021

- 6 War and strikes risks**
- 6.1** Unless otherwise agreed in writing there shall be no recovery from the Association against any liability, loss, damage, cost or expense caused by, arising out of or in any way connected with one or more of the following risks:
- 6.1.1** war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;
  - 6.1.2** capture, seizure, arrest, restraint or detainment and the consequences thereof or any attempt thereat;
  - 6.1.3** derelict mines, torpedoes, bombs, or other derelict weapons of war;
  - 6.1.4** strikes, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;
  - 6.1.5** terrorism, or any person acting maliciously or from a political motive;
  - 6.1.6** confiscation, nationalisation, expropriation, deprivation or requisition, PROVIDED ALWAYS THAT:
  - 6.1.7** the exclusion set out in this Clause 6.1 shall be subject to Clause 7.2.
- 6.2** Where the Association has agreed in writing to provide cover against any or all of the risks set out in Clause 6.1 above such cover shall be subject to such terms and conditions as may have been agreed between the Assured and the Managers including any war and strikes risks clause endorsement applicable to the *Certificate of Insurance*.
- 6.3** The Association shall have the power to declare Prohibited Areas (territorial and/or conflict exclusions) which
- 6.3.1** may at any time and from time to time be changed by the Association giving 48 hours' notice of such change, such notice running from 24:00:00 Greenwich Mean Time on the day the notice is given;
  - 6.3.2** shall automatically extend to all countries, zones, areas, ports and places
    - 6.3.2.1** upon the occurrence of any hostile detonation of any nuclear weapon of war, wheresoever or whensoever such detonation may occur, and/or
    - 6.3.2.2** upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries:  
United Kingdom

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

United States of America  
France  
The Russian Federation  
The People's Republic of China; or

**6.3.2.3** upon requisition either for title or use;  
and there shall be no cover in respect of the event giving rise to such automatic extension.

**7 Nuclear risks**

**7.1** Unless otherwise agreed in writing there shall be no recovery from the Association in respect of any liabilities, losses, costs or expenses (irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the Assured or 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:

- 7.1.1** ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 7.1.2** the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- 7.1.3** any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- 7.1.4** 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 defined in the Nuclear Installations Act 1965 of the United Kingdom or any regulation made thereunder) as cargo in an insured Ship and agreed by the Managers in writing.

**7.2 Certificates**

Notwithstanding the exclusions in Clauses 6.1 and 7.1, the Association will discharge on behalf of the Assured liabilities, costs and expenses arising under a demand made pursuant to the issue by the Association on behalf of the Assured of:

- 7.2.1** a guarantee or other undertaking given by the Association to the Federal Maritime Commission under Section 2 of US Public Law 89-777, or
- 7.2.2** a certificate issued by the Association in compliance with Article VII of the International Convention on Civil Liability for Oil Pollution Damage

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

- 1969 or 1992 or any amendments thereof, or
- 7.2.3** an undertaking given by the Association to the International Oil Compensation Fund 1992 in connection with the Small Tanker Oil Pollution Indemnification Agreement 2006 (STOPIA 2006), or
  - 7.2.4** a certificate issued by the Association in compliance with Article 7 of the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001, or
  - 7.2.5** a non-war certificate issued by the Association in compliance either with Article IV *bis* of the Athens Convention relating to Carriage of Passengers and their Luggage by Sea, 2002 and Guidelines for its implementation or Regulation (EC) No. 392/2009 of the European Parliament and of the Council which gives effect thereto, or
  - 7.2.6** a certificate issued by the Association in compliance with Article 12 of the Nairobi International Convention on the Removal of Wrecks, 2007, or
  - 7.2.7** certificates in compliance with Regulation 2.5.2, Standard A2.5.2, Regulation 4.2 and Standard A4.2.1(b) of the Maritime Labour Convention 2006, as amended (MLC 2006) or domestic legislation by a state party implementing MLC 2006.

PROVIDED ALWAYS THAT:

- 7.2.8** The Assured shall indemnify the Association to the extent that any payment under any such guarantee, undertaking or certificate in discharge of the said liabilities, costs and expenses is or would have been recoverable in whole or in part under a standard P&I war risk policy had the Assured complied with the terms and conditions thereof, and
- 7.2.9** The Assured agrees that:
  - 7.2.9.1** any payment by the Association under any such guarantee, undertaking or certificate in discharge of the said liabilities, costs and expenses shall, to the extent of any amount recovered under any policy of insurance or extension to the cover provided by the Association, be by way of loan; and
  - 7.2.9.2** there shall be assigned to the Association to the extent and on the terms that it determines in its discretion to be practicable all the rights of the Assured under any other insurance and against any third party.

**8 Other insurances 8.1 Double insurance**

Unless the Association shall, in its discretion, otherwise determine there shall be no contribution by the Association to liabilities, costs or expenses recoverable under any other insurance or which would have been so

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

recoverable:

**8.1.1** apart from any terms in such other insurance excluding or limiting liability on the ground of double insurance; and

**8.1.2** if the Assured had not been insured by the Association with cover against the risks set out in the *Certificate of Insurance*.

**8.2 Certification**

Where the Assured has provided evidence of financial responsibility to any authority in respect of any liability, cost or expense, or potential liability, cost or expense, by producing to that authority evidence of insurance other than evidence of insurance under the *Certificate of Insurance*, there shall be no contribution by the Association to the Assured or to any other person in respect of such liability, cost or expense.

PROVIDED ALWAYS THAT:

**8.3** This Clause 8 may be waived either:

**8.3.1** by prior agreement with the Association in writing or,

**8.3.2** if the Association in its discretion so decides.

**9 Limitation of liability**

Subject to any special terms and conditions set out in the *Certificate of Insurance*, the Association insures the liability of the Assured as this liability may ultimately be determined and fixed by law, including any laws pertaining to limitation of liability. The Association shall in no circumstances be liable for any sum in excess of such legal liability.

**10 Classification and condition of Ships**

*Where cover under these Additional Insurances is afforded in relation to a mutual entry in the Association, this Clause 10 shall continue to apply unless otherwise stated in the Certificate of Insurance; this shall include the interests of both the owner and/or the bareboat charterer, as applicable. This Clause 10 shall also apply to the interest of a disponent owner where the disponent owner similarly bears a responsibility for adherence to and maintenance of a Chartered Ship's classification and condition. However, this Clause 10 is disapplied where cover under these Additional Insurances is afforded in relation to an interest otherwise covered under the Association's Charterers' Liability Insurance.*

*Other references to classification, classification societies and condition of ship in these Charterers' Insurances Terms & Conditions should be construed accordingly as applicable.*

*Nevertheless, where this Clause is so disapplied, the Assured should exercise due diligence to ensure that a Ship taken on charter is seaworthy, remains in class and is suitable for its intended employment.*

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

**10.1 Classification**

The Assured warrants that every Ship in respect of which application for insurance is made is and shall remain throughout the period of insurance fully classed with a classification society approved by the Managers and that throughout such period the Assured will fully and timely comply with all the rules, recommendations and requirements of such society relating to the insured Ship *provided always* that the Association may in its discretion waive compliance with this warranty for such periods and upon such terms as it thinks fit.

