



Shipowners' P&I

TERMS & CONDITIONS 1/2025

Hydor

Contents

SECTION I - RISKS COVERED	4
1 CREW	4
2 SUPERNUMERARIES, STEVEDORES AND OTHER PERSONS	5
3 PASSENGERS	5
4 RESCUE OF PERSONS AT SEA AND STOWAWAYS	5
5 QUARANTINE	6
6 COLLISION AND CONTACT	6
7 DAMAGE OR LOSS OF PROPERTY OF ANY THIRD PARTY	6
8 REMOVAL OF WRECKS	7
9 CARGO CARRIED BY THE INSURED VESSEL	7
10 POLLUTION	8
11 SALVORS - SPECIAL COMPENSATION PAYMENTS	9
12 GENERAL AVERAGE – UNRECOVERABLE THIRD PARTY CONTRIBUTION	9
13 EXCESS GENERAL AVERAGE, SALVAGE OR SPECIAL COMPENSATION	9
14 TOWAGE OF THE INSURED VESSEL	9
15 TOWING BY THE INSURED VESSEL	9
16 SUE AND LABOUR COSTS	9
17 PENALTIES AND FINES	10
18 WAR RISKS	10
SECTION II - ADDITIONAL COVER	11
19 FDD	11
20 SPECIALIST OPERATIONS	12
21 CREW AND ASSURED'S EMPLOYEES	13
22 TOUR OPERATOR ACTIVITIES FOR PASSENGER VESSELS	13
SECTION III – GENERAL CONDITIONS	14
23 PAY TO BE PAID	14
24 FLAG STATE	14
25 CLASSIFICATION	14
26 ISM CODE	15
27 SURVEY BY INSURER	15
28 DUTY TO ACT AS PRUDENT UNINSURED	15
29 PREMIUM, DEDUCTIBLES OR OTHER SUMS DUE TO THE INSURER	15
30 NO WAIVER OF RIGHTS OF INSURER	16
31 DEDUCTIONS FROM CLAIMS	16
32 ASSIGNMENT OR OTHER DEALING	16
33 ASSURED, JOINT ASSURED'S AND CO ASSURED'S	16
34 CLAIMS NOTICES	17
35 ALL OTHER NOTICES	17
36 DUTY TO INFORM	17
37 CLAIMS HANDLING PROCEDURES	17
38 APPOINTMENTS OF THIRD PARTIES TO HANDLE CLAIMS	18
39 DISCLOSURE AND REPRESENTATION OF FACTS	18
40 SUBROGATION AND RECOVERIES	18
41 PASSENGER TICKETS	18

Contents

42	CREW CONTRACTS	18
43	SECURITY FOR CLAIMS	19
44	DISPUTE RESOLUTION AND LIEN	19
45	INSURED VALUE	19
46	AUTOMATIC TERMINATION OF INSURANCE	20
47	TERMINATION OF INSURANCE BY NOTICE	20
48	TERMINATION OF COVER FOR AN INSURED VESSEL	20
49	CONSTRUCTION OF THE POLICY	21
	SECTION IV – EXCLUSIONS, RESTRICTIONS AND LIMITATIONS	22
50	EXCLUSIONS TO THE MARINE INSURANCE ACT 2015	22
51	LIMITATION OF LIABILITY	22
52	HULL & MACHINERY INSURANCES	22
53	OTHER INSURANCE	23
54	TIME BAR	23
55	LIABILITIES UNDER CONTRACT AND INDEMNITIES	23
56	LOSS OF OR DAMAGE TO THE INSURED VESSEL AND EQUIPMENT	23
57	DEFAULT OR DELIBERATE MISREPRESENTATION	23
58	FREIGHT, DEMURRAGE AND DERIVATIVES	23
59	LOSS OF REPUTATION OR OPPORTUNITY OR PUNITIVE OR EXEMPLARY DAMAGES	23
60	ILLEGAL TRADE AND EXCESSIVE RISK	24
61	JH 2010/009 SANCTION LIMITATION AND EXCLUSION CLAUSE	24
62	WORK DISEASE, CUMULATIVE INJURY AND AIDS	24
63	CORONAVIRUS LIMITATION	24
64	PAPERLESS TRADING	26
65	INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE (10.11.03 CL.370)	26
66	WAR RISKS AND LOSSES	27
67	JLC LIMITED NOTICE OF CANCELLATION	27
68	JLC TERRITORIAL AND CONFLICT EXCLUSION CLAUSE	28
69	INSTITUTE CYBER ATTACK EXCLUSION CLAUSE	28
70	GENERAL	29
	SECTION V - DEFINITIONS	30

SECTION I - RISKS COVERED

The Insurer agrees in consideration of the premium payable for the insurance to be provided hereunder, to indemnify the Assured in respect of the Assureds' liability for costs, loss and damage, incurred as a direct result of the operation of the Insured Vessel entered by the Assured in his capacity as Owner during the Policy Term, in respect of:

1 CREW

- 1.1 hospital and medical expenses arising from accidental personal injury, illness or death,
- 1.2 funeral expenses,
- 1.3 repatriation costs by reason of illness, personal injury, including the Assureds' Net Loss in respect of bunkers and port charges,
- 1.4 compensation for being signed off due to a major casualty, limited to 60 days of hire,
- 1.5 crew substitution due to accidental personal injury, illness or death, limited to travel expenses and such other reasonable costs as are directly caused by and/or connected to the crew substitution,
- 1.6 wages to serving crew members or their dependants, as a result of accidental personal injury, illness or death,
- 1.7 loss of or damage to personal effects, limited to USD 2,500 per crew.

The cover under this clause shall be provided to the Assured where the liability to pay damages or compensation to injured crewmembers arises under:

- 1.8 terms of a collective crew agreement or contract of service or employment entered into between the Assured and crewmembers of the Insured Vessel subject to the provisions of clause 42 below and/or
- 1.9 legal liability of the Assured towards crew on board the Insured Vessel.
- 1.10 the Insurer shall cover liabilities pursuant to any statutory enactment giving effect to the Maritime Labour Convention 2006 and its subsequent amendments (the "MLC") Regulation 2.5.2, Standard A2.5.2 and Regulation 4.2.1, Standard A4.2.1 or any materially similar enactment which are available to the Assured elsewhere under these Terms & Conditions.
- 1.11 the Insurer further agrees to provide financial security in the favour of the crew for liabilities which would exceed the cover under these Terms & Conditions. This shall however not be construed as an extension of the cover available to the Assured under these clauses.
- 1.12 the Insurer may discharge or pay such claim under clause 1.10 on the Assured's behalf directly to such crew or dependant thereof. The Insurer shall pay such claim as agent only of the Assured, and the Assured shall be liable to reimburse the Insurer in full without undue delay for any payment made under any financial security in relation to MLC requirements which would not be covered under these Terms & Conditions and the underlying insurance policy.
- 1.13 the Insurer shall not be liable for and shall not make any payment under clause 1.10, 1.11 and 1.12 above
 - 1.13.1 a) if any such payment would be recoverable by the crew under a social security scheme, fund, separate insurance or similar arrangement,

- 1.13.2 b) if any such payment would arise out of or in consequence of the termination of any agreement; or any breach or default by the Assured of any agreement or other contract of service or employment; or sale of the ship; or any other act of the Assured in respect of the ship.

- 1.14 the Insurer shall not be liable for and shall not make any payment under clause 1 if the liability to pay is incurred as a consequence of a breach of any rules, regulations, laws, statutory obligations or other similar requirements which govern the terms of the crew members' employment whether the contract of employment remains valid or not.

2 SUPERNUMERARIES, STEVEDORES AND OTHER PERSONS

- 2.1 hospital and medical expenses arising from accidental personal injury, illness or death.
- 2.2 legal liability of the Assured towards persons mentioned in this clause.

3 PASSENGERS

- 3.1 hospital and medical expenses arising from personal injury, illness or death,
- 3.2 funeral expenses,
- 3.3 legal liability of the Assured towards passengers on board the Insured Vessel,
- 3.4 repatriation costs by reason of illness, injury or statutory obligations,
- 3.5 loss or damage to any effects of Passengers,
- 3.6 home travel due to a casualty which render the vessel unseaworthy or incapable of carrying Passengers,

The above items are subject to limits of liability set out in any applicable law and clause 41 below.

There shall be no cover in respect of the following:

- 3.7 claims arising before embarkation or after disembarkation,
- 3.8 claims arising whilst on excursion,
- 3.9 claims arising by carriage of Passenger baggage or belongings or property in the possession or control of a Passenger containing or being items of a precious or rare nature or not required in the normal course of travel, including but not limited to bullion, work of art, precious or rare metals or stones, plate or other objects or minerals or substances of rare or precious nature, or specie,
- 3.10 claims arising by carriage of Passenger baggage or belongings or property in the possession or control of a Passenger containing or being documents or papers of value or of title to something of value, including but not limited to cash, bearer shares, bank notes, bonds or other negotiable instruments.

The Assured may, on such terms as the Insurer may agree in writing prior to attachment of risk, be covered for liability, costs and expenses under Clause 3.7 and 3.8 above, as per Clause 21 below.

