

Harbor Bay Specialty LLC

The Rule for Owner's Protection & Indemnity

2023HBB

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DEFINITIONS

References to the singular shall include the plural and vice versa References to the masculine gender shall include the feminine gender

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| Assured(s)/ Member(s) | The Person or Persons insured under this insurance and named as the Assured(s) in the policy. In these terms, the word Assureds shall include Joint Assureds and Co-Assureds where the context requires. |
| Cargo | Goods, other than a container supplied by or on behalf of the Assured, carried under a contract of carriage. |
| Co-Assured | A Person named as Co-Assured in the policy. |
| Crew Contract | Any articles of agreement or contract of employment or collective agreement for service on board the Insured Ship. |
| Fines | Monetary penalties imposed by any court, tribunal or authority of competent jurisdiction. |
| Finished Steel Products | Steel products which are not billets, blooms, scrap, swarf, plain parallel sided pipes or pig iron. |
| Hague Rules | The International Convention for the Unification of Certain Rules relating to Bills of Lading signed at Brussels on 25 th August 1924. |
| Hague Visby Rules | The Hague Rules as amended by the protocol signed at Brussels on 23 rd February 1968. |
| Hamburg Rules | The United Nations Convention on the Carriage of Goods by Sea signed at Hamburg on 31 st March 1978. |
| Hull Policy | The policies of insurance in respect of the Insured Ship's hull and machinery, including increased value and excess liability. |
| Insurer | The insurer or insurers named in the policy. |
| Joint Assured | A Person covered jointly with the Assured under this insurance and named in the policy. |
| Liability | A legal obligation or legal responsibility imposed on the Assured or to which the Assured becomes subject. |
| The Club/Insurer/ Underwriter | Harbor Bay Specialty LLC. |
| MLC 2006 | The Maritime Labour Convention 2006 as amended on 12 June 2014. |
| Passenger | A Person on board the Insured Ship by reason of a Passenger Contract. |
| Passenger Contract | A ticket or other contract of carriage for passage on board the Insured Ship. |

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| Person | An individual, a corporation or unincorporated entity or a combination of both. |
| Policy | Means "Certificate of Entry". The use of "policy" in the Rules is only for the convenience of the public's understanding, but cannot be interpreted as the Club having obtained permission to operate insurance business. This "policy" is only used as a member's admission certificate to participate in the mutual Protection and Indemnity program. |
| Policy Limit | The maximum amount payable by the Insurer in respect of any claim or claims under this insurance arising out of any event, accident or occurrence, or any series of accidents or occurrences arising out of one event. |
| Policy Period | The period of insurance set out in the policy. |
| Policy Value | A value equivalent to or higher than the market value of the Insured Ship without any charter or other commitment. |
| Seaman | Any Person employed as part of the Insured Ship's complement under the terms of a Crew Contract whether or not on board the Insured Ship. |
| Ship | Any ship, boat, hovercraft or any other description of Ship, whether completed or under construction, (or any part, or proportion of the tonnage thereof, or share therein) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water. |
| Insured Ship | A Ship or Ships named in the policy. |
| Towcon | International Ocean Towage Agreement (lump sum) published by the Baltic and International Maritime Council |
| Towhire | International Ocean Towage Agreement (daily hire) published by the Baltic and International Maritime Council |
| Valuables | Money, negotiable instruments or securities, jewellery, bullion, precious or rare metals or stones, fine art or other items of a rare or precious nature. |
| Writing | Text in the English language, unless the use of another language has been agreed by the Insurer or the Harbor Bay Specialty LLC., communicated by letter, notice, email, facsimile or telex transmission. |

SECTION I - NATURE AND SCOPE OF COVER

1. These Terms and Conditions set out the terms on which the Insurer provides this protection and indemnity insurance.
2. The standard risks covered are set out in Section II. Section VIII sets out additional risks or extensions to the cover provided in Section II which may be agreed by the Insurer with the Assured.
3. The Insurer provides insurance to the Assured subject to these Terms and Conditions and to the warranties, conditions, exceptions, limitations or other terms set out in the policy.
4. This insurance only covers Liability or expense arising out of events occurring during the Policy Period in respect of the Assured's interest in the Insured Ship and in connection with the operation of the Insured Ship. This insurance does not cover any such Liability or expense arising solely because of the terms of a contract or indemnity, unless those terms comply with any relevant requirements set out in Section II, or special cover for the contract or indemnity has been agreed by the Insurer.
5. This insurance shall be governed by and construed in accordance with English law and in particular in accordance with the Marine Insurance Act 1906, but excluded of the Insurance Act 2015 absolutely.
6. Save as set out in clause 1, this insurance does not confer any right or benefit on any third party under the Contracts (Rights of Third Parties) Act 1999.

SECTION II - RISKS COVERED

In this Section, the numbered clauses and sub clauses describe the risks covered and provisos in the lettered paragraphs set out any qualifications, exclusions or restrictions, applicable to the whole (or where specified any particular sub clause) of the clause in question.

Para 1. Illness, personal injury and loss of life (Seamen)

- 1.1. Liability for compensation or damages for the injury, illness or death of a Seaman.
- 1.2. Hospital, medical and ancillary expenses necessarily incurred in relation to the injury, illness or death of a Seaman, including funeral arrangements and the repatriation of remains.
- 1.3. Liability for the repatriation of a Seaman.
- 1.4. Expenses necessarily incurred as the result of any statutory obligation or order issued by any governmental agency or authority in relation to any Seaman who goes absent from the Insured Ship without leave if such expense cannot be recovered from the Seaman concerned.
- 1.5. Expenses necessarily incurred in sending aboard a substitute Seaman by reason of the injury, illness, death or absence without leave of a Seaman.
- 1.6. Liability to any Seaman for wages or compensation for the loss of his employment following the actual, constructive or compromised total loss of the Insured Ship.
- 1.7. Payment by the Insurer of maintenance and repatriation expenses for and/or outstanding wages due to a Seaman pursuant to any enactment or provision implementing Regulation 2.5, Standard A2.5.2 of MLC 2006.
- 1.8. Payment by the Insurer to a Seaman or his representative of contractual claims for compensation for death or long term disability pursuant to any enactment or provision implementing Regulation 4.2, Standard A4.2 paragraph 1(b) of MLC 2006.

Provisos

- (a) Sub clauses 1.7 and 1.8 take effect only as financial security in favour of a Seaman and are not an extension of the cover available to the Assured under the other provisions of this clause.
- (b) The Insurer shall not make any payment under sub-clauses 1.7 and/or 1.8:
 - (i) if any such payment would be recoverable by the Seaman under a social security scheme, fund, separate insurance or similar arrangement;
 - (ii) where the exclusions from cover in clauses 24, 25 or 26 (war risks, nuclear and cyber risks, sanctions) apply.
- (c) There is no cover for any Liability or expense incurred only because of the terms of a Crew Contract unless the Insurer has previously approved those terms in Writing.

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- (d) There is no cover under sub-clause 1.3 for Liability or expense which arises because of:
 - (i) The sale or laying up of the Insured Ship; or
 - (ii) The termination of a Crew Contract in accordance with its terms, or by mutual consent; or
 - (iii) Breach of a Crew Contract by, or other default of the Assured.
- (e) Cover under sub-clause 1.6 is limited to a maximum period of 60 days.

Para 2. Illness, personal injury and loss of life (persons other than Seamen)

- 2.1. Liability for compensation or damages for loss of life or injury or illness;
- 2.2. Liability for hospital, medical and ancillary expenses necessarily incurred in relation to any injury or illness, including funeral arrangements and the repatriation of remains;
- 2.3. Liability for maintenance and repatriation of any Person because of injury or illness.

Provisos

- (a) There is no cover for any Liability incurred only because of the terms of a Passenger Contract unless the Insurer has previously approved those terms in Writing.
- (b) There is no cover for any Liability arising out of the carriage of a Passenger by air unless it occurs during repatriation of an injured or sick Passenger.
- (c) There is no cover in respect of Liability arising when a Passenger is on an excursion from the Insured Ship if:
 - (i) The Passenger has entered into a separate contract for the excursion, whether or not with the Assured; or
 - (ii) The Assured has waived any rights of recourse against any sub-contractor or other third party in respect of the excursion.

Para 3. Personal Effects

- 3.1. Liability for compensation or damages for loss of or damage to personal effects belonging to any Person on board the Insured Ship.

Provisos

Unless otherwise agreed in Writing by the Insurer, there is no cover for Valuables or any item with a value in excess of US\$2,500.

Para 4. Diversion Expenses

Fuel, insurance, stores, wages and port costs necessarily incurred in diverting the Insured Ship solely for the following reasons:

- 4.1. Securing medical treatment for an injured or sick Person on board the Insured Ship;
- 4.2. Awaiting a substitute for a Seaman who has died or is injured or sick;
- 4.3. Landing stowaways or refugees or Persons rescued at sea.