**10.2 Change of classification**

Any change of classification or classification society shall forthwith be notified to the Managers in writing, together with all outstanding recommendations, requirements or restrictions specified by any classification society as at the date of such change.

**10.3 Information from the Assured**

Where required by the Managers it is a condition precedent to the Assured's right of recovery from the Association that the Assured shall first have provided to them an assurance that the insured Ship's class has been maintained, as well as a list of recommendations, requirements or restrictions specified by any classification society and where any periodic docking survey or any special survey of hull, machinery or equipment is overdue, a statement as to whether or not an extension has been permitted by the classification society. If the Managers so require, such information shall be certified by the classification society.

**10.4 Statutory requirements**

Every Assured

**10.4.1** shall comply with all the statutory requirements of the state of the Ship's flag relating to the construction, adaptation, condition, fitment, equipment, manning and loading of the insured Ship; and

**10.4.2** must at all times maintain the validity of any statutory certificates which are required and issued by or on behalf of the state of the Ship's flag *provided always* that the Association may in its discretion waive compliance with this Clause for such periods and upon such terms as it thinks fit.

**10.5 Information from classification society**

Should the Association wish to approach the classification society direct for information, the Assured will provide the necessary authorisation.

**10.6 Survey before insurance**

The Managers may as a condition of insurance of a Ship by the Association require the Assured or prospective Assured to submit the Ship to survey by a surveyor appointed by the Managers. The Managers in their discretion may require the Assured or prospective Assured to bear the expense of such survey.

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

In the light of such survey the Managers may:

**10.6.1** refuse the insurance of the Ship; or

**10.6.2** refuse the insurance of the Ship until repairs or other action recommended by the surveyor have been carried out to the satisfaction of the Managers within any time limit prescribed by the Managers; or

**10.6.3** agree to insure the Ship on such special terms as the Managers may in their discretion decide.

**10.7 Ship management appraisal**

Without prejudice to any warranties or other duties and obligations imposed on the Assured under the *Certificate of Insurance* or the general law, the Managers may at any time and from time to time require the Assured to undergo an appraisal of the management systems ashore or on board Ship relating to the operation of Ships managed or operated by the Assured by a surveyor appointed by the Managers on a date and at a place agreed between the Assured and the Managers and within such time limit as may be specified by the Managers. The Managers may in their discretion require the Assured to bear the expense of such appraisal or they may treat it as an expense reimbursable by the Association under Part I Clause 2 *Costs and expenses, Sue and labour*. In the light of such appraisal or in the event of failure by the Assured to undergo such appraisal within the time limit specified by the Managers, the Managers shall have the power, in their discretion to:

**10.7.1** terminate the insurance of all Ships insured by the Association forthwith; or

**10.7.2** amend, vary or impose special terms on the insurance of that Assured with immediate effect in such manner as they think fit, including the exclusion of all or part of the risks specified in the *Certificate of Insurance* for such time or period as they may specify *provided always* that if the Assured does not accept such amendment, variation or condition the Assured shall have the option of cancelling the insurance of the Assured's Ships forthwith.

**10.8 Condition survey**

Without prejudice to any warranties or other duties and obligations imposed on the Assured under the *Certificate of Insurance* or the general law, the Managers may at any time and from time to time require the Assured to submit the insured Ship to survey by a surveyor appointed by the Managers on a date and at a place agreed between the Assured and the Managers and within such time limit as may be specified by the Managers. The Managers may in their discretion require the Assured to bear the expense of such survey or they may treat it as an expense reimbursable by the Association under Part I Clause 2 *Costs and expenses, Sue and labour*.

In the light of such survey or in the event of failure by the Assured to submit the insured Ship to such survey within the time limit specified by the Managers, the

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

Managers shall have the power, in their discretion, to:

**10.8.1** terminate the insurance of the Ship forthwith; or

**10.8.2** amend, vary or impose special terms on the insurance of the Ship with immediate effect in such manner as they think fit, including the exclusion of all or part of the risks specified in the *Certificate of Insurance* for such time or period as they may specify

*provided always* that if the Assured does not accept such amendment, variation or condition the Assured shall have the option of terminating the insurance of the Assured's Ship forthwith.

**10.9 Right of adjudication**

If any difference or dispute between the Assured and the Managers shall arise concerning the actions taken by the Managers under this Clause 10, the Assured shall have the right to refer the matter to adjudication by the Association under Part VI Clause 21 *Disputes and differences*. Pending such adjudication, any such action taken by the Managers shall bind the Assured.

**10.10 Obligation of the Assured**

Notwithstanding the provisions of this Clause 10 nothing shall relieve the Assured of the Assured's obligation to keep the Assured's insured Ship at all times in a proper condition. Any recommendations or observations of a surveyor acting under any part of this Clause shall be treated as within the actual knowledge of the Assured. Any failure by the Assured to implement the said recommendations shall entitle the Association in its discretion to refuse, in whole or in part, a claim for recovery from the Association in respect of any incident whatsoever occurring after such recommendations have been made.

**11 Byelaws**

**11.1 Byelaws**

The Association shall have power to pass byelaws ordering and prescribing the conditions and/or the form of contracts of carriage generally, or for use in any particular trade, or for any particular port or place.

**11.2 Recommendations**

The Association may also recommend the use of any particular form of contract of carriage in any particular trade. Assureds whose Ships are engaged in such trades shall endeavour to use the appropriate form of contract of carriage when the circumstances of the fixture or engagement of such Ships permit.

**11.3 Notice**

Notice shall be sent by the Managers to all Assureds upon the passing of any such byelaw or issue of such recommendation. The byelaws or recommendation shall come into operation on the date stated in the notice and shall thereupon be assumed to be incorporated in the *Certificate of Insurance* and shall be included in, or with, every copy of these *Additional Insurances Terms & Conditions* issued by the Association as soon as may be conveniently

**PART IV EXCLUSIONS, LIMITATIONS AND WARRANTIES**

**Clause Exclusions, Limitations and Warranties**

possible. If the Assured shall commit a breach of such byelaw the Association may reject or reduce any claim made by the Assured to the extent to which it would not have arisen if the Assured had complied with the byelaw and the burden of proving in each case that the claim (or portion thereof) could not have been avoided by such a compliance shall be on the Assured. The Association may further impose such terms upon the Assured as it may think fit as a condition of the continuance of the insurance of the Assured's Ship or Ships.