4 RESCUE OF PERSONS AT SEA AND STOWAWAYS

- 4.1 any Third Party liability incurred by the Assured by saving a person in distress at sea, excluding recoveries from other parties.

- 4.2 the direct costs of, sustaining, landing and where required by law repatriation of such persons (including those of refugee status), wholly and necessarily incurred by the Assured in complying with its legal obligations.
- 4.3 deviation costs for bunkers, limited to the Assured's Net Loss.

There shall be no cover in respect of the following:

- 4.4 liability for demurrage, damages for detention or hire payable in respect of any period during which the service of the Insured Vessel is interrupted or delayed by reason of the presence of a stowaway(s) on board the Insured Vessel (including any period of arrest or detention after the disembarkation of such stowaway) or the recovery or rescue of persons at sea.

Cover under paragraph 4.2 and 4.3 in respect of stowaways is limited to USD 50,000 each single voyage.

5 QUARANTINE

Disinfection and fumigation costs and expenses incurred as a result of human disease which is infectious, on the Insured Vessel or Cargo or persons on board provided that such costs shall have been incurred directly for the purpose of disease control or eradication.

6 COLLISION AND CONTACT

- 6.1 collision between the Insured Vessel and another vessel, or contact between the Insured Vessel and a fixed or moveable object, but only if and to the extent that such liability exceeds the sum recoverable under the vessel's Hull & Machinery policies solely by reason of the fact that the liability exceeds the valuation of the vessel in those policies. If the vessel was not insured for her proper value at the time of the incident, any compensation from the insurer will be reduced accordingly. Cover under this Clause is subject to the provisions of Clauses 45 and 53 of this policy,
- 6.2 personal injury, illness or death of persons on another vessel, which arises out of a collision between that vessel and the Insured Vessel,
- 6.3 Wreck removal of another vessel, which arises out of a collision between that vessel and the Insured Vessel,
- 6.4 pollution from another vessel, which arises out of a collision between that vessel and the Insured Vessel.
- 6.5 if separately agreed in writing at terms set by the Insurer, the Assured may cover 1/4th or 4/4th RDC. The insurer shall cover liability for loss of or damage to the other vessel, her Cargo, equipment, stores and supplies accordingly.
- 6.6 if separately agreed in writing at terms set by the Insurer, the Assured may cover FFO liability for loss of and damage to a fixed or floating object, arising out of contact between that object and the Insured Vessel.

7 DAMAGE OR LOSS OF PROPERTY OF ANY THIRD PARTY

- 7.1 damage or loss caused by the Insured Vessel including but not limited to structures and objects such as any harbor, pier, dock jetty, breakwater, buoy, cable, lighthouse, but excluding any other vessel(s) or craft, or property on any other vessel or craft.
- 7.2 cover under this Clause 7 is subject to the provisions at Clauses 45 and 53 of this policy and excludes any FFO liability covered with the Hull & Machinery Insurance.

8 REMOVAL OF WRECKS

Always provided that the Assureds have their same legal or proprietary interest in the Cargo, Wreck or property as they did immediately prior to any incident giving rise to a claim hereunder (other than by way of divestment by abandonment before removal, disposal or marking as provided below), the removal of or disposal of or navigational marking of the Wreck of the Insured Vessel, Cargo or property on board at the time of the casualty, where such actions are either required by law or by any order of decree issued by any governmental agency or authority.

The realised value of the Wreck, Cargo or other property saved shall be credited to the Insurer.

9 CARGO CARRIED BY THE INSURED VESSEL

9.1 damage to or shortage of Cargo

9.2 delayed delivery of Cargo due to a casualty, except where the liability of the Assured is in consequence of an express term of a contract of carriage that delivery is required by a stipulated date or time within a stipulated period or where (under such terms) the Assured is liable because it has failed to discharge Cargo at a rate of discharge required under contract,

9.3 extra costs of disposal, discharging, reloading and resecuring of damaged Cargo, incurred by the Assured above the normal costs of the performance of such operations required of the Assured in the applicable contract of carriage, had Cargo not been damaged.

There shall be no cover in respect of the following:

9.4 carriage of Cargoes otherwise than in full conformity with all relevant international, national and local conventions and regulations including, but not limited to the International Maritime Dangerous Goods (IMDG) Code, the Code of Safe Practice for Solid Bulk Cargoes (BC Code) and the International Maritime Solid Bulk Cargoes (IMSBC) Code,

9.5 failure to load, unless caused by an accident, casualty or breakdown suffered by the Insured Vessel after its arrival at the berth where such Cargo is being loaded,

9.6 loss of or damage to any Cargo owned by the Assured,

9.7 late arrival or non-arrival of the Insured Vessel at the port of loading or impossibility to load a certain Cargo on board the Insured Vessel,

9.8 delivery of Cargo without production of the original bill of lading or waybill,

9.9 delivery of the Cargo to a person other than the person named in the bill of lading, waybill as the person to whom the delivery should be made,

9.10 carriage of Cargo on deck with under deck Bill(s) of Lading,

9.11 carriage by other vessels than the Assureds' vessel or by other means of transport, unless the insurer approves the contract,

9.12 carriage of Cargo on terms less favourable to the Assured than the Hague-Visby rules, (i.e. the Rules contained in the International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 28th August 1924, as amended by the Protocol to that Convention signed at Brussels on 23th February 1968), except insofar as the contract of carriage is on less favourable terms solely because of the compulsory application of the Hamburg Rules by virtue of the place of loading or discharge

9.13 Cargo discharge at a port or place of discharge different from that prescribed in the applicable contract of carriage,

- 9.14 incorrect statements contained in the bill of lading or other contract of carriage, made with knowledge or reckless disregard by the Chief Officer, Master, the Assured or their agents,
- 9.15 carriage of Cargo under an ad valorem bill of lading,
- 9.16 deviations or any departure from the contractually agreed route or a change of terms of carriage, which deprive the Assured of the rights of limitation or defenses which would otherwise have been available to the Assured on the basis of the Hague Visby Rules,
- 9.17 carriage of livestock or other live animals,
- 9.18 carriage of cash, bearer shares, banknotes, bonds or other forms of documents of value, bonds or other negotiable instruments, any work of art, bullion, precious metal or stones,
- 9.19 carriage of steel products (other than steel Cargo not sensitive to water or humidity) or other ferrous metals without pre-loading survey at the Assureds' expense by a surveyor approved by the insurer,
- 9.20 carriage of nuclear substances, unless the Assured obtains an indemnity from the shippers in a form approved by the Insurer prior to loading,
- 9.21 the re-issuance of bills of lading or other transport documents by the Assured unless otherwise agreed in writing by the Insurer.

The Assured may, on such terms as the Insurer may agree in writing prior to attachment of risk, be covered for liability, costs and expenses under Clause 9.4 to 9.21 above.

10 POLLUTION

- 10.1 accidental escape or discharge of oil or other polluting substance (unless such substance should not have been aboard the Insured Vessel),
 - 10.2 measures reasonably taken for the purpose of preventing or minimising pollution or any resulting damage together with any liability for loss or damage caused by the taking of such measures,
 - 10.3 the reasonable costs of complying with any lawful order of any government or authority for the purpose of preventing or minimising actual or threatened pollution.
- There shall be no cover in respect of the following:
- 10.4 costs required as part of the normal operation, salvage or repair of the vessel,
 - 10.5 costs and expenses which would be recoverable in the General Average if the member had incorporated the York-Antwerp rules 1994,
 - 10.6 illegal or intentional discharge of any substance from the Insured Vessel, by any of the Assureds' servants including crew and officers,
 - 10.7 discharge or escape or the presence of any substance, material or product or waste determined or deemed to be hazardous in any dump, site, storage or disposal facility whether or not such substance, material, product or waste was previously carried on board the Insured Vessel as Cargo, fuel, slops or stores.
 - 10.8 Liability, loss, costs and fines, arising out of incidents to which the US Oil Pollution Act 1990 is applicable. If separately agreed, the Insurer can arrange additional insurance to cover liability, loss, costs and fines, arising out of incidents to which the US Oil Pollution Act 1990 is applicable and which would otherwise be excluded under this clause 10.8, on terms set by the Insurer and agreed in writing prior to attachment of risk.

11 SALVORS - SPECIAL COMPENSATION PAYMENTS

Payments to and by virtue of a salvors successfully limiting or preventing damage to the environment by the Insured Vessel (and anything thereon) under the provisions of Article 14 of the International Convention on Salvage 1989, or under a Lloyd's Open Form, 1980, 1990 or 1995 editions, or any standard form salvage agreement incorporating the effect of Article 14 of the said Convention.

Cover is not provided where payment as special compensation is otherwise payable by any Third Party by virtue of having an interest in property which is the subject of salvage services.

12 GENERAL AVERAGE – UNRECOVERABLE THIRD PARTY CONTRIBUTION

Payment of the proportionate amount of General Average, salvage or special compensation which would be contractually or otherwise owed by a Third Party to the Assured but is unrecoverable from such Third Party because of a breach of the contract of carriage by the Assured.

Policy cover hereunder is subject to the exclusions and other terms of Clauses 9.4 to 9.21.