Provisos

Cover is only available for the Assured's extra expense over and above the expense which would have been incurred but for the diversion.

Para 5. Stowaways, Refugees and Persons Rescued at Sea

- 5.1. Expenses, other than those covered under clause 4, necessarily incurred by the Assured:
 - 5.1.1. In complying with the Assured's legal obligations in respect of stowaways, refugees or Persons rescued at sea;
 - 5.1.2. With the agreement of the Insurer, in making necessary arrangements for dealing with stowaways, refugees or Persons rescued at sea.

Provisos

Cover is only available to the extent that the expenses are not otherwise recoverable from any other party.

Para 6. Life Salvage

- 6.1. Liability to a third party because he has saved or attempted to save the life of any Person on or from the Insured Ship.

Provisos

There is no cover for any Liability which is recoverable under the Insured Ship's Hull Policy or from Cargo interests or underwriters.

Para 7. Quarantine

- 7.1. Expenses necessarily incurred in respect of measures taken specifically to eliminate or control an outbreak of infectious disease on the Insured Ship, including quarantine and disinfection expenses.
- 7.2. Fuel, insurance, stores, wages and port costs necessarily incurred in dealing with

the outbreak.

Provisos

Cover is only available for the Assured's extra expense over and above the expense which would have been incurred but for the outbreak.

Para 8. Collision liabilities

Liability arising out of a collision between the Insured Ship and any other Ship:

- 8.1. Liability for loss of or damage to any other Ship, Cargo or other property on board the other Ship as follows:
 - 8.1.1. One fourth or such other proportion of the Liability as may have been agreed by the Insurer in Writing;
 - 8.1.2. Liability in excess of the amount recoverable under the Insured Ship's Hull Policy solely because that Liability exceeds the Insured Ship's insured value under the Hull Policy;
 - 8.1.3. Where the other Ship, Cargo or other property on board the other Ship belongs to the Assured, cover shall be available under this clause as if that Ship, Cargo or other property on board the other Ship belonged to a third party.
- 8.2. Liability for the illness, injury and death of any Person on board the other Ship.
- 8.3. Liability for damage done by the other Ship to other property not being another Ship, Cargo or property on board another Ship.
- 8.4. Liability for wreck removal as may be covered by clause 11.
- 8.5. Liability in respect of Cargo or other property on board the Insured Ship as may be covered by clauses 3 and 12.
- 8.6. Liability for pollution as may be covered by clause 15.

Provisos

- (a) The cover under clause 8.1.2 is subject to the terms of clauses 22.1 and 50.
- (b) There is no cover for any Liability which is recoverable under the Insured Ship's Hull Policy or which would be recoverable if no excess or deductible were applicable to the Hull Policy.
- (c) Claims shall be settled upon the principle of cross Liability except that where both Ships are to blame and if the Liability of either or both of them is limited by law, claims shall be settled on the principle of single Liability.

Para 9. Non-Contact Damage to Other Ships

- 9.1. Liability for loss of or damage to or the infringement of rights in respect of any other Ship, Cargo or other property on board the other Ship caused by the Insured Ship other than by a collision.

9.2. Where the other Ship, Cargo or other property on board the other Ship belongs to the Assured, cover shall be available under this clause as if that other Ship, Cargo or other property on board the other Ship belonged to a third party.

Provisos

There is no cover under this clause in respect of Liabilities falling within the scope of the cover provided by clauses 8, 11, 15, 17 or 18 or within the scope of any restrictions of the cover provided by those clauses.

Para 10. Loss of or Damage to Property (including fixed and floating objects - FFO)

10.1. Liability for loss of or damage to any property, or for the infringement of any rights in respect of that property.

10.2. Where the property belongs to the Assured, cover shall be available under this clause as if that property belonged to a third party.

Provisos

- (a) There is no cover under this clause in respect of Liabilities falling within the scope of the cover provided by clauses 3, 8, 9, 11, 12, 15, 17 or 18 or within the scope of any restrictions of the cover provided by those clauses.
- (b) The cover under this clause is subject to exclusion clause 30.

Para 11. Wreck removal

Liability for the removal, raising, lighting or marking of the wreck:

11.1. Of the Insured Ship, Cargo or other property on board or which was carried on board the Insured Ship;

11.2. Of any other Ship, Cargo or other property on board or which was carried on board the other Ship.

Provisos

- (a) The salvaged value of the wreck, Cargo or other property shall be deducted from any claim made under this clause.
- (b) Cover is only available if:
 - (i) The removal, raising, lighting or marking is compulsory by law or the expense of so doing is legally recoverable from the Assured; and
 - (ii) The Assured is unable to recover such costs or expenses from the owner or insurer of the wreck, Cargo or property, or any other party.
- (c) There is no cover if the Assured has divested itself of its interest in the wreck, Cargo, property or goods other than by way of abandonment before the wreck removal operations.
- (d) There is no cover under this clause for Liability for the removal of oil or any other substance falling within the scope of the cover provided by clause 15 or within the

scope of any restrictions of the cover provided by that clause.

Para 12. Cargo liabilities

Liability in respect of Cargo intended to be or being or having been carried in, on or by the Insured Ship as follows:

- 12.1. Loss, shortage or damage or other responsibility in respect of the Cargo caused by the unfitness or unseaworthiness of the Insured Ship or a breach by the Assured, or by any Person for whose act, neglect or default it is legally liable, of its obligation or duty as a carrier by sea;
- 12.2. Additional expense over and above the Assured's ordinary expenses under the contract of carriage (and only if that additional expense is not recoverable from any other party or is not recovered through the proceeds of sale):
 - 12.2.1. Incurred discharging, or disposing of damaged or worthless Cargo; or
 - 12.2.2. Incurred as a direct consequence of a failure or refusal of Cargo interests to take delivery of or collect Cargo which has been carried on board the Insured Ship.
- 12.3. Where the Cargo belongs to the Assured, cover is available under this clause as if the Cargo belonged to a third party.

Provisos

- (a) There is no cover for the following Liabilities:
 - (i) Additional Liability incurred or additional sums payable because the Cargo was carried on terms which were less favourable to the Assured than the Hague Rules, Hague-Visby Rules or the Hamburg Rules where compulsorily applicable;
 - (ii) Liability for delay which arises solely because of an express term of the contract of carriage requiring delivery of the Cargo on or before a specified date or time or at a minimum discharge rate;
 - (iii) Liability for Finished Steel Products carried as Cargo unless the Assured has arranged and paid for a steel pre-loading survey by a surveyor approved by the Insurer at the port of shipment and the Insured Ship has been approved for carriage of the Cargo and any bills of lading or documents of title have been claused with the surveyor's findings;
 - (iv) Liability for livestock or other live animals carried as Cargo;
 - (v) Where the Insured Ship is a fishing Ship, Liability for catch or any Cargo of seafood or fish products;
 - (vi) Liability arising as a result of a deviation, meaning a departure from the contractually agreed voyage which deprives the Assured of the right to rely on defences or rights of limitation which would otherwise have been available, unless cover has been agreed in Writing by the Insurer prior to the deviation;
 - (vii) Liability for Cargo carried on deck unless:

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- (i) the Insurer has previously agreed in Writing to provide special cover;
or
- (ii) the Liability is incurred under a bill of lading or contract of carriage permitting carriage on deck and either the Cargo is customarily carried on deck or the bill of lading or contract of carriage states that it is carried on deck and excludes the carrier's Liability in respect of such Cargo.
- (viii) Liability for discharge of Cargo at a port or place other than the port or place named in the contract of carriage;
- (ix) Liability for delivery of Cargo under a bill of lading or similar document of title without production of that bill of lading or document of title by the Person to whom delivery is made;
- (x) Liability for delivery of Cargo carried under a non-negotiable waybill or other similar non-negotiable document to any party other than that named by the shipper as the party to whom delivery should be made;
- (xi) Liability for the issue of a bill of lading, waybill or other document containing or evidencing the contract of carriage, with the knowledge of the Assured or the owner or the master of the Insured Ship which
 - (i) Misstates its date of issue or the date or place of shipment or receipt for shipment of the Cargo; or
 - (ii) Contains an incorrect description of the Cargo or its quantity or its condition.
- (xii) Liability for the failure to arrive or late arrival of the Insured Ship at a port or place of loading or the failure to load any particular Cargo or Cargoes.
- (b) The following Liabilities are excluded unless the Insurer has previously agreed in Writing to provide special cover:
 - (i) Liability for the carriage of Valuables;
 - (ii) Liability for Cargo carried under a contract of carriage which identifies the value of the Cargo and thereby deprives the Assured of the right to rely on defences or limits of Liability which would otherwise have been available;
 - (iii) Liability for Cargo or other property carried by means of transport other than the Insured Ship where the Liability arises under the terms of a contract of carriage which provides for part of the carriage of the Cargo or other property in the Insured Ship.