**PART V CLAIMS**

Clause	Claims
<p><b>1 Obligations of the Assured in respect of claims</b></p>	<p><b>1.1 Notice</b> Every Assured shall be bound to give prompt notice in writing to the Managers of every incident likely to give rise to a claim under the <i>Certificate of Insurance</i> and of any legal or arbitration proceedings commenced against the Assured. The Assured shall furnish the Managers as soon as reasonably possible thereafter with all documents or information relevant thereto.</p> <p><b>1.2 Mitigation of loss</b> Upon the occurrence of any incident which may give rise to of a claim under the <i>Certificate of Insurance</i>, the Assured shall take such steps as at the time shall appear proper for the purpose of averting or minimising any loss, damage, expense or liability in respect of which the Assured may be insured under the <i>Certificate of Insurance</i>.</p> <p><b>1.3 Information</b> The Assured must at all times promptly notify the Managers of any information, documents or reports in the Assured's or the Assured's agents' possession or knowledge relevant to any incident referred to under Clause 1.1 above. Further the Assured shall, whenever so requested by the Managers, give the Association or its representatives free access to such information, documents or reports with liberty to inspect and copy the same. Such free access shall include the right to conduct a survey, or to interview any officer, servant or agent of the Assured who may in the opinion of the Association be in possession of information relevant to the said incident.</p> <p><b>1.4 Time limit for notice</b> Every claim against the Assured in respect of an incident referred to in Clause 1.1 above, shall be notified to the Association as soon as possible, but in no case later than twelve months after the Assured has received notice that the claim is being, or may be, made against the Assured in respect of such incident. The Assured shall give notice to the Association in writing of the commencement of any legal or arbitration proceedings against the Assured as soon as possible, but in no case later than 30 days after the Assured has received service of the said proceedings.</p> <p><b>1.5 Time limit for reimbursement</b> All requests by the Assured for reimbursement of any losses, costs or expenses recoverable from the Association under the <i>Certificate of Insurance</i> must be made to the Association within twelve months of the incurring of the loss or the payment of the cost or expense by the Assured.</p>
<p><b>2 Powers of the Managers relating to the handling and settlement of claims</b></p>	<p><b>2.1 Control</b> 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 matter which may result in loss, damage, expense or liability in respect of which the Assured is or may be insured under the <i>Certificate of Insurance</i> and to require the</p>

**PART V CLAIMS**

**Clause**

**Claims**

Assured to settle, compromise or otherwise dispose of such claim or proceedings in such manner and upon such terms as the Managers see fit.

**2.2 Refusal**

If the Assured does not settle, compromise or dispose of a claim or proceedings in accordance with the requirements of the Managers under Clause 2.1 above, any eventual recovery by the Assured in respect of such claim or proceedings from the Association shall be limited to the amount the Assured would have recovered if the Assured had acted as required by the Managers.

**2.3 Abandonment**

In the event of an insured Ship becoming an actual or constructive total loss, the Association shall, subject to the hull underwriters' rights in the matter, be entitled to request the Assured concerned to abandon the Ship to the Association or to such other person (including the world at large) as the Association shall nominate. If the Assured concerned does not abandon the Ship having received such a request from the Association, the Association shall not be responsible for any claim that could have been avoided had the Assured abandoned the Ship as aforesaid, and the burden of proving that the claim could not have been avoided by such abandonment shall be upon the Assured.

**2.4 Appointment of experts**

**2.4.1** Without prejudice to any other provision of the *Certificate of Insurance* and without waiving any of the Association's rights hereunder, the Managers may at any and all times appoint on behalf of the Assured, upon such terms as the Managers may think fit, lawyers, surveyors or other persons with a view to advising them upon investigating or dealing with any matter which may result in loss, damage, expense or liability in respect of which the Assured is or may be insured under the *Certificate of Insurance*, including taking or defending legal or other proceedings in connection therewith. The Managers may also at any time discontinue such employment if they think fit.

**2.4.2** All lawyers, surveyors or 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:

**2.4.2.1** 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 Association in connection with the matter without prior reference to the Assured and to produce to the Association without prior reference to the Assured any documents or information in their possession or power relating to such matter, all as if

**PART V CLAIMS**

**Clause**

**Claims**

such person had been appointed to act and had at all times been acting on behalf of the Association;

**2.4.2.2** that any advice they may give to the Assured is that of an independent contractor employed by the Assured and shall in no way bind the Association.

**2.5 Bail**

**2.5.1** The Association 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 Association for the claim in respect of which the bail or other security is given. In no case shall cash deposits be made by the Association.

**2.5.2** It shall be a condition of the provision of bail or other security on behalf of the Assured, that the Assured shall indemnify the Association for any costs associated with the provision of such bail or other security and for any liability the Association may incur to a third party under or in connection with such bail or other security *provided always* that the indemnity shall not extend to those amounts that the Assured would have been entitled to recover from the Association under the *Certificate of Insurance* had the Assured paid them directly.

**2.6 Recovery of costs**

Insofar as costs are covered under the *Certificate of Insurance*, the Association shall be entitled to any sum which the Assured recovers in respect of such costs pursuant to any award, judgment or settlement agreement. If any claims, disputes or proceedings are settled or compromised for a lump sum which includes costs recoverable from any other party, or without any or adequate provision as to the payment of such costs, then in any of those events the Association shall be entitled to recover from the Assured such reasonable sum as the Managers may in their sole discretion determine as being attributable to costs.

**3 Powers of the Association relating to the settlement of claims on the Association**

**3.1 Meetings**

The Association shall meet as often as may be required for settlement of claims which shall be paid by the Association as the Association may determine in accordance with the *Certificate of Insurance*, but the Association shall have power from time to time to authorise the Managers to effect payment of claims without prior reference to the Association. The Assured shall not participate in any meeting of the Association while it is engaged in the settlement of any claim in which the Assured is interested.

**3.2 Claims**

Without prejudice to any other provisions of the *Certificate of Insurance* the

**PART V CLAIMS**

**Clause**

**Claims**

Association shall have power in its discretion to reject a claim or reduce the sum payable by the Association in respect thereof, if:

- 3.2.1** in the opinion of the Association the Assured making the claim has not taken such steps before, at the time of, or after the incident or events giving rise to the claim, to protect the Assured's interests as the Assured should have done or as the Assured would have done if the Assured had not been insured;
- 3.2.2** the Ship in respect of which the claim is submitted has ceased before the incident which gave rise to the claim to be fully classed by a classification society approved by the Managers or if the Assured has failed fully and timely to comply with all the rules, recommendations and requirements of such society and the Assured has failed to give notice of this cesser or failure to the Managers;
- 3.2.3** the Assured has failed fully to comply with the recommendations of a surveyor appointed by the Managers under Part IV Clause 10 *Classification and condition of Ships*;
- 3.2.4** the claim shall have been settled, or any liability shall have been admitted, by or on behalf of, the Assured without the prior consent in writing of the Managers;
- 3.2.5** the Assured failed to comply with a recommendation or directive made at any time by the Association or the Managers to the Assured, in connection with the handling or settlement of the claim or potential claim;
- 3.2.6** the Assured shall have failed to comply with any of the Assured's obligations under Clause 1 above.

**3.3 Interest**

Save only as provided in Part VI Clause 5 the Assured shall not be entitled to be paid interest on the Assured's claim against the Association.