13 EXCESS GENERAL AVERAGE, SALVAGE OR SPECIAL COMPENSATION

The proportionate amount of General Average, special compensation or salvage due to a salvor, but which as a result of the Insured Vessel being valued above its current declared insured value is not recovered from the Insured Vessel's Hull & Machinery insurance. Policy cover hereunder is subject to the exclusions and other terms of Clauses 45 and 53.

14 TOWAGE OF THE INSURED VESSEL

Towage of the Insured Vessel, under any agreement for:

- 14.1 entering and leaving a loading or discharge facility for the purpose of ordinary trading,
- 14.2 moving the Insured Vessel between, within, to or from any port or other place, and making the Insured Vessel safe in port, dry dock or shipyard for the purpose of the Insured Vessel's ordinary course of trading, but only if such towage, is on unamended standard form Towhire or Towcon terms, or other towage standard form contract (approved in writing by the Insurer) and that gives at least the same protection and rights for the Assured as the aforesaid Towhire or Towcon standard terms.

Cover is available only to the extent Hull & Machinery insurance does not provide the Insured Vessel cover against the risks set out in said clause.

15 TOWING BY THE INSURED VESSEL

Towing by the Insured Vessel of any other vessel, craft or floating object by the Insured Vessel, but only if such towage by the Insured Vessel, is on unamended standard form Towhire or Towcon terms, or the UK Standard Conditions for Towing or Other Services (1986 edition), or other towage standard form contract (approved in writing by the Insurer) and that gives at least the same protection and rights for the Assured as the aforesaid Towhire or Towcon standard terms.

16 SUE AND LABOUR COSTS

Subject to the Prior Approval of the Insurer, costs and expenses, necessarily incurred by the Assured, exclusively for the purpose of avoiding or limiting liability costs or expenses, after any

occurrence (including a casualty of the Insured Vessel) which may result in a policy claim for risks insured hereunder. Cover under this clause is limited to the Assured's Net Loss.

17 PENALTIES AND FINES

Any Penalty or fine or other financial sanction issued or otherwise levied on the Insured Vessel or Crew member thereof by any lawful authority or judicial body (including a government agency or authority, court or tribunal) whom the Assured is legally liable to pay or to reimburse, in respect of:

- 17.1 breach of customs regulations or requirements governing Cargo documentation and administration thereof or for short delivery or over-delivery of Cargo, but subject to the exclusions and terms of clauses 9.4 to 9.21 above,
- 17.2 breach of any requirements or regulations relating to customs or immigration laws, or smuggling, but not for or related to Cargo carried pursuant to any contract of carriage, where the Assured is a party,
- 17.3 accidental escape or release from the Insured Vessel of any polluting substance, but not in respect of any substance which should not have been aboard said vessel.

Any penalty or fine or other financial sanction as aforesaid is not covered by this policy if by reason of:

- 17.4 Marpol 73/78 Convention violations and any breach or infringement of the requirements and provisions relating either to the configuration and equipping of the Insured Vessel or the maintaining of proper records or other documents.
- 17.5 intentional discharge of oil or any other polluting or prohibited substance,
- 17.6 more Passengers on board the Insured Vessel than is lawfully allowed (by reason of applicable law or insurance terms or vessel class or other governmental or industry regulation or requirement),
- 17.7 overloading of the Insured Vessel (as determined by reason of any contract or applicable law or insurance terms or vessel class or other governmental or industry regulation or requirement or any technical limitations of the vessel itself),
- 17.8 breach of any law, or other governmental or industry regulation or requirement relating to control or regulation of fishing,
- 17.9 criminal activity with the knowledge, connivance, complicity or reckless disregard of the Assured, or otherwise that could have been prevented had the Assured taken preventive measures either as a prudent uninsured, or in accordance with any prevailing industry practice, or guidelines or requirements of any relevant policing customs or port authority.

18 WAR RISKS

War risks as defined in clause 1 and 2 of the Institute Protection and Indemnity War Strikes Clauses 20/7/87 always provided this Clause shall only extend to such liabilities, costs and expenses insofar as they exceed amounts recoverable under any other insurance including but not limited to the Insured Vessel's Hull & Machinery, war risks policy's or insurance in respect of Crew.

SECTION II - ADDITIONAL COVER

There shall be no cover under this policy for liabilities, costs and expenses arising from or in connection with clauses 19 to 22 below, unless the Insurer agrees to cover such liabilities on terms as agreed in writing prior to attachment of risk.

19 FDD

Legal costs and expenses which are directly connected with the operation of the Insured Vessel, which have been necessarily incurred by the Assured in claiming or defending claims, on such terms as the Insurer may agree or has agreed in writing, arising in respect of the following:

- 19.1 charterparty, bill of lading, crew contract, passenger ticket which the Assured is a contracting party,
- 19.2 the handling of Cargo which is intended to be carried, which is carried or which has been carried on board the Insured Vessel,
- 19.3 insurance contracts other than contracts with Hydor, Insurers or any related companies,
- 19.4 contract for operational and administrative services for the Insured Vessel, including but not limited to contracts in respect of agency, stevedoring, towage or salvage,
- 19.5 contract in respect of the supply to the Insured Vessel of stores, goods or materials or other necessaries, bunkers, lubricating oil ,
- 19.6 contract for the construction, alteration, refitting, conversion, repair, maintenance or dry docking, or sale and purchase of the Insured Vessel, subject to contracts been approved by the Insurer in writing,
- 19.7 damage to the Insured Vessel, detention of the Insured Vessel, or the impairment of any right of the Assured in respect of the Insured Vessel, caused by any Third Party, unless such disputes are covered with the Insured Vessel's Hull & Machinery or any other policies or exceeds 1% of the Hull value,
- 19.8 persons rescued at sea or refugees or stowaways,
- 19.9 General Average.

Subject always in handling or in connection with any of the above, to the terms of clause 38 below and further provided that the Assured has very good prospects of successfully pursuing or defending any such claim, or the resolution thereof, by the obtaining of and expenditure on legal costs and expenses PROVIDED ALWAYS that such costs and expenses are incurred after the written consent and approval thereof has been obtained by the Assured from the Insurer and subject always to any limitations or restrictions as previous set out in any clause in this policy.

None of the Assured and/or Joint Assureds and/or Co-Assureds shall be covered in respect of any disputes between any of themselves.

In assessing legal costs to be covered and the exercise of its discretion as to approval or otherwise thereof, the Insurer shall be entitled to take into account all the circumstances including:

- 19.10 reasonable relationship between the amount in dispute and the costs which are likely to be incurred,
- 19.11 reasonable relationship between the prospects of successfully obtaining an award or judgment and the costs which are likely to be incurred,

- 19.12 reasonable relationship between the prospects of successfully obtaining payment (due to the financial position of the other party or otherwise) and the costs which are likely to be incurred,
- 19.13 reasonable relationship between the prospects of successfully defending a claim and the costs which are likely to be incurred,
- 19.14 law and jurisdiction relating to the circumstances under consideration,
- 19.15 whether the Assured has failed to take reasonable care in the chartering, control or management of the vessel, or the position adopted by the Assured is unreasonable or the Assured's conduct has been imprudent, improper or tainted with illegality,
- 19.16 whether the Assured fails to provide information or documentation which is necessary for the dispute to be properly evaluated or handled,
- 19.17 whether the Assured refuses to handle or settle the case in accordance with recommendations of the Insurer,
- 19.18 whether the Assured makes concessions or enters into a settlement without the approval of the Insurer,
- 19.19 whether the Assured takes steps to initiate legal action or arbitration, or makes an application to any court or arbitration tribunal, or takes any other material step in a dispute, without seeking the Prior Approval of the Insurer.
- 19.20 whether the Assured has failed to carry out any of his obligations under this policy.

The Insurer shall be under no liability to reimburse the Assured for any costs orders or awards made against the Assured in any legal proceedings.

The procedures and provisions set out in Clauses 36, 37, 38, 39 and 40 shall be followed and apply to the conduct of any claim covered by this clause.

If the Insurer and the Assured disagree as to prospects of success in pursuing or defending or resolving any claim hereunder, such disagreement shall be subject to and submitted to arbitration in London with three arbitrators, one to be appointed by each of the parties and a third by the arbitrators so appointed. The arbitration shall be by written submissions and supporting documentation only and there shall be no oral submissions. The Arbitration shall be conducted in accordance with the provisions of the English Arbitration Act 1996 or any statutory modification or re-enactment of it for the time being in force, unless expressly provided in this Clause.

The arbitration award shall be final and binding on the parties if it is adverse to the Assured.

The Insurer may require the re-submission of the dispute or disagreement to the arbitrators following any award adverse to the Insurer. All other disputes shall be determined pursuant to the provisions of Clause 44.

20 SPECIALIST OPERATIONS

The following activities shall be treated as Special Operations:

- 20.1 exploration, seismic activities, drilling, production and associated services in respect of oil, gas or minerals,
- 20.2 storage of Cargo on board the Insured Vessel or on land,
- 20.3 project Cargo and carriage of any structure on deck,

- 20.4 underwater operations by ROV or other submersible, commercial diving,
- 20.5 construction, blasting, and construction of offshore installations,
- 20.6 dredging,
- 20.7 pipe or cable laying,
- 20.8 salvage and Wreck removal,
- 20.9 fire fighting,
- 20.10 pollution control and clean up,
- 20.11 permanently moored vessel being used as a restaurant, bar, museum, or other form of entertainment or exhibition or as a hotel or any sort of accommodation or use other than the use for which the vessel was intended at the time of construction.