Para 13. Unrecoverable General Average

13.1. The proportion of general average, salvage or special charges which the Assured would be entitled to claim from Cargo interests or any other party but which is not recoverable solely because of a breach of the contract of carriage

Provisos

Cover under this clause is subject to the Provisos at clauses 12A (a) and (b).

Para 14. Insured Ship's Proportion of General Average

- 14.1. The Insured Ship's proportion of general average, salvage or special charges which cannot be recovered under the Insured Ship's Hull Policy solely because the Insured Ship is assessed for contribution at a value in excess of the insured value under the Hull Policy.

Provisos

Cover under this clause is subject to the terms of clause 50.

Para 15. Pollution liabilities

- 15.1. Liability for the actual or threatened release or escape of oil or any other substance from the Insured Ship or other Ship or property.
- 15.2. Liability for measures reasonably and primarily taken to avert or minimise the release or escape of oil or any other substance from the Insured Ship or other Ship or property together with any Liability incurred for loss or damage to property caused by the measures taken.
- 15.3. Liability for measures reasonably taken after the release or escape of oil or other substance from the Insured Ship or other Ship or property for the purpose of avoiding or minimising loss, damage or contamination or for the purpose of cleaning up pollution together with any Liability for loss of or damage to property caused by the measures taken.
- 15.4. Liability or extraordinary expense necessarily incurred by reason of complying with any order by any governmental agency or authority or because of measures taken by any governmental agency or authority to avert or minimise the threat of pollution, unless recoverable under the Insured Ship's Hull Policy.
- 15.5. Liability under the terms of a contract or agreement with any party for the provision of services in connection with clauses 15.2, 15.3 and 15.4 above but only if the Insurer has approved the terms in advance in Writing.

Provisos

- (a) There is no cover for Liability or expense arising as a result of actual or threatened pollution or contamination by reason of the land based disposal, dumping or incineration of any substance.
- (b) There is no cover under this clause for Liabilities falling within the scope of clauses 1, 2 and 3.

Para 16. Special Compensation to Salvors

Liability to pay special compensation, or SCOPIC remuneration payable under the SCOPIC Clause, to a salvor of the Insured Ship as follows:

- 16.1. Where the Liability is imposed on the Assured under the provisions of Article 14 of the International Convention on Salvage 1989;
- 16.2. Where the Liability arises under the Lloyd's Open Form or other standard form salvage agreement approved by the Insurer.

Provisos

- (a) In the case of special compensation, cover is only available if the special compensation is not payable by any third party interested in the salvaged property.
- (b) In the case of SCOPIC remuneration, where there is no Article 13 award, cover is limited to the excess after deducting the residual value of the Insured Ship and/or any property of the Assured.

Para 17. Towing of the Ship

Liability arising out of a contract for the towing of the Insured Ship as follows:

- 17.1. Where the towing of the Insured Ship is for the purpose of entering or leaving a port or maneuvering within the port during the ordinary course of trading;
- 17.2. Where the Insured Ship is habitually towed in the ordinary course of trading from port to port or from place to place and has been declared as such to the Insurer in Writing;
- 17.3. In respect of any other towing, only if and to the extent that the contract is on the unamended Towcon or Towhire standard forms or if cover has been agreed in Writing by the Insurer prior to the inception of such towing.

Provisos

- (a) There is no cover for the cost of the contracted towing.
- (b) Cover is only available to the extent that the Insured Ship's Hull Policy does not cover the Liability.

Para 18. Towing by the Insured Ship

- 18.1. Liability arising out of the towing of another Ship or object by the Insured Ship.

Provisos

Cover is only available if:

- (a) the towing or attempt to tow is made on the basis of the unamended Towcon or Towhire standard forms or any other standard form towing contract approved by the Insurer; or
- (b) the towing or attempt to tow is made for the purposes of saving or attempting to

- save life at sea; or
- (c) Cover has been extended under clause 65 in advance by the Insurer.

Para 19. Fine

Fines on the Insured Ship or for which the Assured is liable or for which the Assured has, with the prior agreement of the Insurer in Writing, assumed responsibility in respect of the following:

- 19.1. Short or over delivery of Cargo or failure to comply with regulations relating to the declaration of goods or the administration of Cargo documentation;
- 19.2. Smuggling;
- 19.3. Breach of any immigration law or regulations;
- 19.4. The actual or threatened accidental release or escape of oil or any other substance;
- 19.5. The inadvertent act or neglect of a Seaman in the course of his employment.

Provisos

- (a) Cover is only available under clause 19.4 if the Assured is covered under clause 15.
- (b) There is no cover for Fines relating to the following:
 - (i) Overloading of the Insured Ship or the presence on board the Insured Ship of more Passengers than legally permitted;
 - (ii) Infringement of or non-compliance with the provisions relating to the configuration and equipping of the Insured Ship or the maintaining of proper records or documents under or in connection with:
 - (i) the International Convention for Prevention of Pollution from Ships 1973 as modified or amended by the Protocol of 1978 and any subsequent Protocol, or the legislation of any state giving effect to such provisions;
 - (ii) the Ballast Water Management Convention 2004 or the legislation of any state giving effect to such provisions
 - (iii) Criminal activity undertaken with the knowledge or reckless disregard of the Assured;
 - (iv) Contravention of any law, regulation or legal requirement in respect of fishing.

Para 20. Legal and Other Expenses

- 20.1. Legal and investigatory expenses necessarily incurred by the Assured, and with the prior approval of the Insurer in Writing, in respect of any Liability or expense covered by this insurance.

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- 20.2. Expenses necessarily incurred by the Assured, and with the prior approval of the Insurer in Writing, in defending itself or protecting its interests or the interests of the crew of the Insured Ship at a formal enquiry in respect of the loss of or a casualty involving the Insured Ship.
- 20.3. Expenses incurred by the Assured wholly at the direction of the Insurer and in the interests of the Insurer.

Para 21. Sue and Labour

- 21.1. Extraordinary expense over and above that which would be incurred in the course of the ordinary operation of the Insured Ship, necessarily incurred by the Assured upon or after any incident which is likely to give rise to a claim covered by this insurance and solely for the purpose of avoiding or minimising any Liability covered by this insurance.

Provisos

- (a) Cover is limited to the reasonably estimated value of the Liability which is avoided or minimised.
- (b) There is no cover in respect of the payment of or expenses associated with ransom, bribes or any other illegal payments or extortion.
- (c) There is no cover for any expense unless:
 - (i) It has been previously approved in Writing by the Insurer; or
 - (ii) The Insurer has decided that the Assured may recover the whole or part of the expense.

SECTION III - EXCLUSIONS

In this Section, the numbered clauses and sub clauses describe the exclusions and provisos in the lettered paragraphs set out any qualifications, exclusions or restrictions, applicable to the whole (or where specified any particular sub clause) of the clause in question.

Para 22. Hull Cover

- 22.1. There is no cover under this insurance for Liability which would be recoverable under the Insured Ship's Hull Policy if the Insured Ship had, at the time of the incident giving rise to the Liability, been fully insured for a Proper Value on the terms of a Lloyd's Marine Policy MAR Form 1.1.82 edition with the Institute Time Clauses 1.10.83 (or in the case of fishing Ships, Institute Fishing Ship Clauses 20.7.87) attached, or on at least equivalent terms.
- 22.2. There is no cover under this insurance for any excess or deductible applicable to the Hull Policy.

Para 23. Cumulative Injury

- 23.1. There is no cover under this insurance for Liability for injury, or death caused by or contributed to by that injury, which arose or resulted from any Person's repetitive occupational activity and which is not traceable to an accident or one event which occurred during that Person's occupation.

Para 24. War Risks

Unless otherwise agreed in Writing by the Insurer, there is no cover under this insurance for Liability or expense directly or indirectly caused by, contributed to or arising from the following:

- 24.1. War, civil war, revolution, rebellion, insurrection or civil strife arising therefrom or any hostile act by or against a belligerent power, or any act of terrorism;
- 24.2. Capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat;
- 24.3. Mines, torpedoes, bombs, rockets, shells, explosives or other similar weapons of war (except for Liability or expenses which arise solely by reason of the transport of any such weapons whether on board the Insured Ship or not).

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The exclusion in clause 24.3 does not apply to the use of such weapons as the result of government order or with the prior agreement of the Insurer in Writing or where the reason for such use is the avoidance or mitigation of Liability or expenses which would otherwise be covered by this insurance.