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>														
<b>1 Articles of Association</b>	These <i>Additional Insurances Terms &amp; Conditions</i> are subject to the Articles of Association of The Britannia Steam Ship Insurance Association Europe or The Britannia Steam Ship Insurance Association Limited as applicable.														
<b>2 Definitions</b>	<p>The words standing in the first column of the table below shall bear the meanings set opposite them respectively in the second column thereof, if not inconsistent with the subject or context:</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 30%;">The Association</td> <td>The Britannia Steam Ship Insurance Association Europe or The Britannia Steam Ship Insurance Association Limited as named in the <i>Certificate of Insurance</i>.</td> </tr> <tr> <td style="vertical-align: top;">Associated Company</td> <td>A person or company affiliated or associated with the Assured and to whom the benefit of the cover afforded by the Association to the Assured is extended in accordance with the <i>Certificate of Insurance</i> and/or these <i>Additional Insurances Terms &amp; Conditions</i>.</td> </tr> <tr> <td style="vertical-align: top;">Assured</td> <td>A party afforded the benefit of cover by the Association.</td> </tr> <tr> <td style="vertical-align: top;">The Board</td> <td>The Directors for the time being of the Association or as the context may require those Directors present at a duly convened meeting of the Board at which a quorum is present.</td> </tr> <tr> <td style="vertical-align: top;">Certificate of Insurance</td> <td>A document and any endorsement thereto issued by the Association in accordance with these <i>Additional Insurances Terms &amp; Conditions</i> which evidences the contract of insurance.</td> </tr> <tr> <td style="vertical-align: top;">The Committee</td> <td>The Representatives for the time being of the Association or as the context may require those Representatives present at a duly convened meeting of the Committee at which a quorum is present.</td> </tr> <tr> <td style="vertical-align: top;">Convention Limit</td> <td>The limit of liability of the owner of a Ship for Claims (other than claims for loss of life or personal injury) determined in accordance with Article 6.1 (b) of the International Convention on Limitation of Liability for Maritime Claims 1976. Any Ship insured under a <i>Certificate of Insurance</i> and/or these <i>Additional Insurances Terms &amp; Conditions</i> shall be deemed to be a seagoing ship to which the Convention applies, notwithstanding any provision in the Convention to the contrary.</td> </tr> </table>	The Association	The Britannia Steam Ship Insurance Association Europe or The Britannia Steam Ship Insurance Association Limited as named in the <i>Certificate of Insurance</i> .	Associated Company	A person or company affiliated or associated with the Assured and to whom the benefit of the cover afforded by the Association to the Assured is extended in accordance with the <i>Certificate of Insurance</i> and/or these <i>Additional Insurances Terms &amp; Conditions</i> .	Assured	A party afforded the benefit of cover by the Association.	The Board	The Directors for the time being of the Association or as the context may require those Directors present at a duly convened meeting of the Board at which a quorum is present.	Certificate of Insurance	A document and any endorsement thereto issued by the Association in accordance with these <i>Additional Insurances Terms &amp; Conditions</i> which evidences the contract of insurance.	The Committee	The Representatives for the time being of the Association or as the context may require those Representatives present at a duly convened meeting of the Committee at which a quorum is present.	Convention Limit	The limit of liability of the owner of a Ship for Claims (other than claims for loss of life or personal injury) determined in accordance with Article 6.1 (b) of the International Convention on Limitation of Liability for Maritime Claims 1976. Any Ship insured under a <i>Certificate of Insurance</i> and/or these <i>Additional Insurances Terms &amp; Conditions</i> shall be deemed to be a seagoing ship to which the Convention applies, notwithstanding any provision in the Convention to the contrary.
The Association	The Britannia Steam Ship Insurance Association Europe or The Britannia Steam Ship Insurance Association Limited as named in the <i>Certificate of Insurance</i> .														
Associated Company	A person or company affiliated or associated with the Assured and to whom the benefit of the cover afforded by the Association to the Assured is extended in accordance with the <i>Certificate of Insurance</i> and/or these <i>Additional Insurances Terms &amp; Conditions</i> .														
Assured	A party afforded the benefit of cover by the Association.														
The Board	The Directors for the time being of the Association or as the context may require those Directors present at a duly convened meeting of the Board at which a quorum is present.														
Certificate of Insurance	A document and any endorsement thereto issued by the Association in accordance with these <i>Additional Insurances Terms &amp; Conditions</i> which evidences the contract of insurance.														
The Committee	The Representatives for the time being of the Association or as the context may require those Representatives present at a duly convened meeting of the Committee at which a quorum is present.														
Convention Limit	The limit of liability of the owner of a Ship for Claims (other than claims for loss of life or personal injury) determined in accordance with Article 6.1 (b) of the International Convention on Limitation of Liability for Maritime Claims 1976. Any Ship insured under a <i>Certificate of Insurance</i> and/or these <i>Additional Insurances Terms &amp; Conditions</i> shall be deemed to be a seagoing ship to which the Convention applies, notwithstanding any provision in the Convention to the contrary.														

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
Crewmember	A person (including the Master) engaged under articles of agreement or otherwise contractually obliged to serve on board the insured Ship including a substitute for such person and also including such persons while proceeding to or from such Ship.
Fleet Insurance	The insurance of more than one Ship on the basis that those Ships will be treated together as a fleet for underwriting purposes.
The Hague Visby Rules	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.
Hull Policies	Policies effected on the hull and machinery of a ship including any excess liability policy.
Insurance	Any insurance or reinsurance against the risks specified in the <i>Certificate of Insurance</i> and these <i>Additional Insurances Terms &amp; Conditions</i> .
The Managers	The Managers for the time being of the Association including, if the Managers are a firm, each partner of the Managers or, if the Managers are a limited or unlimited company, each director of the Managers.
Knock for Knock	<p>A provision or provisions stipulating that</p> <p><u>(a)</u> each party to a contract shall be similarly responsible for</p> <p style="padding-left: 40px;"><u>(i)</u> 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 subcontractors and/or of other parties and/or;</p> <p style="padding-left: 40px;"><u>(ii)</u> liability arising out of the ownership or operation of its own property, and that</p> <p><u>(b)</u> such responsibility shall be without recourse to the other party and arise notwithstanding any fault or neglect of any party, and that</p> <p><u>(c)</u> 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.</p>

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
Member	A Member of the Association as defined in Article 3 of the Articles of Association.
Passenger	A person carried on board the insured Ship by virtue of holding a ticket of passage.
Personal Effects	Personal property, documents, navigational or other technical instruments and tools brought on board, or being taken to or from, the insured Ship by a Crewmember but excluding cash, valuables, or any other article which in the opinion of the Association is not an essential requirement for a Crewmember.
Policy Period	Such period in respect of which the Association agrees to afford cover as set out in the <i>Certificate of Insurance</i> .
Premium	Consideration for the benefit of cover afforded by the Association.
Prohibited Area	Any country, zone, area, port or place and/or conflict which the Association from time to time may declare to be excluded from cover provided under the <i>Certificate of Insurance</i> or otherwise in respect of war and strikes risks.
Sanction	Any applicable economic, financial or trade sanction or embargo.
Ship	<p>In the context of a ship afforded cover by the Association, any ship, boat, hydrofoil, hovercraft or other description of vessel whether completed or under construction (including a lighter, barge or similar vessel howsoever propelled but excluding</p> <ul style="list-style-type: none"> <li>(a) a unit or vessel constructed or adapted for the purpose of carrying out drilling operations in connection with oil or gas exploration or production and</li> <li>(b) a fixed platform or fixed rig and</li> <li>(c) a wing-in-ground craft)</li> </ul> <p>used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part of such ship or any proportion of the tonnage thereof or any share therein.</p>





**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

*Insurances Terms & Conditions* may, on such notice as the Association may in its discretion decide, be amended at any time (including with effect during the course of a Policy Period) to such extent as the Association may in its discretion determine is necessary as a result of the potential or actual implementation of or change in any Sanction, prohibition, restriction, legislation, regulation or requirement to obtain any licence or approval, by any state, international or supranational organisation or other competent authority.

