



**MARINE**  
**PROTECT**

**CHARTERERS  
LIABILITY  
INSURANCE  
POLICY**

This is an important document. If You cannot read and understand English please use an interpreter to explain this document before You enter into this contract of insurance.

Insurance products are provided by National Transport Insurance, a joint venture of the insurers Insurance Australia Limited trading as CGU Insurance ABN 11 000 016 722 AFSL 227681 and AAI Limited Trading as Vero Insurance ABN 48 005 297 807 AFSL 230859 each holding a 50% share.

National Transport Insurance is administered on behalf of the insurers by its manager NTI Limited ABN 84 000 746 109 AFSL 237246.

NTI272 (01/12/2020)

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# INTRODUCTION

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## Important Things You Should Know

Welcome to National Transport Insurance.

Please ensure You read this document thoroughly before You enter into this contract of insurance.

You must also ensure that all details as shown in Your Policy Schedule are correct. Let Us know immediately if You need any changes.

If You do not understand any part of the Policy, please ask Us to explain it to You or contact Your insurance broker or Our authorised representative for an explanation.

To properly understand the significant features, benefits and risks of this insurance You need to carefully read:

- about the available type of Cover, benefits and exclusions in the Policy (the standard Cover provided can be affected by the following);
- the rest of this "Introduction" Section - this sets out the basis on which We insure You, the duty of disclosure You need to meet before We insure You, Our privacy information, Our dispute resolution procedures and other important information;
- the "Definitions" - this sets out what We mean by certain words used in the Policy. These words begin with a capital letter throughout this document;
- the "General Conditions" and "General Claims Responsibilities" sections - these set out certain general rights and obligations that You and We have and other Cover restrictions;
- the "Exclusions" set out the general exclusions and limitations that apply to the Cover and benefits;
- all of the documents that make up the Policy, including the Policy Schedule and any Endorsements or other written changes to the Cover We issue You with - these contain specific details relevant to You and can affect the Cover. Your Policy Schedule may also specify Policy Excesses and other limitations on Your Cover.

Headings are provided for reference only and do not form part of Your Policy for interpretation purposes.

## Insurers

Insurance products are provided by National Transport Insurance, a joint venture of the insurers Insurance Australia Limited trading as CGU Insurance ABN 11 000 016 722 AFSL 227681 and AAI Limited Trading as Vero Insurance ABN 48 005 297 807 AFSL 230859 each holding a 50% share.

'We', 'Us', 'Our', 'NTI' means National Transport Insurance, administered on behalf of the Insurers by its manager NTI Limited ABN 84 000 746 109 AFSL 237246.

## National Transport Insurance (NTI)

Marine Protect is powered by NTI, Australia's specialist insurer with over 40 years of experience in the insurance industry. With an award winning claims service, You can count on NTI to protect You and Your business. Two of Australia's leading general insurers - Insurance Australia Limited trading as CGU Insurance and AAI Limited trading as Vero Insurance, back NTI - so You can rest assured that You are in safe hands.

# INTRODUCTION

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## Features

The table below is summary of some of the major Coverage benefits available in the Policy.

Exclusions, limits and conditions apply so please refer to the full Policy wording in the following pages for full details.

Charterers Liability Insurance Policy	
Cover	<b>Section 1: Hull Liability.</b> Cover for Your liability to third party Chartered Ship owners for Property Damage to their Hull and related liabilities during the Period of Insurance in connection with Your Charterers Liability.
	<b>Section 2: Cargo Liability.</b> Cover for Your liability for third party Cargo owners for Property Damage to their Cargo and related liabilities during the Period of Insurance in connection with Your Charterers Liability.
	<b>Section 3: Protection and Indemnity.</b> Cover for Your liability for Personal Injury or Property Damage as a result of an Occurrence in connection with Your Ship Chartering Activities to a third party arising from Your use of a Chartered Ship. This includes certain fines and other costs, as outlined in more detail in Your Policy Wording.
	<b>Section 4: Cost and Expenses.</b> Cover for legal costs, expenses and costs to minimise further liabilities, subject to Our prior written consent and the Cover being provided under Section 1, 2 or 3 above.

## Your duty of disclosure

Before You enter into an insurance contract, You have a duty under the Insurance Contracts Act 1984 (ICA) s.21 and the Marine Insurance Act 1909 (MIA) s. 24, 25 and 26 (whichever is applicable) to tell Us pursuant to the ICA: anything that You know, or could reasonably be expected to know, which may be relevant to Our decision to insure You and on what terms, or, pursuant to the MIA: every material circumstance which is known to You or which ought to be known to You which would influence Us in fixing the premium or determining whether to accept the risk.