Para 25. Nuclear Risks and Cyber Attack

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 caused by or contributed to by or arising from the following:

- 25.1. Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 25.2. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- 25.3. Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- 25.4. 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;
- 25.5. Any chemical, biological, biochemical, or electromagnetic weapon;
- 25.6. This insurance is subject to Clauses 25, 25.1, 25.2, 25.3, 25.4 and 25.5. The inclusion of Clauses 25, 25.1, 25.2, 25.3, 25.4 and 25.5 in this insurance is material to insurers' willingness to provide coverage at the quoted terms, conditions and rates. It is the intent of the parties to give maximum effect to Clauses 25, 25.1, 25.2, 25.3, 25.4 and 25.5 as permitted by law. In the event that any portion of Clauses 25, 25.1, 25.2, 25.3, 25.4 and 25.5 may be found to be unenforceable in whole or in part under the law of any state, territory, district, commonwealth or possession of the U.S.A., or any province or territory of Canada, the remainder shall remain in full force and effect under the laws of that state, territory, district, commonwealth or possession, province or territory. Further, any such finding shall not alter the enforceability of Clauses 25, 25.1, 25.2, 25.3, 25.4 and 25.5 under the laws of any other state, territory, district, commonwealth or possession of the U.S.A., or any province or territory of Canada, to the fullest extent permitted by applicable law;
- 25.7. Subject only to clause 25.8 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;

25.8. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 25.7 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.

Para 26. Sanctions

26.1. There is no cover under this insurance and the Insurer shall not be liable to pay any claim or provide any benefit under this insurance if the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer to the effect of 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.

Para 27. Hazardous or Unlawful Trading

27.1. There is no cover under this insurance for Liability arising out of unlawful fishing or engaging in an unlawful trade, blockade running by the Insured Ship, the carriage of contraband, or any voyage or trade which in the opinion of the Insurer exposes the Insured Ship or the Assured to unnecessary or unreasonable risk.

Para 28. Wilful Misconduct

28.1. There is no cover under this insurance for Liability which has been incurred by reason of the wilful misconduct of the Assured.

Para 29. Double Insurance

- 29.1. There is no right of recovery under this insurance in respect of any Liability or expense recoverable under any other insurance but for any excess or deductible applicable to the recovery under that other insurance.
- 29.2. There is no right of recovery under this insurance in respect of any Liability or expense recoverable under any other insurance but for any terms in that other

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insurance which seek to exclude or limit Liability on the basis of double insurance.

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Where clause 29.2 applies, this insurance shall be deemed to provide cover only in excess of the cover which would otherwise be provided by the other insurance.

Para 30. Damage to the Ship

- 30.1. There is no right of recovery under this insurance for the following:
 - 30.1.1. Loss of or damage to or the cost of repairs to the Insured Ship or any part of it, except where the Insured Ship is lost through confiscation and cover under clause 69 has been agreed under this insurance;
 - 30.1.2. Loss of or damage to or the cost of repairs to any equipment (including in the case of a fishing Ship, nets and gear), containers, lashings, stores or fuel on the Insured Ship owned or leased by the Assured or any affiliate or associate of the Assured;
 - 30.1.3. Loss of or damage to a chartered Ship or its equipment unless the Assured is a charterer and is covered under clause 70.

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The exclusions in clause 30.1 do not apply where the loss, damage or cost of repairs form part of a claim recoverable under clauses 13 or 14.

Para 31. Commercial Losses

There is no right of recovery under this insurance in respect of commercial losses of the Assured in connection with the Insured Ship including but not limited to the following:

- 31.1. Loss of freight or hire;
- 31.2. Loss arising out of the cancellation or termination of any contract for the Insured Ship;
- 31.3. Delay, detention or demurrage in connection with the Insured Ship;
- 31.4. The insolvency or financial default of any Person and debts which are irrecoverable for that reason.

Para 32. Special Operations

- 32.1. Unless and to the extent that an extension of cover is agreed under clause 67, there is no cover under any of clauses 3 to 10 inclusive, clauses 12 to 14 inclusive, or clauses 16 to 19 inclusive for Liability or expense arising from or in respect of the use of the Insured Ship for the following:

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- 32.1.1. Professional salvage or fire fighting services;
- 32.1.2. Dredging and/or depositing of spoil;
- 32.1.3. Exploration, survey, drilling or other production operations in connection with oil, gas or mineral production;
- 32.1.4. Oil Storage
- 32.1.5. Commercial diving, underwater surveying and underwater operations by a submarine or other underwater Ship or equipment;
- 32.1.6. Construction including but not limited to installation and maintenance work, pile driving, blasting or core sampling, cable or pipeline laying, maintenance or recovery;
- 32.1.7. Professional oil spill or other pollution response or training or tank cleaning (other than on the Insured Ship);
- 32.1.8. Waste disposal or incineration;
- 32.1.9. Hotel, catering or leisure services on board a permanently moored Ship.
- 32.2. Where clause 32.1 applies:
 - 32.2.1. the cover available under clauses 1 (Seamen) and 2 (Liability to Persons other than Seamen) is restricted to Liability and expense only in respect of Seamen and Persons on board the Insured Ship;
 - 32.2.2. the cover available under clause 11 (Wreck) is restricted to Liability under clause 11.1 only;
 - 32.2.3. the cover available under clause 15 (Pollution) is restricted to Liability and expense only in respect of pollution from the Insured Ship.

Para 33. Punitive or Exemplary Damages

- 33.1. There is no right of recovery under this insurance for any amount payable under any order, judgment or award of a court or tribunal which is punitive or exemplary in nature rather than compensatory of any third party unless covered under clause 19.

SECTION IV - RECOVERIES - SCOPE AND LIMITS

Para 34. Payments First

- 34.1. The Insurer may make payments in respect of Liability or expense covered under clause 1 directly to a Seaman or on his behalf to a third party.
- 34.2. The Assured shall be liable to reimburse the Insurer in full for any payment made to a Seaman or his representative under sub-clauses 1.7 or 1.8 unless and to the extent that cover would otherwise have been available to the Assured under the other provisions of clause 1.
- 34.3. Unless the Insurer decides otherwise, it is a condition precedent to any recovery by the Assured under any other clause of this insurance that the Assured shall have discharged the Liability or paid the costs or expense claimed out of funds belonging to the Assured unconditionally and not by way of loan or otherwise.
- 34.4. Notwithstanding the above Para 34.1., 34.2. and 34.3, unless and to the extent that the Club otherwise decides, all claims against the Member(s) are paid in the first instance by themselves, and then the Club shall consider reimbursement, whatever the claim comes from crew members (or crew members' families), ports, flag states, classification societies, any third party countries, or individuals, institutions, organizations.

Para 35. Sums Due from the Assured

Any recovery by the Assured under this insurance shall be subject to:

- 35.1. Payment by the Assured of any applicable deductible;
- 35.2. Set-off by the Insurer of any sums whatsoever due from the Assured.

Para 36. Net Loss

- 36.1. The Assured shall not recover under this insurance any sum in excess of its net loss, after deducting any expense which would have been incurred in any event and any savings accruing or recoveries made. Where an Assured makes or becomes entitled to make a recovery from any third party there shall be credited and paid to the Insurer an amount equal to the expenses incurred in connection with the matter by the Insurer, or such other amount as the Insurer may agree.

Para 37. Limit of Recovery

- 37.1. There shall be no recovery under this insurance for any sum in excess of the Liability of the Assured in respect of the Insured Ship as determined by any relevant law including any law relating to limitation of Liability.
- 37.2. Notwithstanding any other term of this Policy of Insurance, there is no cover under this Policy of Insurance and the Assured shall not be entitled to recover under any Part or Class of Insurance, if:
 - 37.2.1. The Assured has failed, whether deliberately, recklessly, or negligently, to exercise reasonable care in the chartering, Operation or management of the Insured Ship.
 - 37.2.2. The Assured has failed to promptly provide the Club or its nominated representative with any information or documentation relating to any claim or dispute under this Policy of Insurance.
 - 37.2.3. The claim or dispute is between Joint Assureds or between Associated Persons.
 - 37.2.4. The claim or dispute arose out of or consequent upon:
 - a. the Insured Ship carrying illegal goods, contraband, or blockade running;
 - b. the Assured recklessly or intentionally employing or causing the Insured Ship to be employed in an unlawful or unduly hazardous or improper trade or voyage;
 - c. the Cargo being unlawful or unduly hazardous or improper;
 - d. the Assured or its servants or agents causing, or allowing to continue, whether deliberately, recklessly, or negligently, a patently inappropriate method of securing, unsecuring, stowing, dunnaging, loading, carrying, discharging, inspecting, maintaining, or treatment of the Cargo, where a patently inappropriate method is one which a prudent uninsured shipowner would not have used or allowed to be continued.
 - 37.2.5. The liabilities, costs, losses and expenses are caused by:
 - a. war, civil war, revolution, rebellion, insurrection, terrorist act or civil strife arising therefrom, or any hostile act by or against a belligerent power;
 - b. capture, seizure, arrest, restraint or detention (barratry and piracy excepted) and the consequences thereof or any attempt thereat;
 - c. any weapons of war, unless by reason of transport on the Insured Ship;
 - d. Cargo that is not carried in accordance with the specific international guidelines applicable including, but not limited to, the IMDG, IBC or IMSBC Code; or which is carried on an Insured Ship that does not comply with the requirements as set for the carriage of such Cargo;
 - e. wilful misconduct on the part of the Assured, such misconduct being an act intentionally done, or a deliberate omission by the Assured,

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with knowledge that the performance or omission will probably result in injury, or an act done or omitted in such way as to allow inference of a reckless disregard of the probable consequences.