**5 Insurance Act 2015**

The following provisions of the Insurance Act 2015 (the Act) are excluded from the *Certificate of Insurance* and these *Additional Insurances Terms & Conditions*:

- 5.1** Section 8 of the Act is excluded. As a result any breach of the duty of fair presentation shall entitle the Association to avoid the contract of insurance, regardless of whether the breach of the duty of fair presentation is innocent, deliberate or reckless.
- 5.2** Section 10 of the Act is excluded. As a result all warranties in the contract of insurance must be strictly complied with and if the Assured or any party afforded the benefit of cover by the Association fails to comply with any warranty the Association shall be discharged from liability from the date of the breach, regardless of whether the breach is subsequently remedied.
- 5.3** Section 11 of the Act is excluded. As a result the contract of insurance between the Association and the Assured or any party afforded the benefit of cover by the Association, including terms which 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 or any party afforded the benefit of cover by the Association fails to comply with any such term, the Association's liability may be excluded, limited or discharged in accordance with the contract of insurance notwithstanding that the breach could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.
- 5.4** Section 13 of the Act is excluded. As a result the Association shall be entitled to exercise its right to terminate the contract of insurance in respect of the Assured and any party afforded the benefit of cover by the Association in the event that a fraudulent claim is submitted by or on behalf of the Assured or any party afforded the benefit of cover by the Association.
- 5.5** Section 13A of the Act is excluded. As a result the contract of insurance between the Association and the Assured and any party afforded the benefit of cover by the Association shall not be subject to nor shall the Association or the Managers be in breach of any implied term that they 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.
- 5.6** Section 14 of the Act is excluded. As a result the contract of insurance between the Association, the Assured and any party afforded the benefit of cover by the

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

Association shall be deemed to be a contract of the utmost good faith, and any breach of the duty of the utmost good faith shall entitle the Association to avoid the contract of insurance.

**6 Right of recovery, Subrogation, Set-off, Incident, Currency, Sanctions (Entitlement to recover)**

**6.1 Right of recovery**

If the Assured shall become liable as set out in the Association's *Certificate of Insurance* in damages or otherwise, or shall incur any costs or expenses in respect of the Ship insured by the Association at the time of the casualty or event giving rise to such liability, costs or expenses, the Assured shall be entitled to recover from the Association the amount of such liability, costs or expenses to the extent and upon the terms, conditions and exceptions set out in the Association's *Certificate of Insurance provided always* that unless the Association in its discretion otherwise determines it shall be a condition precedent to the Assured's right to recover from the funds of the Association in respect of any liability, costs or expenses that the Assured shall have first discharged or paid them.

**6.2 Subrogation**

Any recovery by the Assured from the Association is subject to the Association's rights of subrogation and the Assured will, on request of the Managers, sign a Certificate of Subrogation.

**6.3 Set-off**

Without prejudice to any other part of the *Certificate of Insurance* the Association shall be entitled to set-off any amount due from the Assured against any amount due to the Assured from the Association

**6.4 Incident**

Any liabilities, costs and expenses which the Assured may incur in accordance with Clause 6.1 above in respect of the insured Ship arising from any one incident or occurrence, including any claim in respect of liability for the removal or non-removal of any wreck, shall be as if they were one claim by the Assured for recovery of the total amount of such liabilities, costs and expenses out of the funds of the Association.

**6.5 Currency**

Where the Assured is entitled to a recovery from the Association in respect of a loss suffered by the Assured in a currency other than the currency specified in the Assured's *Certificate of Insurance* (the specified currency), that loss shall be converted into the specified currency at the rate of exchange ruling on the day the relevant credit note is issued by the Association to the Assured.

**6.6 Sanctions (Entitlement to recover)**

The Assured shall have no entitlement to recovery from the Association in respect of that part of any liabilities, costs and expenses which is not recovered by the Association under any reinsurance(s) arranged by the Association or the

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

Managers, because, and to the extent of any shortfall in recovery from such parties or reinsurers by the Association which would result in a violation of any Sanction, or any prohibition or adverse action administered by any state, international or supranational organisation or other competent authority or the risk thereof if payment were to be made by such parties or reinsurers. For the purposes of this Clause 6.6 “shortfall” includes any failure or delay in recovery by the Association by reason of such parties or reinsurers making payment into a designated account in compliance with the requirements of any state, international or supranational organisation or other competent authority.

**7 Application for insurance, Fair presentation of the risk, Certificate of Insurance, Variation, Contract of insurance, Refusal of application**

**7.1 Application for insurance**

Any person seeking cover from the Association shall apply for such cover in such form as may from time to time be required by the Managers and shall furnish any particulars and information requested by the Managers.

**7.2 Fair presentation of the risk**

The person seeking cover from the Association and any agent:

**7.2.1** must make to the Association and the Managers a fair presentation of the risk by providing the Managers with all material particulars and information together with any additional particulars and information as the Managers may require;

**7.2.2** will 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.

In accordance with Clause 5.1, Section 8 of the Insurance Act 2015 is excluded. Any breach of Clauses 7.2.1 or 7.2.2 above shall entitle the Association to avoid the contract of insurance, regardless of whether the breach is innocent, deliberate or reckless.

The person seeking cover from the Association is obliged to disclose any change in any material information relating to the insurance. Upon such disclosure, or failure to disclose, the Managers may amend the Assured’s premium rating or the terms of the insurance or terminate the insurance with effect from the time of disclosure or failure to disclose.

**7.3 Certificate of Insurance**

As soon as reasonably practicable after accepting any application for insurance by the Association, the Managers shall issue a *Certificate of Insurance* which shall state, as applicable:

**7.3.1** Name of the Assured

**7.3.2** Period of the insurance

**7.3.3** Ships covered by the insurance

**7.3.4** Interest for which the Assured is covered

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
	<p><b>7.3.5</b> Limit of liability of the insurance</p> <p><b>7.3.6</b> Deductible or retention to be borne by the Assured</p> <p><b>7.3.7</b> Trading limits of the insurance</p> <p><b>7.3.8</b> Conditions of the insurance</p> <p><b>7.3.9</b> Premium</p>
	<p><b>7.4 Variation</b> If at any time the Managers and the Assured agree to vary the terms and conditions of the insurance, the Managers, as soon as reasonably practicable thereafter, shall issue an endorsement to the <i>Certificate of Insurance</i> stating the nature of such variation and the date from which such variation is to be effective.</p>
	<p><b>7.5 Contract of insurance</b> Every <i>Certificate of Insurance</i> issued as aforesaid shall be conclusive evidence of the contract of insurance.</p>
	<p><b>7.6 Refusal of application</b> The Managers may in their discretion and without giving any reason refuse an application by any person for insurance.</p>
<b>8 Coassureds</b>	<p><b>8.1 Payments</b> Unless otherwise agreed by the Managers, where insurance is afforded in the names of or on behalf of more persons than one (hereafter Coassureds) they shall be jointly and severally liable to pay all premiums and other sums due to the Association in respect of such insurance; and the receipt by any Coassured of any payment by the Association shall be deemed to be the receipt by all Coassureds jointly and shall fully discharge the obligations of the Association in respect of such payment.</p> <p><b>8.2 Disclosure</b> Failure by any Coassured to disclose material information within the Coassured's knowledge shall be deemed to have been failure of all Coassureds.</p> <p><b>8.3 Conduct</b> Conduct of any Coassured which would have entitled the Association to decline to indemnify the Coassured shall be deemed the conduct of all the Coassureds.</p> <p><b>8.4 Extent of cover</b> The Association shall not insure any Coassured against any liabilities, costs or expenses which arise other than out of the risks set out in the <i>Certificate of Insurance</i>.</p> <p><b>8.5 Limits of cover</b> Where any insurance is in the names of or on behalf of Coassureds, any limits</p>