To the extent that the Insured Vessel is carrying out the Special Operations set out at 20.1 to 20.11 above, the Assured may on such terms as the Insurer may agree in writing, also be covered in respect of liabilities, costs and expenses covered under Clauses 1 to 17 incurred by reason of the Insured Vessel being engaged in such Special Operations.

21 CREW AND ASSURED'S EMPLOYEES

Persons employed or engaged by the Assured to be covered under Clause 1 or 2 above, in respect of the following:

- 21.1 purchase of a vessel and the Assured, prior to delivery of the vessel, places a person(s) at a shipyard or on board for the purpose of supervision of work, familiarisation and hand-over,
- 21.2 if the Insured Vessel is being repaired while trading or in dry dock and the Assured places a person(s) on board or at the yard, other than a member of the Crew, for the purpose of, including but not limited to, supervising, repair work, blasting/reconditioning of tanks, engine overhaul or maintenance.

22 TOUR OPERATOR ACTIVITIES FOR PASSENGER VESSELS

- 22.1 cover as under Clause 3 above, where the Assured is acting as Tour Operator arranging excursions ashore and making onshore travel arrangements for Passengers.

All contracts related to cover under Clause 22 will have to be assessed and approved by the Insurer prior to attachment of risk.

SECTION III - GENERAL CONDITIONS

23 PAY TO BE PAID

It is a condition precedent to cover under this policy that the Assured has first actually paid the claim or discharged the same out of funds belonging to him absolutely and unconditionally and not by way of loan or otherwise and that the liability of the Assured has arisen and been discharged pursuant to:

- 23.1 court order or judgment, other than a default judgment,
- 23.2 an award, other than a default award, of an arbitration tribunal appointed with the consent of the Insurer or in accordance with an arbitration agreement entered into before the event giving rise to the claim arose, or
- 23.3 a settlement approved by the Insurer.

24 FLAG STATE

The Assured hereby warrants (and it is a condition precedent to cover) that as at the policy start date and throughout the Policy Term, the Insured Vessel does and shall comply with all Insured Vessel's Flag State requirements including as to:

- 24.1 crewing, construction, Classification, Port state Control records, surveys, equipping, marine casualty records,
- 24.2 the possession and/or safe keeping and/or maintenance of valid statutory or other certificates issued by the Flag State confirming observance with all such requirements.

If there is any breach of warranty herein or part thereof the remedies available or provided for under the Marine Insurance Act 1906 shall apply. The Insurer shall also (without prejudice to the aforesaid statutory provisions) have the right in its sole discretion, to cancel, vary or restrict cover terms under this policy with immediate effect. Any such election by the Insurer shall be communicated to the Assured by notice in writing.

25 CLASSIFICATION

The Assured hereby warrants that the Insured Vessel is and shall remain classed with a Classification Society for the whole Policy Term. The Assured also warrants that the Insured Vessel has all class approvals and certificates required to perform the operation in which she is, or is anticipated to be engaged. The Assured further warrants that it will throughout the Policy Term:

- 25.1 give notice to and obtain the Insurer's prior written approval of any intended change of Classification Society for the Insured Vessel and provide such further information as the Insurer may request,
- 25.2 operate the Insured Vessel in accordance and in compliance with the rules of the Classification Society, and shall comply promptly with any recommendation or requirement issued by the Classification Society in accordance with those rules within any period or by any date for compliance as stated by the Classification Society,
- 25.3 notify the Classification Society (and at the same time send a copy of such notification to the Insurer) as soon as practicable of any circumstance or event or other issue which does or may affect the Insured Vessel's class, her seaworthiness or Cargo worthiness including but not limited to any event or circumstance or issue which might cause the Classification Society to impose a requirement, condition restriction or make a recommendation under the said Classification Society's Rules and Standards.

- 25.4 allow the Insurer (and/or any person(s) on its behalf) full access at any time to inspect and/or copy the Insured Vessel's class records and otherwise provide the Insurer and/or the nominated person with any other information or documents that the Assured has or hold or may request from the Classification Society.

The remedies provided for under the Marine Insurance Act 1906 shall apply if there is a failure by the Assured to comply with any warranty given by the Assured under this Clause in respect of the Insured Vessel. In addition, the Insurer may at its sole discretion either restrict or otherwise vary the cover under this Policy or cancel this policy and the cover given by it with immediate effect in respect of the Insured Vessel by notice in writing to the Assured.

26 ISM CODE

Always provided that the Insured Vessel is required to comply with the International Safety Management Code by the International Maritime Organisation it is warranted by the Assured:

- 26.1 the Insured Vessel has throughout the Policy Term, a valid Document of Compliance issued by Classification Society or Flag State,
- 26.2 the Insured Vessel has throughout the Policy Term, a valid Safety Management Certificate issued by a Classification Society or Flag State,
- 26.3 to notify the Insurer in writing immediately if there is an actual or threatened suspension or withdrawal of the said Safety Management Certificate or Document of Compliance.

27 SURVEY BY INSURER

- 27.1 all Passenger vessels and any vessels older than 12 years are subject to entry survey at Owner's cost and expense, unless the Insurer confirms in writing the survey requirements have been waived. The survey shall be performed prior to loading first Cargo or embarkation of Passengers, latest 30 days after inception of the cover.
- 27.2 the Assured shall co-operate and allow the inspection of any Insured Vessel by a surveyor or surveyors appointed on behalf of the Insurer, as the Insurer may require at any time and as often as required by the Insurer during the Policy Term. The Assured shall comply with all recommendations or requirements made by the Insurer following the inspection within the period required for compliance. This undertaking shall be treated as a warranty and a condition precedent to cover.
- 27.3 the Assured shall give the Insurer at least 14 days' notice in writing before the recommissioning of the Insured Vessel, if the Insured Vessel has previously been placed in Cold Lay Up for a continuous period of 150 days or more . The Insurer (through its appointed surveyor(s)) shall perform a survey and inspection of the Insured Vessel pursuant to this Clause, at the Assured's cost, which will be carried out at the Insurer's option before and/or at and/or after such recommissioning by the Assured of the Insured Vessel. The Assured warrants that he will comply with all the recommendations made by reason of such survey.

28 DUTY TO ACT AS PRUDENT UNINSURED

The Assured shall, on the occurrence of a claim or an event likely to give rise to a claim under this policy, act as a prudent uninsured and take all steps to avert or minimise any liability, costs and expenses which might be covered under this policy.

This clause does not discharge the Assured from any obligations to inform and seek approval from the Insurer, stated in this policy.

29 PREMIUM, DEDUCTIBLES OR OTHER SUMS DUE TO THE INSURER

It shall be a condition precedent to cover under the Policy that the full Premium due, deductibles or any other sums due to the Insurer shall have been paid.

Notwithstanding the above, if the Assured fails to pay premium due, deductibles or any other sums due, the Insurer may:

- 29.1 with immediate effect, cease to pay, reimburse or indemnify the Assured in respect of any claim whatsoever, arising after such failure to pay any premium or other outstanding occurred.
- 29.2 on 14 days written notice, cancel the policy.

If any of the premiums is outstanding beyond its due date the Assured agrees to pay the Insurer interest at 7% over LIBOR (calculated in accordance with the Insurer's prevailing practice) on such overdue amounts until paid.

- 29.3 if this policy cover is terminated in respect of an Insured Vessel under Clause 46, 47 and/or 48, any premium paid in respect of that Insured Vessel may be returned to the Assured on a pro rata per day basis, save where an event as set out in clause 48.4 (total loss) has occurred. In such event, the Assured shall become immediately liable to pay (or shall forfeit if already paid) the full annual Premium without deduction and in full.
- 29.4 where any Insured Vessel is in Cold Lay Up, the Assured shall be entitled to a return of up to 70% of the premium on a pro rata basis to the period during which such vessel was laid up and unemployed provided that the Insurer is notified in writing within 30 days of the end of either such lay-up period or the Policy Term, whichever the earlier. Based on the specific risk factors connected to the lay up as determined and rated by the Insurer, the Insurer will make such return of premium as is it decides is appropriate.

30 NO WAIVER OF RIGHTS OF INSURER

- 30.1 unless expressly agreed in writing to constitute such, no act or omission, or forbearance or representation or other behaviour of the Insurer nor any agreement express or implied or acquiescence of any nature to the acts or omissions or other conduct of the Assured, shall be considered as or constitute a waiver of any right of the Insurer under this policy. The Assured also acknowledges and agrees that any conduct as listed aforesaid (on the part of either Insurer or Assured) shall not give rise to an estoppel in respect of any such rights under this policy of the Insurer.
- 30.2 the Assured warrants that it or he shall not make any admission of liability, responsibility or blame to any party in respect of an event which may give rise to a claim under this policy.