- 37.2.6. The Insured Ship has been, or is intended to be, employed in trades or areas other than those agreed with the Club.
- 37.2.7. The liability is imposed on the Assured as punitive or exemplary damages, howsoever described.
- 37.2.8. The claim, liability and expenses are covered under any other policy.
- 37.2.9. The claim is in respect of liability, losses, costs and expenses incurred during the course of performing Specialist Operations, to the extent that these arise as a consequence of:
- a. claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not) in respect of the specialist nature of the operations; or
 - b. the failure to perform such Specialist Operations by the Assured or the fitness for purpose and quality of the Assured's work, products or services, including any defect in the Assured's work, products or services; or
 - c. any loss of or damage to, the removal of or any pollution arising from the Contract Work, including but not limited to materials, components, parts, machinery, fixtures, equipment and any other property which is or is destined to become a part of the completed project which is the subject of the contract under which the Ship is working, or to be used up or consumed in the completion of such project.
- 37.2.10. The liabilities are incurred in connection with any claim arising out of:
- a. the operation by the Assured of submarines, mini submarines, diving bells, remotely operated vehicles, autonomous underwater vehicles and similar equipment; or
 - b. the activities of professional or commercial divers where the Assured is responsible for such activities, other than incidental diving operations carried out in relation to the inspection, repair or maintenance of the Insured Ship or in relation to damage caused by the Insured Ship.
- 37.2.11. The liabilities, costs and expenses arise from or out of:
- a. salvage or other services in the nature of salvage provided to the Insured Ship, and any liabilities in connection therewith, other than those covered under Sections 15 (Pollution risks), 16 (Special compensation for salvors), 17 (General average) and 21 (Life salvage) of Part 1 (Protection & Indemnity).
 - b. salvage operations (including wreck removal) conducted by the Insured Ship or provided by an Assured other than liabilities arising out of salvage operations conducted by the Insured Ship for the

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purpose of saving or attempting to save life at sea.

37.2.12. The liabilities are incurred in respect of:

- a. the Insured Ship, being a Ship or any other description of Ship or unit constructed or adapted for the purpose of carrying out drilling operations in connection with oil or gas exploration or production.
- b. the Insured Ship, being any Ship carrying out drilling or production operations in connection with oil or gas exploration or production, to the extent that such liabilities arise out of or during drilling or production operations.
- c. A Ship shall be deemed to be carrying out production operations if, inter alia, it is a storage tanker or other Ship engaged in the storage of oil, and either the oil is transferred directly from a producing well to the storage Ship; or the storage Ship has oil and gas separation equipment on board and gas is being separated from oil while on board the storage Ship other than by natural venting.
- d. If the Ship is carrying out production operations, Section 37.2.12.b above shall apply from the time that a connection, whether directly or indirectly, has been established between the Ship and the well pursuant to a contract under which the Ship is employed until such time that the Ship is finally disconnected from the well in accordance with that contract.

37.2.13. The claim is in respect of liability, losses, costs and expenses arising out of the carriage of Passengers, unless agreed by the Club in writing prior to attachment.

37.2.14. The liability arises under the terms of any contract or indemnity and would not have arisen but for those terms, unless otherwise agreed in Writing by the Club.

37.3. Institute radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons exclusion clause [CL. 370].

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

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

- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause

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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;

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

37.4. Marine Cyber Endorsement [LMA5403]

37.4.1. Subject only to Para 37.4.3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to 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, computer process or any other electronic system.

37.4.2. Subject to the conditions, limitations and exclusions of the Policy of Insurance to which this Section attaches, the indemnity otherwise recoverable hereunder 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.

37.4.3. Where this Section is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Para 37.4.1. 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.

Para 38. Policy Limit and Deductibles

38.1. The Policy Limit applies to all Assureds and any affiliate or associate of the Assureds collectively. Deductibles apply to any one event.

SECTION V - CLAIMS PROCEDURES

Para 39. Condition Precedent

It is a condition precedent to any recovery by the Assured under this insurance that clauses 40 to 43 and 49.1 are complied with by the Assured to the satisfaction of the Insurer.

Para 40. Notification by the Assured

The Assured is required to notify the Insurer in Writing of the following:

- 40.1. Any event; or
- 40.2. Any claim, notice of or any legal proceedings against the Assured or in respect of the Insured Ship which may lead to a claim under this insurance, either at the time it happens or as soon as reasonably possible after it happens.

Para 41. Time Limit

- 41.1. Any claim for reimbursement under this insurance of any Liability or expense must be made by the Assured within twelve months of discharging or paying it.

Para 42. Assistance by the Assured

The Assured shall provide every assistance to the Insurer in respect of any claim or potential claim under this insurance and in particular as follows:

- 42.1. The Assured shall not admit Liability or settle or compromise any claim without the prior approval of the Insurer;
- 42.2. The Assured shall:
 - 42.2.1. at all times notify the Insurer of any information or documents in the possession or control of the Assured or its employees or agents and provide the information or documents on demand;
 - 42.2.2. at all times co-operate with the Insurer and/or any experts and/or lawyers or other appointed Persons in securing and preserving information and evidence and in securing the attendance of witnesses at any legal hearing or investigation

Para 43. Claims Control

The Insurer is entitled to control any matter or proceedings which may give rise to a claim under this insurance in any way it deems appropriate, and may in particular proceed as follows:

- 43.1. Delegate to Harbor Bay Specialty LLC. the management of any claim or matter or proceedings which may give rise to a claim;
- 43.2. Decide or agree to provide security in respect of a claim on such terms as it considers appropriate and only if no sums are owed to the Insurer;
- 43.3. Direct or require the Assured to settle, compromise or otherwise dispose of any matter or legal proceedings as it sees fit;
- 43.4. Require the Assured to attend or take any step in connection with the conduct of any proceedings, investigation or enquiry;
- 43.5. Appoint any Person, including surveyors, experts or lawyers to deal with any matter on behalf of the Assured, or approve the appointment of any Person appointed by the Assured for that purpose. It is agreed between the Insurer and the Assured that any such Person will be appointed on terms requiring that Person to disclose material, documents or information relating to the matter, and to advise and report to the Insurer and/or to Harbor Bay Specialty LLC. as required and without reference to the Assured.
- 43.6. All fees, expenses and of all associated costs arising from the investigation, carried out by any Person, including surveyors, experts or lawyers, whom appointed by the Insurer or requested by the Assured or any other relevant parties to investigate claims, or incidents which may give rise to a claim, shall be afforded by the Assured, and shall be deemed to have been appointed on behalf of the Assured. The Assured confirm and acknowledge this appointment.

SECTION VI - CONDITIONS - QUALITY AND SAFETY

Para 44. Warranty

Clauses 45 to 47, and clause 48.2 are warranties, and set out the conditions which must be strictly complied with by the Assured in relation to the quality and safety standards of the Insured Ship and its management. In the event of a breach by the Assured of one or more of these conditions, the Insurer may:

- 44.1. Exercise its rights under the Insurance Act 2015;
- 44.2. Terminate this insurance;
- 44.3. Vary or restrict the terms of this insurance;
- 44.4. Refuse to any claims, whatever the claim comes from crew members (or crew members' families), ports, flag states, classification societies, any third party countries, or individuals, institutions, organizations.

Para 45. Classification

- 45.1. The Insured Ship is and shall remain throughout the Policy Period classed with a Classification Society approved by the Insurer.
- 45.2. The Assured complies and shall throughout the Policy Period comply with the rules of that Classification Society and with any recommendation or requirement issued by it in accordance with those rules within the time or times specified by that Classification Society.
- 45.3. The Assured shall at all times provide the Insurer with all information and documents that the Insurer may require relating to the classification of the Insured Ship and the Assured authorises the Insurer to inspect any information or documents held by any Classification Society with which the Insured Ship is or has at any time been classed and shall where necessary authorise such Classification Society to make the information available to the Insurer.
- 45.4. Clause 45 also applies to any Cargo refrigerating equipment on the Insured Ship.