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
	<p>on the cover provided by the Association and set out in the <i>Certificate of Insurance</i> shall apply to the Coassureds in the aggregate as if the insurance had been in the name of the Assured alone.</p> <p><b>8.6 Communications</b> Unless the Managers have otherwise agreed in writing, all communication from or on behalf of the Association to any Coassured shall be deemed to be within the knowledge of all the Coassureds and any communication from any Coassured to the Association or to the Managers shall be deemed to have been made with the full approval and authority of all the Coassureds.</p> <p>PROVIDED ALWAYS THAT there shall be no recovery in respect of any liabilities, costs or expenses which arise as the result of a claim brought between Coassureds.</p>
<b>9 Period of Insurance</b>	The cover afforded by the Association shall begin at the time / date set out in the <i>Certificate of Insurance</i> and shall cease at the time / date set out in the <i>Certificate of Insurance</i> .
<b>10 Premium and amounts payable to the Association</b>	<p><b>10.1 Premium</b> The premium payable by the Assured to the Association shall be as set out in the <i>Certificate of Insurance</i> and/or in the associated premium debit note raised by the Association.</p> <p><b>10.2 Payment</b> The premium payment terms shall be as set out in the <i>Certificate of Insurance</i> and/or in the associated premium debit note raised by the Association.</p> <p><b>10.3 Tax</b> The Assured shall pay on demand to the Association the amount of any tax or other financial demand, relating to sums due from or paid by the Assured to the Association, for which the Managers determine the Association has or may become liable.</p> <p><b>10.4 Set-off</b> No claim of any kind whatsoever by the Assured against the Association shall constitute any set-off against sums of whatsoever nature due to the Association or shall entitle the Assured to withhold or delay payment of any such sums.</p> <p><b>10.5 Penalty for late payment</b> Without prejudice to the rights and remedies of the Association under Part VI Clause 13.1 <i>Termination of all insurances – Failure to pay</i>, if any premium, instalment or part thereof or any other sum of whatsoever nature due from the Assured is not paid by such Assured on or before the date specified for payment thereof the Association may order such Assured to pay interest on the amount not so paid, from and including the date so specified down to the date of</p>

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

payment, at such rate as the Association may from time to time determine.

**10.6 Effect of non-payment**

Without prejudice to the provisions of Part VI Clause 13 *Termination of all insurances* and Part VI Clause 14 *Termination of insurance of Ship*, if any premium or other payment due from the Assured to the Association is not paid within thirty days of the date of service on the Assured of a debit note, notice or other demand for payment there shall be no recovery from the Association in respect of any liabilities incurred by the Assured otherwise insured by the Association *provided always* that the Managers may serve a notice extending the time for payment and the Assured may then make arrangements satisfactory to the Managers prior to the expiry of the period of grace allowed in the said notice for the payment of any such premium or other payment.

**10.7 Recovery**

All monies from time to time payable by the Assured may be recovered by action commenced under the instructions of the Managers in the name of the Association.

**10.8 Lien**

The Association shall have a lien on all ships owned or bareboat chartered by the Assured in respect of monies payable by the Assured to the Association.

**10.9 Other jurisdiction**

Nothing in the *Certificate of Insurance* and/or these *Additional Insurances Terms & Conditions* (including the provisions of Part VI Clause 21 *Disputes and differences* and Part VI Clause 23 *Jurisdiction* shall affect or prejudice the right of the Association to take action in accordance with local law in any jurisdiction to enforce a right in rem or exercise a lien on ships or to obtain security by seizure, attachment or arrest of assets for any amounts payable to the Association.

**10.10 Fleet insurance**

Where one or more Ships have been insured as a Fleet Insurance then the debts of any one Assured in respect of any insured Ship shall be treated as the debt of all the other assureds whose Ships are or were insured as part of the same Fleet Insurance and the Association shall be entitled to act as if all the Ships forming part of the Fleet Insurance were insured for the account of the same Assured.

**11 Mortgagees**

At the request of a mortgagee and with the consent of the Assured, the Managers may in their discretion, and subject to the provisions of Part VI Clause 19 *Assignment*, agree:

**11.1** to pay to the mortgagees, or to their order, any recovery the Assured is entitled to receive from the Association in respect of any liability, costs or expenses incurred by the Assured on receipt of notice from the mortgagees that the

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

Assured is in default under the mortgage;

- 11.2** to give the mortgagees 14 days' notice of the Association's intention to cancel the insurance of the Assured by reason of the Assured's failure to pay when due and demanded any sum due from the Assured to the Association.

**12 Associated Companies**

**12.1 Cover for Associated Companies**

The Managers may afford cover upon terms that the benefit of the cover afforded by the Association to the Assured shall be extended to Associated Companies of the Assured. The rights and obligations as between the Association and any such Associated Company shall be such as may be agreed between the Assured and the Managers.

**12.2 Conditions of reimbursement**

The liability of the Association to the Assured and to Associated Companies to whom cover is extended in accordance with Clause 12.1 shall be limited in amount to reimbursement of claims relating to liabilities, costs or expenses incurred by one or more of the Associated Companies to the extent and amount only that the Assured:

**12.2.1** would have incurred the same liabilities, costs and expenses if the same claims had been pursued against the Assured; and

**12.2.2** would thereafter have been entitled to obtain reimbursement from the Association in accordance with the terms of the insurance by the Association.

*provided always* that conduct of any Associated Company which would have entitled the Association to decline to indemnify that company shall be deemed to be the conduct of the Assured.

**12.3 Receipt of reimbursement**

The receipt by the Assured, or any Associated Company to whom cover has been extended in accordance with Clause 12.1, of any reimbursement by the Association shall be deemed to be the receipt by the Assured and all such Associated Companies jointly and shall fully discharge the Association from any further liability to the Assured and any Associated Companies in respect of the loss and damage in respect of which the claim was brought.

PROVIDED ALWAYS THAT the provisions of Part IV Clause 9 *Limitation of liability* shall apply to any cover given under this Clause 12 so that in circumstances where the Assured could have (in the opinion of the Association) or has limited the Assured's liability, then the amount to which the Assured could have (in the opinion of the Association) or has so limited the Assured's liability shall be the total amount recoverable from the Association.