31 DEDUCTIONS FROM CLAIMS

In the absolute discretion of the Insurer, the insurer may deduct from any sum due to the Assured any sum that may be due from the Assured. There shall be no set off or other deduction by the Assured in respect of any amount payable to the Insurer.

32 ASSIGNMENT OR OTHER DEALING

This policy and interest under this policy shall not be capable of assignment or any other dealings by the Assured unless agreed in writing by the Insurer. The Insurer may in its sole discretion assign, transfer or otherwise deal with its interest (or part thereof) hereunder.

33 ASSURED, JOINT ASSUREDS AND CO ASSUREDS

- 33.1 the Assured, Joint Assured and Co Assured shall be jointly and severally liable to pay premium or any other outstanding amounts, due to the Insurer under this policy. The Assured, Joint Assured and Co Assured shall be jointly and severally liable to provide any guarantees to the Insurer.
- 33.2 the policy limits and deductibles and all terms and conditions of this policy shall apply to any claim by any one of the Assured or Joint Assured or Co Assured, as if the Assured or Joint Assured or Co Assured were a single Assured. Any sum paid by the Insurer to any of them and receipt thereof by any Assured, Joint Assured or Co Assured shall be deemed to be receipt on behalf of all the Assured, Joint Assured and Co Assured, and shall be a full and final discharge of the Insurer for all liability in respect of the claim to which such payment relates.

- 33.3 none of the Assured and/or Joint Assureds and/or Co Assureds shall be covered in respect of any disputes claims or liabilities as between themselves.
- 33.4 the Assured and/or Joint Assureds and/or Co Assureds shall be deemed each to have received any notice or communication sent by the Insurer to any one of them or any one of the aforesaid Appointed Broker. The Assured shall be deemed to have sent any notice or communication sent by any one of the said Joint Assureds or Co Assureds to the Insurer. The contents of any notice or communication between the Assured or any Joint Assured or Co-Assured and the Insurer, their servants or agents, shall be deemed to be within the knowledge of the Assured and all Joint Assureds or CoAssureds.
- 33.5 the Assured, Joint Assureds and Co Assureds shall each be bound by the default of any one of them in respect of any act or omission during the Policy Term or failure to disclose or misrepresentation of material information to the Insurer and shall be bound by the conduct of any one of the said Assured or Joint Assureds or Co Assureds which might result in the breach of any of this policy or termination of cover in respect of an Insured Vessel and/or the cancellation by the Insurer of cover provided under this policy.

34 CLAIMS NOTICES

Hydor have been authorised to handle all claims. All notifications should be sent to Hydor at claims@hydor.no and in an emergency through their 24/7 telephone number +47 977 11 100.

35 ALL OTHER NOTICES

- 35.1 Notices by the Assured to the Insurer shall be sent to:

Hydor AS
Fridtjof Nansens pl 9, 0160 Oslo
Telephone: +47 2240 3250
Email: uw@hydor.no

- 35.2 **Notice by the Insurer to the Assured:**

The Insurer may send notice to the Assured's Appointed Broker and such notice shall be deemed valid notice to the Assured for all purposes hereunder. Any notice given by the Insurers to the Assured or the Appointed Broker shall be deemed for all purposes to be valid and effective as of the date that it is sent.

36 DUTY TO INFORM

The Assured warrants that it shall:

- 36.1 notify the Insurer by telephone and in writing without delay of any event which may give rise to a policy claim,
- 36.2 notify the Insurer by telephone and in writing without delay of any legal or other proceedings brought against the Assured or the Insured Vessel,
- 36.3 provide the Insurer with all documents, evidence and information relating to the claim and act as a prudent uninsured to collect all evidence to facilitate the handling and/or defence of the claim and of any opportunity that may arise to obtain any such evidence or information.

37 CLAIMS HANDLING PROCEDURES

Whenever required by the Insurer, the Assured shall assist in the securing of information and evidence and in obtaining witnesses and shall co-operate with the Insurer in defending (and/or prosecuting) any claim or suit or procedure or in any appeal from any judgement in respect of any occurrence as hereinbefore provided. The Insurer shall have the right at its sole discretion to control or direct the Assured's conduct of any claim or legal or other proceedings relating to any liability, loss, costs or expenses which might fall within the scope of this Policy.

If the Assured fails to act as directed by the Insurer, the Insurer shall be entitled to limit any policy claim to the amount recoverable if the Assured had acted as instructed by the Insurer, as determined by the Insurer in its absolute discretion.

38 APPOINTMENTS OF THIRD PARTIES TO HANDLE CLAIMS

It is a condition precedent to cover that the Assured seeks approval from the Insurer before appointing any Third Parties including but not limited to lawyers, recovery agents, surveyors, experts, legal consultants, correspondents to handle claims.

The Insurer is entitled to appoint any person to act for (or with) the Assured in any actual or potential policy claim, on such terms and in respect of such matter(s) as the Insurer shall in its sole discretion decide.

39 DISCLOSURE AND REPRESENTATION OF FACTS

It is warranted by the Assured that all facts have been disclosed and that they were true as at the time of disclosure both prior to, during, or after the Policy Term. The Assured further warrants that neither it nor any party on its behalf has made any misrepresentation to the Insurer prior to the start of or subsequently during or after the Policy Term, whether such disclosure or representation relates to the entering into this policy, the Policy Term or any claim (or handling thereof) hereunder or renewal hereof. The Assured further warrants that it shall inform the Insurer of any change in any fact or representation it has made as soon as such change is within its knowledge, which does or could affect the Insurer's willingness to provide cover hereunder or continue to do so.

40 SUBROGATION AND RECOVERIES

40.1 once a payment to or for the Assured has been made by the Insurer for a policy claim, and the Assured, or any party for the Assured, recovers any sum (or equivalent consideration) from any Third Party in respect of the policy claim so paid by the Insurer, such recovered sum (or monetary equivalent if other consideration) shall be re-paid to the Insurer and the Assured shall hold in trust any such sums for the benefit of the Insurer absolutely, pending re-imburement to it.

40.2 the Assured agrees and hereby gives the Insurer all rights of subrogation in respect of any and all the rights of the Assured against any Third Party relating to a policy claim or payment made under this policy. In pursuance of such rights of subrogation the Assured shall as subrogor fully co-operate with the Insurer and do all such things and execute all such documents as the Insurer or its advisers may from time to time require until such time as the Insurer no longer wishes to pursue such claims to which the exercise of such right of subrogation relates.

41 PASSENGER TICKETS

41.1 If the Assured incurs any liability, including costs or expenses, under the ticket conditions, Charterparty, indemnities or any other contracts, in respect of Passengers, such liability is covered hereunder, but subject always to any policy limitations hereunder, only if those terms have the Prior Approval in writing of the Insurer. Approval of terms may be granted or refused in the sole discretion of the Insurer.

42 CREW CONTRACTS

If the Assured incurs any liability, including costs or expenses, under the terms of any contract of service or employment, or Collective Agreement with any member of the Crew, such liability is covered hereunder, but subject always to any policy limitations hereunder and only if those terms:

42.1 comply with the unamended standard forms at Annex 1 to these Terms and Conditions; or

- 42.2 if they do not comply with the standard forms at Annex 1 the terms are presented the Insurer and have the Prior Approval in writing of the Insurer. Approval of terms may be granted or refused in the sole discretion of the Insurer.

43 SECURITY FOR CLAIMS

- 43.1 provided there are no moneys outstanding from the Assured to the Insurer under this policy, the Insurer may in its absolute discretion, provide security for any claim against the Assured in respect of the policy risks set out in Section I.
- 43.2 the Insurer shall not provide security in respect of matters falling within Clause 19 (Legal Costs). However the Insurer may in its absolute discretion provide security to an opponent party for costs under order of a Court or Tribunal against the Assured or if agreed in writing by the Insurer with such opponent party.
- 43.3 if the costs or liability under the security given are not recoverable under this policy, the
- 43.4 Assured shall indemnify the Insurer for the costs of, or liability incurred to any Third Party or opponent party under the security given and/or incurred in the provision thereof.
- 43.5 the Assured shall at all times provide the Insurer with counter security in a form acceptable to the Insurer, upon first request from the Insurer, in respect of any security that may be given hereunder by the Insurer.

44 DISPUTE RESOLUTION AND LIEN

This insurance and any contract of insurance between the Insurer and any Assured are governed by and construed in accordance with English law. In particular, they are subject to and incorporate the Marine Insurance Act 1906 (as defined) and the Insurance Act 2015 with any statutory modifications thereto unless such Acts or modifications may have been excluded by these Terms and Conditions as incorporated into this policy or by any term of such contract.

This insurance, including any dispute arising under or in connection with it, shall also be subject to the exclusive jurisdiction of the High Court in London (EXCEPT in the case of arbitration proceedings which may be commenced in accordance with clause 19 above).

However, the Insurer has the right to prosecute such legal proceedings as it considers appropriate in any jurisdiction or forum for the recovery of any amounts that may be due from the Assured to the Insurer.

The Insurer shall have a lien over the Insured Vessel, bunkers or other property (including rights to any freight or hire payments receivable) owned by the Assured (including any actual or prospective proceeds from any claim being handled by or for the Insurer in which the Assured may have an interest). The lien hereby granted may be enforced by way of arrest or attachment of property in any appropriate jurisdiction. The Assured hereby irrevocably agrees not to challenge the jurisdiction of any court which considers it has the right to make an adjudication in respect of the Insurer's arrest or attachment application.