Para 46. Flag State

- 46.1. The Insured Ship complies and shall throughout the Policy Period comply with all requirements of the Insured Ship's flag state including those relating to the construction, condition, manning and equipment of the Insured Ship.
- 46.2. The Assured holds and shall throughout the Policy Period maintain all and any valid statutory certificates required and issued by or on behalf of the Insured

Ship's flag state, including those in respect of the ISM and ISPS codes.

Para 47. International Safety Management Code

Where the Insured Ship is legally required to comply with the ISM Code:

- 47.1. The Insured Ship has and shall throughout the Policy Period have a valid Safety Management Certificate;
- 47.2. The Assured, owner or manager of the Insured Ship has and shall throughout the Policy Period have a valid Document of Compliance;
- 47.3. The Assured has implemented and shall throughout the Policy Period maintain and operate a Safety Management System in accordance with the ISM Code.

Para 48. Survey and Appraisal

- 48.1. The Insurer may appoint a surveyor or surveyors to inspect, survey and appraise the Insured Ship and/or the Assured's management of the Insured Ship:
 - 48.1.1. As a condition precedent to inception of this insurance;
 - 48.1.2. At any time and as often as required by the Insurer during the Policy Period.
- 48.2. The Assured shall:
 - 48.2.1. Co-operate fully in the arrangements for and performance of any survey, appraisal or inspection;
 - 48.2.2. Comply with all recommendations or requirements made by the Insurer or by its surveyor or surveyors within any period set for compliance.
- 48.3. In light of any inspection, survey or appraisal, the Insurer may:
 - 48.3.1. Terminate this insurance;
 - 48.3.2. Vary or restrict the terms of this insurance.
- 48.4. The provisions of this Para 48. shall not derogate from the warranties of the Assured in relation to those matters set out in other Para. of this Rules. This Section contains the entitlement of the Club to review the condition of the Insured Ship at any time throughout the Period of Insurance and in appropriate circumstances to amend, suspend or terminate the insurance coverage provided.
- 48.5. All references herein to a "Condition Surveyor" shall be to a surveyor who shall be nominated by the Club yet appointed by the Assured or, at the Club's option, a Club Staff Surveyor. The Condition Surveyor must report directly to the Club as the Surveyor's Principal, with a copy to the Assured. The Assured alone shall be responsible for the Condition Surveyor's fees and for the attendance of the Condition Surveyor on board the Insured Ship in order to comply with any survey warranty time limits.
- 48.6. The Assured shall provide the Club with all information, documents and

photographic or other evidence including VDR and other electronic data, Class records, if any, as to the condition, maintenance and Operation of the Insured Ship, including her whereabouts, prior to inception and throughout the entire Period of Insurance and on renewal as the Club may reasonably request. It is a continuing non-delegable obligation upon the Assured promptly to notify and to provide the Club with all relevant documentation concerning any incident or matter that may affect the Insured Ship's condition during the Period of Insurance including, but not limited to, intervention by Port State Control, a casualty, a direction or other order by a State or port regulatory authority that requires repairs, improvement or some remedial step to the Insured Ship. A failure by the Assured to comply with this subclause may entitle the Club to treat the Policy of Insurance as at an end or to limit or exclude its liability thereunder.

- 48.7. The Assured shall strictly comply with any survey warranty set out in the Certificate of Insurance relating to the Insured Ship. In the cases of a survey warranty for new entry or a survey warranty for renewal the Club may on a held covered basis or on such other terms as it in its sole discretion may decide, require the Insured Ship to be surveyed by a Condition Surveyor on a date and at a place satisfactory to the Club, but at the Assured's expense and always within the survey warranty's time limit which shall be the Assured's sole responsibility.
- 48.8. The Assured shall permit the Club, at any time and in addition to any survey warranty requirements pursuant to Para 48.7. above, to carry out a survey or surveys (including follow-up surveys) of the Insured Ship by a Condition Surveyor at the Assured's expense on a date and at a place satisfactory to the Club.
- 48.9. In the light of the Club's Risk Assessment following any survey pursuant to Para 48.7. and/or Para 48.8. above the Club shall advise whether the Insured Ship is in a fit and proper condition and, in the case of a survey warranty pursuant to Para 48.7. above, whether the same has been fully complied with and the subjectivity removed. Alternatively in the light of the Club's Risk Assessment the Club shall be entitled:
 - 48.9.1. To impose conditions and/or restrictions or otherwise vary the Policy of Insurance as the Club may, in its sole discretion, deem appropriate including, without limitation, the exclusion of all or part of the perils insured against under Section II of the Policy of Insurance, on provision to the Assured of the Club's Risk Assessment Report. Any condition, restriction, variation or exclusion shall remain in full force and effect unless and until the Club advises the Assured that the Club is satisfied that the Assured has complied with the recommendations of the Risk Assessment Report whether as to repairs or such other action and within such time as may be specified by the Club.
 - 48.9.2. To suspend the Policy of Insurance immediately on provision to the Assured of the Risk Assessment Report when the Assured shall have no right to recover from the Club in respect of any insured peril, liability,

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cost and expense occurring or incurred during the period commencing from the date and time the Club informed the Assured of the suspension until the Club advises the Assured that it is satisfied that the Assured has complied with the recommendations of the Risk Assessment Report as to repairs or such other action as necessary, when coverage shall be reinstated for the residue of the Period of Insurance but in no circumstances retrospectively during the period of suspension.

- 48.9.3. To terminate the Policy of Insurance immediately whereupon the Assured shall cease to be insured. In the case of a survey warranty for new entry or for renewal the assured shall cease to be insured from inception. In all other cases the Club shall tender an appropriate pro-rata premium return, if applicable, as soon as reasonably practicable.
- 48.9.4. Should the Assured decline to accept the suspension of the Policy of Insurance ("the suspension") pursuant to Para 48.9.2. above or to accept any condition, restriction, variation or exclusion imposed by the Club pursuant to Para 48.9.1. above ("the amended terms") then it shall have the option of terminating the Policy of Insurance within 7 days of its receipt of the Club's advice of the suspension or of the amended terms when the Club shall tender an appropriate pro-rata premium return, if applicable, as soon as reasonably practicable.
- 48.9.5. In all cases the Club's decision shall be recorded by endorsement that shall confirm, vary, suspend or terminate the Policy of Insurance as the case may be and on the terms there set out.
- 48.10. The Club's Condition Survey Guidelines, as from time to time amended and the Club's Risk Assessment Reports insofar as they relate to the Insured Ship, shall be patent to the Assured as the basis of the Club's assessments pursuant to Section 48.9 above.
- 48.11. Any recommendations or observations of a Condition Surveyor acting under any part of any one of the sub-clauses set out herein shall be treated as within the actual knowledge of the Assured.

SECTION VII - GENERAL CONDITIONS

Para 49. Provision of Information by the Assured

- 49.1. Prior to inception of this insurance and throughout the Policy Period the Assured shall disclose to the Insurer all material circumstances which the Assured knows or ought to know, and shall provide any information required by the Insurer.
- 49.2. The Assured shall always notify the Insurer of any change of material circumstance and in particular of the following:
 - 49.2.1. In the event of any lay-up of the Insured Ship for 180 or more consecutive days, any intended resumption of trading at least seven days prior to the actual resumption of trading;
 - 49.2.2. Any sale, transfer or assignment, mortgage or hypothecation of the Insured Ship;
 - 49.2.3. Any foreclosure by a bank or giving up of possession or control of the Insured Ship by the Assured;
 - 49.2.4. Any change of classification society or flag state;
 - 49.2.5. Any change of operator or commercial, technical or crew management;
 - 49.2.6. Loss of contact with the Insured Ship;
 - 49.2.7 Total loss of the Insured Ship.

Para 50. Insured Value of Insured Ship

- 50.1. The Assured shall be deemed to keep the Insured Ship insured throughout the Policy Period either on the terms of a Lloyd's Marine Policy MAR Form 1.1.82 edition with the Institute Time Clauses 1.10.83 (or in the case of fishing Ships, the Institute Fishing Ship Clauses 20.7.87) attached, or on at least equivalent terms, at a Proper Value.
- 50.2. In connection with any claim under this insurance, the Insurer may determine the minimum Proper Value for which the Insured Ship should have been insured at the time of the incident giving rise to the claim.