You have this duty until We agree to insure You. You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

### If you do not tell us something

Where the Insurance Contract Acts applies: if You do not tell Us anything You are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

Where the Marine Insurance Act 1909 applies: if You fail to comply with Your duty of disclosure, We may avoid the contract from its beginning.

### Who must tell Us?

Everyone who is insured under the Policy is required to comply with the duty of disclosure, including Your broker or agent.

# INTRODUCTION

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## Privacy policy

We are committed to safeguarding Your privacy. In complying with the Australian Privacy Principles We will collect and use Your personal information:

- Only for the purpose of providing and administering Our products and services, including keeping You up to date with Our products and services;
- Only for the purpose for which it was collected, which may include disclosing it to third parties with whom We have arrangements to protect Your Privacy.

You may choose not to provide this information; however, NTI may not be able to process Your request.

We will take all reasonable steps to make sure that personal information that We hold about You is accurate, complete, and up to date and that it is protected from misuse, loss or unauthorised access, modification or disclosure. If any information is inaccurate You must contact Us to update Your records. You can request access to Your personal information, by phoning or writing to Us. Information security protocols are in place to minimise the risk of unauthorised access to Your personal information.

In special circumstances, We may decline to release the information but We will not do so unreasonably. In these circumstances, We will give You reasons and You will have the right to request Us to review Our decision using Our complaints handling procedures. We will provide Our reasons in writing upon request.

If You need to make a complaint regarding how We handle Your personal information or make a complaint about a privacy breach You can do so by phoning Us on (07) 3292 9800 or by writing to PO Box 13550 George Street QLD 4003.

A copy of NTI's Privacy Policy Statement and Privacy Complaint process can be obtained by visiting NTI's website at [www.nti.com.au](http://www.nti.com.au).

## Resolving Your Complaints

### What You do and who You contact if You have a complaint or dispute involving Us:

If You have a complaint about Your insurance Policy, decisions on Your claims or any of the services You have received from Us or one of Our representatives, You may access Our Complaints process.

The first step is to contact Your closest NTI office or You can contact Us by calling 1300 308 080. Your call will be directed to an appropriate person who can assist You. NTI's details can also be obtained by visiting [www.nti.com.au](http://www.nti.com.au) and a brochure on Our Dispute Resolution System is available from all NTI offices.

### Complaints

Once You contact Us, Our staff will help You in every way they can.

We will acknowledge receipt of Your complaint promptly or as soon as practicable. We will communicate Our response taking into consideration Your preferences of communicating with Us.

If You are not satisfied with the outcome, Your complaint will be referred to the staff member's supervisor who will deal with Your complaint promptly.

### Internal Dispute Resolution

If You are still not satisfied Your complaint can be handled through Our Internal Dispute Resolution service by a different employee who has appropriate experience, knowledge and authority to conduct a full review. We will provide You with details of Our dispute service and will refer You to a Supervisor or Manager to manage Your complaint. Your complaint will then be treated as a dispute.

We have 30 calendar days to respond from the date that Your complaint is received. Our response will include:

- a. reasons for Our decision;
- b. information about how to access Our External Disputes Resolution (EDR) Scheme; and
- c. notify You of the time frame within which You must register Your dispute with the EDR Scheme, (usually within two years of Our final decision).

# INTRODUCTION

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## External Dispute Resolution

Our Internal Dispute Resolution Service is designed to seek to resolve any complaints or disputes that may arise. However, if We are unable to resolve Your dispute to Your satisfaction within 30 days, We will inform You of the reasons for the delay and that You can take Your dispute to Our EDR scheme, administered by the Australian Financial Complaints Authority (AFCA), even if We are still considering it (and provided Your dispute is within AFCA Terms of Reference). We are a member of AFCA which is an ASIC approved external dispute resolution scheme and it may be able to resolve Your dispute. You may be entitled to assistance from the AFCA, however this is subject to the claim circumstances and the AFCA eligibility criteria.

Before the end of that 30 day period We will inform You that You have this right and details of how to access Our EDR Scheme.

AFCA is responsible for monitoring compliance with the General Insurance Code of Practice. It is available to customers and third parties who fall within its Terms of Reference and is an impartial body that is completely independent of Us. AFCA will initially determine whether Your dispute falls within its Terms of Reference and will notify You whether it may proceed to review Your dispute.