**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
<b>13 Termination of all insurances</b>	<p>The Assured shall cease to be insured by the Association upon the happening of any of the following events:</p> <p><b>13.1 Failure to pay</b> If, having failed to pay when due and demanded by the Managers any sum due from the Assured to the Association, the Assured is served with a notice by or on behalf of the Managers or the Association requiring the Assured to pay such sum and the Assured fails to pay such sum in full on, or before, the date specified in such notice.</p> <p><b>13.2 Failure of individual</b> If, being an individual, he or she shall die, or becomes of unsound mind, or otherwise mentally unfit, becomes bankrupt or makes any arrangement or composition with his or her creditors generally.</p> <p><b>13.3 Failure of corporation</b> If, being a corporation, an effective resolution is passed for voluntary winding up or it applies to the court to be wound up or an order is made by the court for its compulsory winding up or it is dissolved or upon the appointment of a receiver or manager in respect of all or part of the corporation's business or upon possession being taken of any property of the corporation under the provisions of a charge secured upon that property or upon its entering into or becoming subject to any composition or arrangement with its creditors or upon its commencing or being the subject of any proceedings before a court, arbitration tribunal, dispute resolution body or equivalent, of competent jurisdiction under any bankruptcy or insolvency laws to seek protection from its creditors or to re-organise its affairs.</p> <p><b>13.4 Sanctions</b> If, by virtue of any Sanction, prohibition or any adverse action by a state, international or supranational organisation or other competent authority, the Association is prohibited from insuring the Assured.</p>
<b>14 Termination of insurance of Ship</b>	<p>The Assured shall cease to be insured by the Association in respect of an insured Ship upon the happening of any of the following events in relation to such Ship:</p> <p><b>14.1 Transfer of interest</b> If the Assured shall cease to have a legal, beneficial or other interest in the Ship, or if entire control and possession is transferred whether by demise charter or otherwise.</p> <p><b>14.2 Change of management</b> If the managers or operators of the Ship shall be changed.</p> <p><b>14.3 Total loss</b> If the Ship becomes a total loss or is accepted by the hull underwriters as being a constructive, compromised or arranged total loss, except as regards liabilities</p>



**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
	<p>flowing from the casualty which gave rise to such total loss of the Ship.</p>
	<p><b>14.4 Ship missing</b> If the Ship shall be missing for ten days from the date the Ship was last heard of or from the Ship being posted at Lloyd's as missing, whichever shall be the earlier.</p>
	<p><b>14.5 Mortgage</b> If the Ship be mortgaged or otherwise hypothecated, unless an undertaking or guarantee approved by the Managers is given to pay all premiums due or to become due in respect of the Ship <i>provided always</i> that the Managers may waive this provision.</p>
	<p><b>14.6 Classification</b> If the Assured fails to meet the requirements of Part IV Clause 10 <i>Classification and condition of Ships</i>.</p>
	<p><b>14.7 Termination</b> If the insurance of the Ship shall have been terminated in accordance with Part IV Clause 10.7 <i>Ship management appraisal</i> or Part IV Clause 10.8 <i>Condition survey</i>.</p>
	<p><b>14.8 Sanctions</b> If, by virtue of any Sanction, prohibition or any adverse action by a state, international or supranational organisation or other competent authority, the Association is prohibited from insuring the insured Ship.</p>
<b>15 Effect of termination</b>	<p><b>15.1 For failure to pay</b> If the termination of insurance shall have occurred by virtue of Clause 13.1 <i>Failure to pay</i> the Association shall not be liable for any claims under the <i>Certificate of Insurance</i>, whether the incident giving rise to such claim occurred before or after the termination of the insurance.</p>
	<p><b>15.2 For any other reason</b> If the termination of insurance shall have occurred by virtue of any other reason, the Association shall remain liable for all claims under the <i>Certificate of Insurance</i> arising by reason of any incident which occurred before the termination but shall be under no liability whatsoever by reason of any incident which occurred after the termination <i>provided always</i> that:</p>
	<p><b>15.2.1</b> the provisions of Clause 15.1 shall apply to the contract of insurance even if the insurance of the Ship shall have ceased under the provisions of Clause 13.2 <i>Failure of individual</i>, Clause 13.3 <i>Failure of corporation</i> or Clause 14 <i>Termination of insurance of Ship</i> before the notice specified in Clause 15.1 shall have been issued or taken effect.</p>
	<p><b>15.2.2</b> the Association may in its discretion admit either wholly or partly any claim for which the Association is under no liability under this Clause</p>

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

whether the incident giving rise to such claim occurred before or after the termination of insurance.

**15.3 No waiver of rights**

Without prejudice to the generality of Clause 18.1 *Forbearance* no act, omission, course of dealing, forbearance, delay or indulgence of any kind by or on behalf of the Association nor the granting of time, nor the acceptance by the Association (whether express or implied) of liability for, or the recognition of, any claim and whether occurring before or after the termination of insurance, shall derogate from the effect of Clause 13 *Termination of all insurances* and Clause 14 *Termination of insurance of Ship* or be treated as a waiver of any of the Association's rights thereunder.

**16 Premium due on termination of insurance**

**16.1 Premium due on termination of insurance**

The Assured who ceases to be insured by the Association for any reason, shall be and remain liable to pay to the Association all premium which such Assured would have been liable to pay had the insurance not been terminated *provided always* that the Assured shall be liable for the premium for the Policy Year in which the insurance ceases pro rata only for the period beginning with the date of commencement of the insurance and ending with the happening of the event that occasioned the termination of the insurance if:

**16.1.1** such termination arises upon the happening of any of the events specified under Clauses 14.1 to 14.6 and the Assured gives notice of the event in writing to the Managers within one month of the date thereof; or

**16.1.2** such termination arises by virtue of Clause 13.1 *Termination of all insurances – Failure to pay* in such case the Assured's liability to pay shall include the sum specified in the notice given under that Clause.

**16.2 Set-off**

For the purpose of determining whether any (and, if so, what) sum is due for the purposes of Clause 16.1 or otherwise under the *Certificate of Insurance* no account shall be taken of any amount due or alleged to be due by the Association to the Assured for any reason whatsoever, and no set-off of any kind (including any 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 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 Clause 13.1 *Termination of all insurances – Failure to pay*, may (in the Managers' discretion) in itself have already allowed for a set-off or credit in favour of the Assured.