Para 51. Obligation to Sue and Labour

- 51.1. In the event of any occurrence which may give rise to a claim under this insurance, the Assured shall take all reasonable steps to avert or minimize any Liability which might be covered under this insurance.

Para 52. Joint Assureds and Co-Assureds

- 52.1. The Insurer may agree to include in respect of this insurance as Joint Assured(s) one or more Persons with joint or separate interests in respect of the Insured Ship, and who shall be jointly and severally liable to pay premium or any sums due to the Insurer.
- 52.2. The Insurer may agree with the Assured to include in respect of this insurance as Co-Assured(s) one or more Persons in which case the cover provided to a Co-Assured will only extend insofar as it may be found liable to pay in the first instance for Liabilities which are properly the responsibility of the Assured. Cover does not extend to any amount which would not have been recoverable had the claim giving rise to such Liability been made or enforced against the Assured.
- 52.3. Any notice given or any communication between the Insurer and the Assured and/or any Joint Assured and/or Co-Assured shall be deemed to be within the knowledge of all Assureds.
- 52.4. All Assureds shall be bound by:
 - 52.4.1. Any failure by one of them to disclose or any misrepresentation of material information; or
 - 52.4.2. The provision by one of them of untrue or incomplete material information; or
 - 52.4.3. Any conduct which would give rise to the termination of this insurance or the variation or restriction of any of the terms of this insurance.
- 52.5. The deductibles and limits on the cover provided by this insurance shall apply to any claim by any one Assured as if all the Assureds were a single Assured.
- 52.6. Receipt by any Assured of any sum paid by the Insurer shall be deemed to be received on behalf of all Assureds and a sufficient discharge by the Insurer for the claim.
- 52.7. There is no cover under this insurance in respect of any Liability arising directly or indirectly from any disputes between Assureds.

Para 53. Premium

- 53.1. Section 53(1) of the Marine Insurance Act 1906 shall not apply and premium shall be payable by the Assured on such terms as the Insurer shall agree in Writing.
- 53.2. The Assured shall not set off any sum payable by the Insurer against any premium or any other sum due from the Assured.
- 53.3. If the Insured Ship is laid up in a safe port without any Cargo on board for a period of 30 or more consecutive days after finally mooring there, the Assured may be entitled to a return of premium at such rate and after deduction of such administrative or other expenses as may be determined by the Insurer for the

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period of lay-up of the Insured Ship. The Assured will not be entitled to any return of premium:

- 53.3.1. Unless it has notified the Insurer in Writing of the lay-up period within 6 months of the end of either the lay-up period or Policy Period, whichever is the earlier; and/or
- 53.3.2. If clause 53.4 applies.
- 53.4. If the Insured Ship becomes a total loss as set out in clause 55.5, the full premium for the Policy Period shall be deemed due and immediately payable to the Insurer.
- 53.5. If the Assured fails to pay premium or any instalment by its due date the Insurer may:
 - 53.5.1. Withhold payment of any recovery in respect of a claim otherwise due to the Assured;
 - 53.5.2. Vary or restrict the terms of this insurance;
 - 53.5.3. Serve a notice on the Assured stating that sums are due and requiring payment by a specific date.

Para 54. Termination of Insurance

- 54.1. This insurance shall terminate on the happening of any of the following events:
 - 54.1.1. The Assured, being an individual:
 - 54.1.1.1. Dies;
 - 54.1.1.2. Becomes bankrupt or is the subject of any scheme of arrangement or composition with his creditors;
 - 54.1.1.3. Is unable to manage his business by reason of mental illness or incapacity.
 - 54.1.2. The Assured, being a corporation or unincorporated entity:
 - 54.1.2.1. Is the subject of a compulsory winding up order or resolution for its voluntary winding up;
 - 54.1.2.2. Has a receiver, administrator or manager appointed in respect of all or part of its business;
 - 54.1.2.3. Commences proceedings under any bankruptcy or insolvency laws seeking legal protection from its creditors or a reorganisation;
 - 54.1.2.4. Is dissolved.
- 54.2. This insurance or, as may be, the insurance in respect of an Insured Ship shall terminate:
 - 54.2.1. If the Assured fails to pay all sums due in respect of this insurance or in respect of an Insured Ship on or before the date specified in any notice served under clause 53.5.3, on the later of the date in that notice or any date which may have been notified subsequently by the Insurer to the Assured;

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- 54.2.2. On the date specified by the Insurer if this insurance or the insurance in respect of an Insured Ship is terminated under clauses 44.2 or 48.3.1.
- 54.3. The Insurer may at any time without giving reasons, terminate this insurance or the insurance in respect of an Insured Ship by giving not less than 14 days written notice to the Assured.

Para 55. Termination of Cover

Unless otherwise agreed in Writing by the Insurer, the insurance in respect of an Insured Ship shall terminate on the happening of any of the following events:

- 55.1. Sale, mortgage, hypothecation or other transfer or assignment by the Assured of all or part of its interest, possession or control of the Insured Ship;
- 55.2. Foreclosure by a bank or the giving up of possession or control in respect of the Insured Ship by the Assured;
- 55.3. Change of manager or operator of the Insured Ship;
- 55.4. Change of flag state of the Insured Ship;
- 55.5. Total loss of the Insured Ship as follows:
 - 55.5.1. Actual or constructive total loss;
 - 55.5.2. Acceptance by the hull and machinery insurers of a compromised or arranged total loss of the Insured Ship;
 - 55.5.3. If the Insured Ship cannot be located or contacted for a consecutive period of 10 days;
 - 55.5.4. In circumstances where the Insurer concludes that the Insured Ship is a total loss and notifies the Assured in Writing accordingly.

Para 56. Effect of Termination

- 56.1. Unless clause 56.2 or 56.3 applies, where this insurance or the insurance in respect of an Insured Ship is terminated:
 - 56.1.1. The Insurer shall remain liable for all claims under this insurance arising up to the date of termination;
 - 56.1.2. The Assured shall remain liable for all premium due for the period up to the date of termination;
 - 56.1.3. The Assured shall be entitled to the return of any premium paid for the terminated insurance and which is attributable to the period after the date of termination on a pro rata per day basis.
- 56.2. Unless clause 56.3 applies, where insurance in respect of an Insured Ship is terminated pursuant to clause 55.5:
 - 56.2.1. The Insurer shall remain liable for all claims under this insurance arising up to the date of the termination and including claims arising out of the

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- event causing the total loss of the Insured Ship;
- 56.2.2. The Assured shall not be entitled to any return of premium.
- 56.3. Where this insurance or the insurance in respect of an Insured Ship is terminated pursuant to clause 54.2.1:
 - 56.3.1. The Insurer shall not be liable for any claims whatsoever whether arising before or after the date of termination;
 - 56.3.2. The Assured shall remain liable for premium due for the period up to the date of termination.

Para 57. No Waiver

- 57.1. No act, omission, conduct or forbearance by the Insurer or by Harbor Bay Specialty LLC. or any acquiescence in conduct of the Assured shall amount to a waiver of the Insurer's rights under this insurance.

Para 58. No Assignment

- 58.1. The Assured shall not assign this insurance or any interest in this insurance without the agreement in Writing of the Insurer and that agreement may be provided subject to any terms the Insurer requires.

Para 59. Notices

- 59.1. Any notice by the Assured to the Insurer shall be sent in Writing to: Old Mutual House Portland Terrace Southampton SO14 7EJ UK or to such other address or by such other means of communications as the Insurer may notify to the Assured.
- 59.2. Any notice to the Assured may be served as follows:
 - 59.2.1. in a letter sent in the post or by courier, or in a message sent by facsimile or electronic mail;
 - 59.2.2. sent to any postal, facsimile or electronic mail address or place of business of the Assured set out in the policy or otherwise held in the Insurer's or Harbor Bay Specialty LLC.'s records; or
 - 59.2.3. sent to the postal, facsimile or electronic mail address or place of business of a broker or agent of the Assured.
- 59.3. Service of any notice sent in accordance with sub clause 59.2 shall be deemed effective service on the Assured as follows:
 - 59.3.1. on the seventh day after posting or sending by courier;
 - 59.3.2. on the day of sending if sent by electronic mail or facsimile.
- 59.4. Proof of posting or delivery, or the Insurer's or Harbor Bay Specialty LLC.'s

record of any electronic communication or transmission are sufficient proof of service by post, courier, facsimile or electronic mail as may be.