Your dispute must be lodged with AFCA within two years of the date of Our final decision.

Where AFCA Terms of Reference do not extend to Your dispute We will advise You to seek independent legal advice or give You information about other external dispute resolution options, if any, that are available to You.

The contact details for AFCA are:

### **Australian Financial Complaints Authority**

National Toll Free number 1800 931 678

GPO Box 3 Melbourne VIC 3001

Email: [info@afca.org.au](mailto:info@afca.org.au) Web: [www.afca.org.au](http://www.afca.org.au)

A brochure on Our Dispute Resolution Service is available from all NTI offices which includes information about the IDR and EDR Services.

## General Insurance Code of Practice

We are committed to raising standards of service to Our customers. This Code sets out the minimum standards We will uphold in the services We provide to You and is a practical demonstration of Our commitment to providing a high level of service to Our customers.

If You are interested in obtaining more information about this important industry initiative, You can contact the Insurance Council of Australia or access the Code directly at: [www.codeofpractice.com.au](http://www.codeofpractice.com.au).

The Code aims to:

- describe standards of good practice and service to be met by participating insurers; promote disclosure of information relevant and useful to consumers so as to allow them to make an informed choice and compare one product with another;
- facilitate the education of consumers about their rights and obligations with insurance contracts;
- promote informed and effective relationships between consumers, insurers and authorised representatives; and
- ensure insurers have fair procedures for resolution of disputes between consumers and insurers or consumers and authorised representatives.

More information about the Code can be obtained from Us direct or Our website [www.nti.com.au](http://www.nti.com.au) or contacting the Insurance Council of Australia ("ICA") directly (the ICA has an office in most capital cities) or via their website at [www.insurancecouncil.com.au](http://www.insurancecouncil.com.au)

# DEFINITIONS THAT APPLY TO THIS POLICY

Except where the context otherwise requires it, when reading this document:

- a. In this Policy, certain words have special meanings. They have the same meanings wherever they appear.
- b. the singular includes the plural and the plural includes the singular;
- c. if a word or phrase is defined, its other grammatical forms have a corresponding meaning; and
- d. words importing a gender include every other gender.

Word	Meaning
<b>Assured / You / Your / Yours</b>	<p>A time or voyage charterer, a disponent owner or a carrier of goods who charters a ship and is named as an Assured in the Policy Schedule. A reference to the Assured includes a singular reference to a Joint Assured.</p> <p>It also means the client (person or company) named in the Policy Schedule and includes any director, partner, executive officer or Your employee but only in respect of any liability incurred as part of Your Ship Chartering Activities.</p>
<b>Charterparty</b>	<p>A contract of carriage including any time charter (not being a bareboat charter or a charterparty by demise), any voyage charter or any space or slot charter or booking note on terms approved by Us pursuant to Condition 17 "Approved Charterparties". "Charterparty" includes sub-charterparty.</p>
<b>Chartered Ship</b>	<p>A vessel (including hull, machinery, fuel, stores, supplies and equipment or other property of the Owner on board and containers if owned or leased by the Owner) chartered by the Assured where the vessel and the risks of the adventure have been declared to or accepted by Us in accordance with the terms of the Policy.</p>
<b>Cover / Covered</b>	<p>The benefit and protection provided by this Policy and specified in Your Policy Schedule.</p>
<b>Excess</b>	<p>The amount specified in Your Policy Schedule You must pay as the first part of any claim unless otherwise stated under the provisions of any applicable product.</p>
<b>GST</b>	<p>Has the meaning given in the A New Tax System (Goods and Services Tax) Act 1999.</p>
<b>Headings</b>	<p>When used in Your Policy, are purely descriptive in nature and are not intended to be used for interpretative purposes.</p>
<b>Hague Rules</b>	<p>The International Convention for the Unification of Certain Rules of Law relating to Bills of Lading, Brussels, 25 August 1924.</p>
<b>Hague-Visby Rules</b>	<p>The Hague Rules as amended by the Protocol, Brussels 23 February 1968 and the Protocol, Brussels 21 December 1979.</p>
<b>Hamburg Rules</b>	<p>The United Nations Convention on the Carriage of Goods by Sea, Hamburg 31 March 1978.</p>
<b>Input Tax Credit</b>	<p>Has the meaning given in the A New Tax System (Goods and Services Tax) Act 1999.</p>
<b>Insurance Proposal</b>	<p>The particulars of insurance completed by You, as Your application for insurance, and submitted to Us either in writing or electronically on which We rely to determine whether to provide You with a Policy, and if so, upon what terms and conditions.</p>