45 INSURED VALUE

During the Policy Term, a Hull & Machinery policy shall be deemed to cover the Insured

Vessel on terms providing the same or better than given under Lloyd's Marine Policy MAR (1.1.82 Edition) with the Institute Time Clauses 1.10.83 or, for fishing vessel only, Institute Fishing Vessel Clauses 20.7.87, for the same or higher insurance value than the market value of the Insured Vessel from time to time. If and when S&P markets are volatile, the Assured shall adjust the Hull & Machinery values frequently and at least quarterly. Market value appraisal of the Insured Vessel shall be as at the date of any event resulting in policy claim.

46 AUTOMATIC TERMINATION OF INSURANCE

Automatic termination of this policy shall occur (without the need to give notice thereof on the part of the Insurer) if any of the following happen to the Assured;

- 46.1 if an individual, 7 days after death, he becomes insolvent or is declared bankrupt, or creditors have assumed or are in the course of seeking to assume control of his assets or he ceases, by reason of mental disorder, to be able to manage his business ,
- 46.2 in the event the Assured is a corporation, creditors have assumed or are in the course of seeking to assume control over the corporation's assets, or it is dissolved, or it initiates or is otherwise the subject of any proceedings to achieve legal protection from its creditors.

The Assured (or his personal representative if a person) shall by notice in writing to the Insurer inform the Insurer immediately upon the happening of any of the above events.

47 TERMINATION OF INSURANCE BY NOTICE

At any time during the Policy Term and in its sole discretion, the Insurer may without any reason or cause therefore, terminate this policy or cover hereunder in respect of an Insured Vessel by giving a minimum of ten clear day's written notice of such termination.

The Assured may terminate the insurance at Renewal Date, being one (1) calendar year after inception of cover. The Assured is obliged to give notice of termination, latest 30 days prior to Renewal Date. If the Assured fails to give such notice in time, the Insurance shall be deemed to be renewed on expiry terms or on renewal terms if given by the Insurer latest 30 days prior to the Renewal Date, with such renewal terms provided being based on the information, representations and facts then currently held by the Insurer on its files in respect of the Insured Vessel and the Assured (and/Co-Assured and/or Joint Assured).

On termination of the policy the Assured shall become liable to pay all sums due to the Insurer. The Insurer shall be entitled to require the provision of counter security for any guarantee(s) that may have been given on behalf of the Assured or security for any deductibles determined by claims reserves set by the Insurer. Any such security has to be provided in a form acceptable to the Insurer.

48 TERMINATION OF COVER FOR AN INSURED VESSEL

Cover hereunder shall automatically and without notice be terminated for an Insured Vessel if any of the following occur(s):

- 48.1 the Insured Vessel is sold, or all or any interest therein of the Assured is sold assigned or otherwise disposed of, mortgaged hypothecated or otherwise encumbered,
- 48.2 the Assured relinquishes possession or control of the Insured Vessel or there is a foreclosure by a lender or holder of security, charge or mortgage over the Insured Vessel,
- 48.3 change of Technical or Commercial Manager, Classification Society or Flag State in respect of the Insured Vessel,
- 48.4 total loss, whether actual, constructive, compromised, agreed with or acknowledged by the Insured Vessel's Hull & Machinery Insurer(s),
- 48.5 the Insured Vessel cannot be found, otherwise located or contacted for a period of ten or more consecutive clear days.

The Assured shall by notice in writing immediately inform the Insurer if an event (or similar to that) set out in this Clause occurs. The Insurer may upon receipt of such notice and if requested by the Assured accept any changes related to the Insured Vessel mentioned above

and maintain cover in its sole discretion or if it so decides offer to continue cover on such varied terms as it may in its discretion apply.

On termination of the policy the Assured shall become liable to pay any and all other sums due to the Insurer and the Insurer shall be entitled to require the provision of counter security for any guarantee(s) that may have been given on behalf of the Assured or security for any deductibles determined by claims reserves set by the Insurer. Any such security has to be provided in a form acceptable to the Insurer.

If cover terminates under this Clause the Insurer shall only be liable for any claim occurring before the time when cover ceased, except that, where cover ceased under Clause 48.4, the Insurer shall also be liable for claims which arise directly due to the casualty which caused total loss of the Insured Vessel.

49 CONSTRUCTION OF THE POLICY

In this policy words importing the singular meaning shall include the plural and vice versa. Words importing the masculine shall include the feminine.

The headings and sub-headings in this policy are for guidance only and are not to be used in the construction or interpretation of this policy unless the context so requires.

SECTION IV – EXCLUSIONS, RESTRICTIONS AND LIMITATIONS

50 EXCLUSIONS TO THE MARINE INSURANCE ACT 2015

This policy and any contract of insurance between the Insurer and any Assured are governed by and construed in accordance with English law. In particular, they are subject to and incorporate the Marine Insurance Act 1906 (as defined) and the Insurance Act 2015 with any statutory modifications thereto unless such Acts or modifications may have been excluded by these Terms and Conditions as incorporated into this policy or by any term of such contract.

The following provisions of the Insurance Act 2015 ('the Act') are excluded from these terms and conditions and any contract of insurance as follows:

- 50.1 Section 8 and Section 14 of the Act are excluded. As a result, any breach of the duty of fair presentation and/or the duty of utmost good faith shall entitle the Insurer to avoid this policy in all circumstances, whether innocent, deliberate or reckless.
- 50.2 Section 10 of the Act is excluded. As a result, if the Assured or any insured party fails to comply with any warranty in these terms and conditions as incorporated into this policy or any contract of insurance, the Insurer shall be discharged from liability from the date of the breach even if the breach is subsequently remedied.
- 50.3 Section 11 of the Act is excluded. As a result, if the Assured or any insured party fails to comply with any term in these terms and conditions or any contract of insurance, the Insurer's liability may be excluded, limited or discharged in accordance with these terms and conditions as incorporated into this policy or any contract of insurance notwithstanding that the breach could not have increased the risk of the loss which actually occurred.
- 50.4 Section 13 of the Act is excluded. As a result, the Insurer shall be entitled to exercise its right to terminate the contract of insurance in respect of the Assured and all insured parties in the event that a fraudulent claim is submitted by or on behalf of the Assured and/or any insured party and/or any affiliated or associated company of the Assured.
- 50.5 Section 13(A) of the Act is excluded. As a result, these terms and conditions as incorporated into this policy and/or any contract of insurance between the Insurer, the Assured and any insured party shall not be subject to any implied term that the Insurer will pay any sums due in respect of a claim within a reasonable time save that the Insurer may not deliberately or recklessly fail to do so.

51 LIMITATION OF LIABILITY

There shall be no cover under this policy for liability incurred in respect of the Insured Vessel or by the Assured above any limit of liability pursuant to any applicable law or by reference to any provision under such applicable law which limits or restricts liability of the Assured or the Insured Vessel.

52 HULL & MACHINERY INSURANCES

- 52.1 this policy does not cover any liabilities, costs or expenses which would be recoverable under the Insured Vessel's Hull & Machinery insurance (Including Hull war insurance) had the Vessel been insured for an insured value equivalent to the market value of the Insured Vessel from time to time, in accordance with clause 45 above.
- 52.2 this policy does not cover any deductible provided for in the Insured Vessel's Hull & Machinery insurance.
- 52.3 if there is a claim under Clause 6.1 of this policy it shall be limited to the amount in excess of any claim which would have been recoverable under Hull & Machinery insurances under the terms in Clause 45.
- 52.4 this policy shall not provide cover in circumstances where there would be a right of recovery under the Hull & Machinery insurance of the Insured Vessel but for the conduct of the Assured.

53 OTHER INSURANCE

Where the Assured or the Insured Vessel has other insurance and any claim under this policy is within the scope of cover provided under that other insurance, there shall be no cover under this policy, notwithstanding that such other insurance may purport to or does exclude limit or otherwise restrict liability by reason of double insurance

54 TIME BAR

It shall be a condition precedent to the making of any claim under this policy that the Assured:

- 54.1 has given notice to the Insurer of the event or casualty immediately upon the Assured or its agents having notice of or gaining knowledge of the occurrence of the event or casualty, and
- 54.2 requests to be reimbursed within 6 months of any cost or expense being incurred that are covered under this policy.

Notwithstanding anything else to the contrary contained in this Policy, it is hereby agreed that the Insurer hereunder is not liable for any loss, damage, injury, expense, cost or claim whatsoever which otherwise would be recoverable under this policy, unless notice of such loss, damage, injury, expense, cost or claim or circumstances which have not but may give rise to a claim against the Assured, is given in writing within 36 months from the policy expires. If the aforesaid 36 month period relating to written notification to the Insurer is invalidated during the period of this Policy by any law to which the Assured is subject, then such period shall be deemed to be amended to the minimum period permitted by such law.