Para 60. Disputes and Differences

- 60.1. In respect of any sum owed by the Assured, the Assured agrees and submits to the jurisdiction of the High Court of Justice in London in respect of any action brought by the Insurer to recover that sum. Notwithstanding this, the Insurer shall be entitled to commence and maintain any action in any jurisdiction to recover sums due from the Assured;
- 60.2. All other disputes and differences shall be referred in the first instance to mediation in London in accordance with the CEDR model mediation procedure and with a mediator nominated by CEDR;
- 60.3. If the dispute or difference is not settled by mediation it shall finally be referred to arbitration in London. One arbitrator shall be appointed by the Assured and a second arbitrator shall be appointed by the Insurer, with a third arbitrator to be appointed by the two arbitrators. The submission to arbitration and the arbitration proceedings shall be subject to the Arbitration Act 1996 or any re-enactment or modification of that Act then current.

SECTION VIII - ADDITIONAL COVER AND EXTENSION CLAUSES

The following optional extensions or additions to cover are available on such terms as the Insurer may agree in Writing.

Para 61. Familiarization Crew

- 61.1. Cover under clause 1 is extended to include any Person stationed by the Assured at a shipyard or on board a Ship prior to its purchase by the Assured and for the purpose of inspection, familiarization and handover.

Para 62. Ship Refit

- 62.1. Cover under clause 1 is extended to include any Person stationed by the Assured on board the Insured Ship for the purpose of supervising repair, refitting or dry-docking work.

Para 63. Passenger Risks

- 63.1. In addition to cover under clauses 2 and 3, cover is extended to include Liability arising under the terms of a Passenger Contract as a consequence of an accident or casualty to the Insured Ship, including expense incurred in disembarking, forwarding or returning Passengers to their port of embarkation or destination, or in maintenance of Passengers ashore.

Provisos

- (a) The terms of the Passenger Contract between the Passenger and the Assured must be approved in advance by the Insurer.
- (b) There is no cover under this insurance in respect of Liability incurred as a result of the carriage of any Passenger by air except where such Liability occurs during repatriation by air of injured or ill Passengers, or of Passengers following an accident or casualty to the Insured Ship.

Para 64. Through or Transhipment Bills of Lading

- 64.1. Cover under clause 12 is extended in respect of Liability for Cargo carried by means of transport other than the Insured Ship where the Liability arises under the terms of a contract of carriage approved by the Insurer which provides for

part of the carriage of the Cargo or other property in the Insured Ship.

Para 65. Extended Towage Cover

65.1. Cover is extended in respect of Liability arising from a towage by the Insured Ship not otherwise covered under clause 18.

Provisos

- (a) There is no cover for Liability arising from the towage of rigs or platforms.
- (b) There is no cover for Liability arising in respect of towed Ships within the same ownership or management as the Insured Ship.

Para 66. Contracts or Indemnities

66.1. Cover under clauses 2, 3, 9, 10, 11 and 15 is extended in respect of Liability arising solely because of the terms of a contract or indemnity.

Proviso

The terms of the contract or indemnity must be approved in advance by the Insurer.

Para 67. Special Operations

67.1. Cover under Section II is extended in respect of Liability arising from the use of the Insured Ship for such of the special operations set out and otherwise excluded in clause 32 as may be agreed in Writing by the Insurer.

Para 68. War Risks

Cover under Section II is extended to include Liability or expense arising from the war risks otherwise excluded in clause 24 always subject to the following terms:

- 68.1. The Insurer may on giving seven days' notice cancel this cover or vary or restrict the terms on which this cover is provided;
- 68.2. Whether or not notice of cancellation has been given, cover shall terminate automatically:
 - 68.2.1. On the outbreak of war, whether or not declared, between any of the following: the United Kingdom, the United States of America, France, the Russian Federation or the People's Republic of China;
 - 68.2.2. On the requisitioning of the Insured Ship for any purpose.

Provisos

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- (a) There is no cover for Liability or expense directly or indirectly caused by or arising from
 - (i) The risks excluded by clause 25 of this insurance;
 - (ii) The events referred to in sub clauses 68.2.1 and 68.2.2.
- (b) Cover is only available for Liability:
 - (i) Which is not covered under the terms of any other insurance in respect of the Insured Ship or Assured whether for hull and machinery, crew, war risks or otherwise; and
 - (ii) In excess of any amount recoverable under any other such policy of insurance.

Para 69. Confiscation

- 69.1. Cover in respect of the loss of the Insured Ship following its confiscation by order of any legally empowered authority in respect of the infringement of any customs or tax law or regulation.

Provisos

- (a) The Insurer must be satisfied:
 - (i) That the Assured took all reasonable steps to prevent the infringement giving rise to the confiscation;
 - (ii) That the infringement was not caused or contributed to by the recklessness or complicity of the Assured or the Insured Ship's master; and
 - (iii) That the Assured has been irrevocably deprived of its interest in the Insured Ship.
- (b) Cover is limited to the market value of the Insured Ship at the time of the confiscation.

Para 70. Charterers' Liability

Cover for an Assured who is a time, voyage or slot charterer of the Insured Ship, as follows:

- 70.1. The risks covered in Section II;
- 70.2. Liability to an owner, demise charterer or disponent owner for loss of or damage to the Insured Ship;

Para 71. Charterers' Bunkers

Cover for an Assured who is a time, voyage or slot charterer of the Insured Ship, as follows:

- 71.1. Loss of or damage to the Assured's bunkers and/or other property (other than

- Cargo) on board the Insured Ship;
- 71.2. Salvage and/or general average contributions payable by the Assured.

Para 72. Legal Expenses Insurance

Cover in respect of legal expenses incurred by the Assured, including costs which the Assured is legally liable to pay to any third party, in the pursuit or defence of claims or the resolution of disputes relating to the following:

- 72.1. A charterparty, contract of carriage or contract of affreightment in relation to the Insured Ship;
- 72.2. A contract for the building, modification, conversion, repair or maintenance of the Insured Ship;
- 72.3. A contract for the purchase or sale of the Insured Ship;
- 72.4. Services provided to or in respect of the Insured Ship;
- 72.5. Goods supplied to the Insured Ship;
- 72.6. Damage, detention, loss of use or the impairment of the rights of the Assured in respect of the Insured Ship;
- 72.7. The employment of the crew;
- 72.8. General average contributions;
- 72.9. A mortgage or any contract of marine insurance in respect of the Insured Ship other than this insurance;
- 72.10. Cargo operations;
- 72.11. Claims by or against any Person on or about the Insured Ship.

Provisos

- (a) There is no cover unless the legal expenses have been incurred with the approval of the Insurer.
- (b) Cover is only available if the Insurer is satisfied that the Assured has reasonable prospects of success. In assessing the prospects of success, the Insurer may take into account the following matters:

SECTION IX - COMPULSORY CLAUSES

The following clauses are available for all entered ships.

Para 73. JLC Territorial and Conflict Exclusion Clause

- 73.1. The War Risk P&I Cover excludes all loss, damage, liability, cost or expense:
- 73.1.1. caused by or arising from or in connection with any Russia-Ukraine conflict and/or any expansion of such conflict; or
 - 73.1.2. 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.
 - 73.1.3. arising from capture, seizure, arrest, detainment, confiscation, nationalisation, expropriation, deprivation or requisition for title or use, or the restraint of movement of Ships 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.

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Para 74. Bio - Chem Risks exclusion

War Risks P&I Cover shall in no case cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from any chemical, biological, biochemical or electromagnetic weapon.

Notice of Cancellation - Automatic Termination of Cover

- 74.1. Notice of Cancellation ("Notice")
- 74.1.1 The War Risk P&I Cover may be cancelled in respect of War risks as set out in Para 54. by the Association giving 24 hours' notice of cancellation (hereinafter "Notice") with Notice being effective from midnight Greenwich Mean Time on the day Notice is given by the Association.
 - 74.1.2. The Association may subsequently agree to reinstate cover, if required, at terms to be agreed by the Association. Any reinstatement of cover shall occur at a time to be agreed by the Association.
- 74.2. Automatic Termination
- 74.2.1. Whether or not the notice of cancellation described in clause 1 has been given, the War Risk P&I Cover shall TERMINATE AUTOMATICALLY:

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- 74.2.1.1 upon the occurrence of any hostile detonation of any nuclear weapon of war, wheresoever or whensoever such detonation may occur, and/or
- 74.2.1.2. 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.

Para. 75 Marine Cyber Endorsement

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

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Para 76. Communicable Disease Exclusion

- 76.1. 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.
- 76.2. 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

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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.

- 76.3. However even if the requirements of paragraph 2 of this endorsement are met, no coverage will be provided under this (re)insurance for any:
- 76.3.1. 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;
 - 76.3.2. 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;
 - 76.3.3 loss, damage, liability, cost or expense caused by or arising out of fear of or the threat of the Declared Communicable Disease.
- 76.4. 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:
- 76.4.1. 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
 - 76.4.2. 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
 - 76.4.3. 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.
- 76.5. 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.
- 76.6. All other terms, conditions and limitations of this (re)insurance remain the same.

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