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
<b>17 Reinsurance</b>	<p><b>17.1 Individual risks</b> The Managers may reinsure on behalf of the Association the whole or any part of risks arising in connection with any insurance upon such terms and with such reinsurers as the Managers shall consider appropriate.</p> <p><b>17.2 Risks of the Association</b> The Managers may reinsure or cede on behalf of the Association the whole or any part of the risks of the Association with such reinsurers and on such terms as the Managers shall consider appropriate.</p> <p><b>17.3 Reinsurance recoveries</b> Notwithstanding the LIMIT OF LIABILITY stated in the <i>Certificate of Insurance</i> and/or Part IV Clause 9 <i>Limitation of liability</i> and/or Part VI Clause 7.3.5 <i>Limit of liability of the insurance</i>, unless otherwise agreed in writing, where reinsurance is arranged in accordance with Clause 17.1 and/or Clause 17.2 above, the Assured shall have no entitlement to recovery from the Association excess of the net amount recoverable and collected under such reinsurance arrangements together with that portion (if any) of the risk or risks retained by the Association.</p>
<b>18 Forbearance</b>	<p><b>18.1 Forbearance</b> No act, omission, forbearance or conduct of the Association whatsoever and whensoever occurring, whether by or through its officers, servants or agents or otherwise, shall constitute any admission or promise that the Association will forgo any of its rights under the <i>Certificate of Insurance</i>.</p> <p><b>18.2 Advice of experts</b> Any person appointed under Part V Clause 2.4 <i>Appointment of experts</i> is appointed to assist the Assured, and any recommendations and advice which the person may give shall in no way bind, prejudice or affect the rights and remedies of the Association under the <i>Certificate of Insurance</i>.</p> <p><b>18.3 Waiver by Association</b> Notwithstanding any neglect or non-compliance with, or breach of, any of the terms of the <i>Certificate of Insurance</i> by the Assured the Association may in its sole discretion waive any of the Association's rights arising therefrom and may pass and pay in full or in part any claim which it thinks fit. The Association shall nevertheless at all times and without notice be entitled to insist on the strict application of the terms of the <i>Certificate of Insurance</i>.</p>
<b>19 Assignment</b>	<p><b>19.1 Assignment</b> No insurance afforded by the Association, and no interest under terms of the <i>Certificate of Insurance</i> or under any contract between the Association and the 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</p>

**PART VI GENERAL TERMS & CONDITIONS**

<b>Clause</b>	<b>General Terms &amp; Conditions</b>
	stating any reason or to give such consent upon any such terms or conditions as they may think fit.
	<b>19.2 Set-off</b> The Association shall be entitled before making any payment to an assignee of the Assured to deduct or retain such amount as the Managers may then estimate to be sufficient to discharge any liabilities or potential liabilities of the Assured to the Association.
<b>20 Delegation</b>	<b>20.1 Delegation by the Association</b> Whenever any power, duty or discretion is stated in the terms of the <i>Certificate of Insurance</i> to be vested in the Association, such power, duty or discretion shall be exercisable by the Board unless the same shall have been delegated to any sub-committee of the Board, or to the Managers, in accordance with the provisions as regards delegation contained in the Articles of Association of the Association in which event the power, duty or discretion may be exercised by any person to whom the same shall have been so delegated. <b>20.2 Delegation by the Managers</b> Whenever any power, duty or discretion is conferred or imposed upon the Managers by virtue of the terms of the <i>Certificate of Insurance</i> , such power, duty or discretion may, subject to any terms, conditions or restrictions contained in the terms of the <i>Certificate of Insurance</i> be exercised by any one or more of the Managers or by any employee of the Managers to whom the same shall have been delegated or sub-delegated.
<b>21 Disputes and differences</b>	<b>21.1 Adjudication</b> If any difference or dispute between the Association or the Managers and any other person shall arise out of or in connection with the <i>Certificate of Insurance</i> or any contract of insurance between the Association and the Assured such difference or dispute shall in the first instance be referred to and adjudicated by the Board notwithstanding that the Board may have already considered the matter before any such difference or dispute arose. Such reference and adjudication shall be on written submissions only. <b>21.2 Arbitration</b> If such other person does not accept the decision of the Board, or if the Board shall fail to make any award within three months of the reference to it, the difference or dispute shall then be referred to arbitration in London. <b>21.2.1</b> The arbitration shall be conducted by two arbitrators, one to be appointed by each of the parties, and in case the arbitrators shall not agree then the difference or dispute shall be referred to the decision of an umpire to be appointed by them. <b>21.2.2</b> No Assured of the Association nor the Managers nor any employee of

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

the Managers shall act as arbitrator or umpire.

**21.2.3** The evidence and proceedings upon any arbitration may in the discretion of the arbitrators or umpire be taken in a mercantile way without regard to legal technicalities respecting evidence.

**21.2.4** The arbitrators or umpire may, in case any point of law shall arise, take the opinion of such counsel or solicitor as they may think fit, and may act upon any such opinion, and unless the arbitrators or umpire taking such an opinion otherwise direct, the costs of and incidental thereto shall be deemed to be part of the costs of the award.

**21.2.5** The costs of and incidental to any such reference and award shall be in the discretion of the arbitrators or umpire respectively.

**21.2.6** The submission to arbitration and all the proceedings therein shall be subject to the provisions of the Arbitration Act, 1996 or any statutory modification or re-enactment thereof.

**21.3 Sole remedy**

No such other person shall be entitled to maintain any action, suit or other legal proceedings against the Association otherwise than in accordance with the procedures laid down in this Clause 21 and may only commence proceedings, other than the arbitration under Clause 21.2 above, so as to enforce an award under such arbitration and then only for such sum, if any, as the award may direct to be paid by the Association. The sole obligation of the Association to such other person under these *Additional Insurances Terms & Conditions*, and any *Certificate of Insurance*, in respect of such difference or dispute shall be to pay such sum as may be directed by such an award.

**22 Notices**

**22.1 Notices on the Association**

A notice required under the *Certificate of Insurance* to be served on the Association may be served by sending it through the post in a pre-paid letter or by sending it by facsimile message or by electronic mail to the Association at the Association's registered office for the time being.

**22.2 Notices on the Assured**

A notice required under the *Certificate of Insurance* to be served on the Assured may be served by sending it through the post in a pre-paid letter or by sending it by facsimile message or by electronic mail to such Assured at the Assured's address or at any place of business of a broker or other intermediary through whom the insurance to which the notice relates is or was afforded by the Association. In the case of Coassureds a notice shall be served on any Coassured and such service shall be sufficient service upon all Coassureds.

**22.3 Addresses**

Any Assured not domiciled within the United Kingdom who shall from time to time give the Association an address within the United Kingdom at which

**PART VI GENERAL TERMS & CONDITIONS**

**Clause General Terms & Conditions**

notices may be served upon the Assured, shall be entitled to have notices served upon the Assured at such address.

**22.4 Date of service**

Any notice or other document if served by post shall be service deemed to have been served on the day following the day on which the letter containing the same was put in the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post in a pre-paid envelope. Any notice served by facsimile machine or electronic mail, shall be deemed to have been served on the day after it was despatched and in proving such service it shall be sufficient to prove that the notice was duly despatched.

**22.5 Successors**

The successors of anyone who is or was at any time the Assured of the Association 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 Association may have notice that the Assured has become of unsound mind or is otherwise mentally unfit, or of the Assured's death, bankruptcy or liquidation.

**23 Jurisdiction**

**23.1 English Law**

The *Certificate of Insurance* and any contract of insurance between the Association and the Assured shall be governed by and construed in accordance with English law *provided always* that it is not intended that any benefit or rights should be acquired through the operation of The Contracts (Rights of Third Parties) Act 1999 or other similar legislation.

**23.2 Jurisdiction**

Any dispute or difference with the Association (including disputes over the interpretation, effect or application of Clause 21 above shall (subject to Clause 21) be decided exclusively by the High Court in London.