55 LIABILITIES UNDER CONTRACT AND INDEMNITIES

This policy does not cover any liabilities or losses of whatsoever nature, as a result of any indemnity guarantee or other undertaking given by the Assured or under any contract the Assured is a party to, unless such contractual or other obligation or responsibility as aforesaid is approved in writing by the Insurer to the Assured, prior to the Assured assuming such obligation or responsibility as aforesaid.

56 LOSS OF OR DAMAGE TO THE INSURED VESSEL AND EQUIPMENT

This policy does not cover repair of, damage to, or the loss of the Insured Vessel or any part of it, any equipment or property on the Insured Vessel owned or leased by the Assured or any party associated or affiliated to the Assured.

57 DEFAULT OR DELIBERATE MISREPRESENTATION

This policy does not cover claims for any losses, costs or other liabilities of any nature, due to irrecoverable debts or the insolvency of any party, including the Assured, or out of the fraud of any party upon or against the Assured, or arising from the fraud of the Assured or agents or any associated or affiliated company or employees or contractors of the Assured.

58 FREIGHT, DEMURRAGE AND DERIVATIVES

This policy does not cover non-payment or loss suffered or breach in respect of freight or hire payable for, or demurrage or damages for detention or delay of, the Insured Vessel, or contracts concerning Forward Freight Agreements and other derivatives or financial instruments, or any sum due to termination or cancellations of any charter, contract of carriage or other contract for the use of the Insured Vessel.

59 LOSS OF REPUTATION OR OPPORTUNITY OR PUNITIVE OR EXEMPLARY DAMAGES

This policy does not cover loss of opportunity or reputation or punitive or exemplary damages, nor (Subject to clause 17) liability to any Third Party under any contract settlement arrangement, judgment or other award of any court or other judicial body or tribunal, unless such liability is in respect of foreseeable loss or damage suffered by that Third Party and is in the nature of that intended by the Insurer to be covered by this policy.

60 ILLEGAL TRADE AND EXCESSIVE RISK

This policy does not cover any claims if the Assured, Co Assured or Joint Assured (or any Third Party on its or any of their behalf) uses the Insured Vessel with the knowledge, conspiracy, connivance, complicity or reckless disregard on the part of the Assured or other parties as aforesaid:

- 60.1 in or for any trade or use which does or may subject or otherwise expose or make the Insured Vessel or the Assured vulnerable to unreasonable or unnecessary risk, or hazard or other liability,
- 60.2 in any illegal or unlawful trade (including but not limited to contraband Cargo) or blockade running or any activity which may be in violation of any IMO regulations or conventions,

61 JH 2010/009 Sanction Limitation and Exclusion Clause

No reinsurer nor the Insurer shall be deemed to provide cover and no reinsurer nor the Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that reinsurer or the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

62 WORK DISEASE, CUMULATIVE INJURY AND AIDS

This policy does not cover any liability, costs or expenses arising from or otherwise related to Work Disease or Cumulative Injury suffered by or death caused by either of the aforesaid to any person.

This policy does not cover any liabilities arising from directly or indirectly caused by or associated with Human TCell Lymph tropic Virus type III (HIVL III) or Lymphadenopathy Associated Virus (LAV) or the mutant derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any syndrome or condition of a similar kind howsoever it may be named.

63 CORONAVIRUS LIMITATION

The endorsement excluding a communicable disease following a public health emergency of international concern (PHEIC) clause ("The PHEIC Clause"), set out below, applies to this policy.

Notwithstanding the terms of The PHEIC Clause the Insurer shall cover loss, damage, liability, cost or expense directly arising from any transmission of:

- A. Coronavirus disease (COVID-19);
- B. Any mutation or variant of COVID-19;
- C. Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2); and
- D. Any mutation or variant of SARS-CoV-2.

if and only to the extent that such loss, damage, liability, cost or expense would otherwise be covered pursuant to the provisions of Clause 1 of these Terms and Conditions and upon condition that:

- 63.1 All Crew members aboard the Insured Vessel are fully vaccinated against A. to D. above, including any booster or additional doses, in accordance with the maximum recommended level of vaccination available in England & Wales, taking into consideration the Crew members' age and specific relevant health conditions, with a vaccine that the World Health Organisation has determined to have met the necessary criteria for safety and efficacy

- 63.2 All Crew members serving aboard the Insured Vessel possess a current and valid certificate of proof of their vaccination in compliance with 63.1 above to the satisfaction of the Insurer.
- 63.3 Each Crew member boarding the Insured Vessel to commence their term of employment, shall have a valid certificate evidencing a negative PCR test result for a PCR test which they have taken within 72 hours of boarding the Insured Vessel.
- 63.4 Any third party boarding the Insured Vessel shall have a valid certificate evidencing a negative PCR test result for a test which they have taken within 72 hours of boarding the Insured Vessel.
- 63.5 The Insured Vessel keeps a full and complete record of compliance with 63.1, 63.2 63.3 and 63.4 above including copies of all relevant vaccination and test certificates.

The following limits to this cover apply subject to the applicable deductible under this policy:

100% of any loss, damage, liability, cost or expense covered under this clause 63 shall be recoverable under the policy for sums claimed up to a maximum value of USD 100,000.

35% of any loss, damage, liability, cost or expense covered under this clause 63 shall be recoverable under the policy for sums claimed in excess of USD 100,000 up to a maximum value of USD 10 million.

There shall be no recovery for any loss, damage, liability, cost or expense covered under this clause 63 for sums claimed in excess of USD 10 million.

The above limits are applicable to any one Insured and are the annual aggregate limit of any one Insured throughout the term of this policy.

ENDORSEMENT EXCLUDING A COMMUNICABLE DISEASE FOLLOWING A PUBLIC HEALTH EMERGENCY OF INTERNATIONAL CONCERN (PHEIC)

(for use on marine liability and energy liability contracts)

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**'), no coverage will be provided under this (re)insurance for any loss, damage, liability, cost or expense directly arising from any transmission or alleged transmission of the **Declared Communicable Disease**.
2. The exclusion in paragraph 1 of this endorsement will not apply to any liability of the (re)insured otherwise covered by this (re)insurance where the liability directly arises from an identified instance of a transmission of a **Declared Communicable Disease** and where the (re)insured proves that identified instance of a transmission took place before the date of determination by the WHO of the **Declared Communicable Disease**.
3. However even if the requirements of paragraph 2 of this endorsement are met, no coverage will be provided under this (re)insurance for any:
 - A. liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for the **Declared Communicable Disease** whether the measures are preventative or remedial;
 - B. liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of the **Declared Communicable Disease**;
 - C. loss, damage, liability, cost or expense caused by or arising out of fear of or the threat of the **Declared Communicable Disease**.
4. As used in this endorsement, **Communicable Disease** means any disease, known or unknown, which can be transmitted by means of any substance or agent from any organism to another organism where:

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

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

JL2021-014

8th March 2021

64 PAPERLESS TRADING

This policy does not cover any liability, cost or expense whatsoever or howsoever arising, whether directly or indirectly, out of or in consequence of:

- 64.1 the member's participation in or use of any system or contractual arrangement the predominant purpose of which is to replace paper-based documentation in shipping and/or international trade with electronic messages, including, without limitation, the Bolero system (any such system or arrangement being referred to in this endorsement as a «paperless system»), or
- 64.2 a document which is created or transmitted under a paperless system which document contains or evidences a contract of carriage, or
- 64.3 the carriage of goods pursuant to such a contract of carriage,
- 64.4 save to the extent that the Insurer in its sole discretion may determine otherwise. For the purpose of this endorsement a "document" shall mean anything in which information of any description is recorded, including, but not limited to, computer or other electronically generated information.

65 INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE (10.11.03 CL.370)

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

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

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

65.4 the radioactive, toxic, explosive, or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes,

65.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

66 WAR RISKS AND LOSSES

Except if recoverable under Clause 18 this policy does not cover any loss or liability (whether financial, economic, environmental or to any property or persons or otherwise) of the Assured or any Third Party howsoever arising or caused as a direct or indirect result of:

66.1 revolution, insurrection, rebellion, war, (including civil war), hostilities, (whether or not in any case, war is declared) or civil strife as a result of the aforesaid, or any hostile act by or against a foreign enemy, military or other belligerent power, or any act of terrorism (whether alone act or acts of any person or a group of persons, with political or religious or ideological or other purpose), or threat thereof,

66.2 capture, seizure, piracy, barratry, arrest, restraint or detainment and the consequences thereof or any attempt thereat,

66.3 chemical or biological gaseous materials, bombs, torpedoes, mines or other weapons or vehicles or machines of war, or of terrorism or other form of conflict as aforesaid.

67 JLC LIMITED NOTICE OF CANCELLATION

67.1 Notice of Cancellation (“Notice”)

Where this policy insures liability, loss, damage, cost or expense caused by, arising out of or in any way connected with one or more of the following risks:

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

67.1.2 capture, seizure, arrest, restraint, or detainment, and the consequences thereof or any attempt thereat;

67.1.3 derelict mines, torpedoes, bombs, or other derelict weapons of war;

67.1.4 strikes, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;

67.1.5 terrorism, or any person acting maliciously or from a political motive;

67.1.6 confiscation, nationalisation, expropriation, deprivation or requisition,

this policy may be cancelled in respect of these risks only by the Insurer giving 72 hours’ notice of cancellation (hereinafter “Notice”) in the way described in clause 67.3 below, with Notice being effective from midnight Greenwich Mean Time on the day Notice is given by the Underwriters.

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

67.2 **Automatic Termination**

Whether or not the notice of cancellation described in clause 67.1 has been given, this insurance shall TERMINATE AUTOMATICALLY:

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

67.2.2 upon the outbreak of war (whether there be a declaration of war or not) between any of the following countries: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China.

67.3 Notice Conditions

67.3.1 the Notice shall be sent by e-mail by the Insurer

67.3.2 The Notice shall identify the insurance concerned by policy number and the name of the principal (Re)Insured.

68 JLC TERRITORIAL AND CONFLICT EXCLUSION CLAUSE

68.1 This policy excludes all loss, damage, liability, cost or expense:

68.1.1 caused by or arising from or in connection with any Russia-Ukraine conflict and/or any expansion of such conflict; or

68.1.2 in any area or territory or territorial waters where Russian armed forces, Russian-backed forces, and/or Russian authorities, are engaged in conflict within the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova.

68.1.3 arising from capture, seizure, arrest, detainment, confiscation, nationalisation, expropriation, deprivation or requisition for title or use, or the restraint of movement of vessels and cargo in the territories (including territorial waters) of the Russian Federation, Belarus, Ukraine and any disputed regions of Ukraine, the Crimean Peninsula and the Republic of Moldova.

68.2 This policy excludes all loss, damage, liability, cost or expense caused by, arising out of or in any way connected with one or more of the risks listed in clause 67.1.1 to 67.1.6 on the Indian Ocean, Gulf of Aden and Southern Red Sea;

68.2.1 For the purpose of this clause Indian Ocean, Gulf of Aden and Southern Red Sea shall be the waters enclosed by the following boundaries:

- 68.2.2
- a) on the northwest, by the Red Sea, south of Latitude 18°N
 - b) on the northeast, from the Yemen border at 16°38.5'N, 53°6.5'E to high seas point 14°55'N, 53°50'E
 - c) on the east, by a line from high seas point 14°55'N, 53°50'E to high seas point 10°48'N, 60°15'E, thence to high seas point 6°45'S, 48°45'E
 - d) and on the southwest, by the Somalia border at 1°40'S, 41°34'E, to high seas point 6°45'S, 48°45'E

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

69 INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

69.1 subject only to clause 69.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to, by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

69.2 where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any person acting from a political motive, Clause 69.1 shall not operate to exclude losses (which would otherwise be covered) 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.

70 GENERAL

Notwithstanding any other provisions (or any possible interpretations thereof) of this policy, this policy does not cover any damages losses or other liability, (including but not limited to financial, economic, environmental, or to any property or persons or otherwise) costs or expenses arising from or related to howsoever arising or caused as a direct or indirect result of any incident act or omission or conduct or circumstance, unless within the terms of Clauses 1 to 17 in Section I above, or as agreed by the Insurer in writing.

SECTION V - DEFINITIONS

For the purpose of this policy the terms set out below shall be defined as stated:

Appointed Broker – the broker through whom the Insurance is made and/ or such other broker as may be nominated by the Assured in writing to the Insurer from time to time.

Assured – The Person named as the Assured and insured by this policy. Where the context permits, Assured also includes Joint Assured and Co Assured.

Cargo – Goods carried onboard an Insured Vessel under a contract of carriage to which the Assured is a party, but such goods not being owned by the Assured.

Classification Society - An IACS classification society, a statutory body or classification society approved in writing by the Insurer in respect of the Insured Vessel.

Co-Assured - The Person (if any) named as Co-Assured by this policy. Where the context admits Co-Assured also includes Assured and Joint Assured.

Cold Lay Up – The Classification Society is issuing a lay up certificate, the Insured Vessel is laid up in a safe port, without employment, with no crew on board (save the minimum number remaining for the vessel's maintenance and security), and no Cargo on board, for a period of 30 or more consecutive days after finally mooring there (such period being computed from the day of arrival to the day of departure, only one being included), and for each completed 30 day period thereafter.

Combined Single Limit – The maximum figure for which the Insurer is liable for policy claims hereunder from any one occurrence, accident or event, or any series thereof arising out of one event.

Crew – Persons onboard the vessel to satisfy the Minimum Safe Manning Certificate and who are a party to a signed contract of employment with the Assured or the Assured's crewing Manager.

Cumulative Injury - An injury suffered by a person not caused or attributable only to one accident or series of accidents from a single event that occurred during that person's occupation, and in addition that has occurred or persisted or been aggravated by occupational activity that is repetitive.

FDD – Freight, Demurrage and Defence cover. Also referred to as cover of legal costs.

Flag State - The authority under which a country exercises regulatory control (including the inspection, certification, and issuance of safety and pollution prevention documents) over the commercial vessel which is registered under its flag.

General Average - A mechanism for allocating the costs of dealing with a maritime casualty among those parties who benefit from the vessel and Cargo being saved. To ensure a uniform approach, the principles for General Average are codified in the York-Antwerp Rules.

The rules were first agreed in 1890 but from time to time have been reviewed and amended. The most recent review was 1994 and prior to that, 1974.

Hague Rules - The International Convention for the Unification of Certain Rules of Law relating to Bills of Lading of Brussels, 25th August 1924.

Hague-Visby Rules – The Hague Rules, as amended by the Protocols signed at Brussels on 23rd February 1968 and at Brussels on 21st December 1979.

Hamburg rules – The United Nations Convention on the Carriage of Goods By Sea signed at Hamburg on 31st March 1978.

Hull & Machinery insurance - Insurance in respect of the Insured Vessel's Hull & Machinery, increased value and excess liability.

Insured Vessel - The vessel identified on page one of this policy with IMO number, covered on behalf of the Assured.

Insurer – Hydor AS acting as Agent only on behalf of certain security as specified in the policy.

Joint Assured - A Person or other legal entity which is (or are) named as Joint Assured in this policy and insured hereunder. Where the context admits Joint Assured also includes Assured and Co-Assured.

Liability - Legal liabilities as determined by a final and unappealable Judgement or award of a court or tribunal of competent jurisdiction (not being a default judgement or award) or a settlement agreement entered into with the written Prior Approval of the Insurer.

Manager – any Person or other legal entity which manages the operation and maintenance and any other aspects (if and as required) of the Insured Vessel as appointed by or for the Owner.

Marine Insurance Act 1906 - The Marine Insurance Act 1906 in force in England and Wales. For the avoidance of doubt without any subsequent modification or amendment thereto notwithstanding any subsequent legislation (unless expressly stated in these Terms and Conditions and/or the policy).

Net Loss – That loss suffered after costs and expenses are deducted which would have been incurred in the ordinary trading and operation of the Insured Vessel in respect of Crew wages, bunkers, stores, port charges and insurance.

Other persons - Any person on board the Insured Vessel, required in connection with operation of the vessel, including a Port Captain, Surveyor, Pilot, Customs Officer and a SuperCargo nominated by Port Authorities or any charterer of the Insured Vessel. It shall not include a member of the Crew, Passenger, and Supernumerary, Stevedore or repairmen on board for e.g. blasting/re I conditioning of tanks, engine repair or maintenance.

Owner – the registered legal owner(s) of the Insured Vessel.

Passenger - A person who has paid for a valid ticket with money on board the Insured Vessel for the purpose of seagoing travel.

Person - A human being, an incorporated company or other form of incorporated entity or unincorporated body or partnership or other legal entity or a combination of any of the aforesaid.

Policy Term - One calendar year from inception of the policy, commencing 1200 hours noon time GMT the day of inception of the policy until the same date one year after when cover expires 1200 hours noon time GMT. The latter is referred to as Renewal Date.

Prior Approval – Approval by the Insurer prior to entering into such terms or this policy whichever shall have last occurred.

Project Cargo – Types of Cargo including but not limited to generators, windmills, transformers, yachts and any heavy structures.

Stevedore - Any person engaged to handle, load or discharge Cargo to or from the Insured Vessel.

Supernumerary - Close relatives of the serving Crew or a person permanently employed by the Assured.

Terms and Conditions – the Hydor Owners P&I Terms and Conditions 2020 as incorporated into this policy

Third Party - any person or other legal entity not a contractual party to this policy.

Towcon - The BIMCO standard form for International Ocean Towage for payment in the form of lump sum.

Towhire - The BIMCO standard form for International Ocean Towage for payment in the form of daily hire.

Vessel - Any vessel, boat, hovercraft or other vessel or craft or structure howsoever propelled but excluding a fixed platform or fixed rig , used or intended to be used for any purpose whatsoever in navigation or otherwise on, over or in water.

Work Disease - Disease suffered by a person with the result of disability or death or the need for medical treatment and suffered (or aggravated) by reason of that person's working conditions or environment or some biological or non-biological or other disease inducing agent or agents present in that working environment.

Wreck - Any vessel or craft which is damaged and/or otherwise disabled, has sunk or is aground, and not under a contract to provide salvage services.

Writing – Legible text in English language and in recorded form communicated in any of a facsimile, e-mail, letter or notice.