# DEFINITIONS THAT APPLY TO THIS POLICY

Word	Meaning
<b>In Transit</b>	<p>Cargo is In Transit when, during the Period of Insurance, it is:</p> <ol style="list-style-type: none"> <li>laden on the Chartered Ship;</li> <li>in the process of being loaded on to or discharged from the Chartered Ship; or</li> <li>being transhipped or lightered to or from the Chartered Ship,</li> </ol> <p>provided the transhipment or lightering is performed as a regular custom of the port or trade and an appropriate written receipt has been obtained for the cargo (or any part thereof) from those interested in the transhipment vessel or lighter carrying the cargo (or any part thereof).</p>
<b>Limit of Indemnity</b>	<p>The amount specified in Your Policy Schedule, which is the maximum amount payable by Us in respect of all types of claims under all parts of the Policy for any one loss or series of losses due to or arising out of one Occurrence, and which is inclusive of all Optional Extensions for which Cover is provided under the Policy and subject to any Sub-Limit of Indemnity and the application of any Excess.</p>
<b>National Transport Insurance (NTI)</b>	<p>means National Transport Insurance, a joint venture of the insurers Insurance Australia Limited trading as CGU Insurance ABN 11 000 016 722 AFSL 227681 and AAI Limited Trading as Vero Insurance ABN 48 005 297 807 AFSL 230859 each holding a 50% share.</p>
<b>Occurrence</b>	<p>Any event, including continuous or repeated exposure to substantially the same general conditions, which results in Personal Injury or Property Damage neither expected nor intended by You. All events of a series consequence on or attributable to one source or original cause will be deemed one Occurrence.</p>
<b>Owner</b>	<p>The registered owner and / or disponent owner of the Chartered Ship.</p>
<b>Period of Insurance</b>	<ol style="list-style-type: none"> <li>The period between and includes the dates in Your Policy Schedule shown as 'Insured From/To' during which We provide Cover under Your Policy, up until 4.00pm Local Standard Time (L.S.T) of the 'To' date, of the state or Territory within the Commonwealth of Australia in which Our office issuing Your Policy is located, or,</li> <li>If the Chartered Ship is delivered to the Assured pursuant to the terms of a time charter, or from the date on which notice of readiness is validly tendered in the case of a voyage charter or similar contract of affreightment, then the period between 16:00:01 hours Local Standard Time on that date, up to whichever is the soonest of: <ol style="list-style-type: none"> <li>The termination of the Policy pursuant to Condition 2 Termination, or in respect of liabilities and expenses associated with a particular Chartered Ship on a time charter the date the Chartered Ship is re-delivered to its Owner, or,</li> <li>The time charter is otherwise terminated subject to Cover continuing under Section 2 Cargo Liability while cargo is In Transit, or,</li> <li>In respect of liabilities and expenses associated with a particular Chartered Ship under voyage charter or similar contract of affreightment, the completion of discharge subject to Cover continuing under Section 2 Cargo Liability while cargo is In Transit; or</li> <li>The expiry of twelve months.</li> </ol> </li> </ol>
<b>Personal Injury</b>	<p>means bodily injury, death, sickness, disability, disease, shock, fright, mental injury, mental anguish or loss of consortium resulting from any of them.</p>
<b>Policy</b>	<p>This document, Your Policy Schedule, the Insurance Proposal, any declarations and statements You make to Us and any other notice We give You in writing, all to be read together.</p>

# DEFINITIONS THAT APPLY TO THIS POLICY

Word	Meaning
<b>Policy Schedule</b>	The most current insurance details and attachments to them, issued to You by Us. It sets out Your Policy number, the Policy applying, Excess and any special conditions, endorsements and limits which apply to Your Policy.
<b>Pollution</b>	The discharge, dispersal, release or escape of oil, smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, toxic liquids, toxic gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, the atmosphere or any water course or body of water (including ground water).
<b>Premium</b>	The amount payable by You for this insurance. This does not include any government charges, taxes or duties.
<b>Property Damage</b>	means: <ol style="list-style-type: none"> <li>a. Physical damage to or loss or destruction of tangible property including financial loss resulting from such damage, loss or destruction; or</li> <li>b. Loss of use of tangible property which has not been physically damaged or destroyed provided such loss of use is caused by an Occurrence.</li> </ol>
<b>Ship Chartering Activities</b>	Those activities arising from Your engagement in a Charterparty.
<b>Sub-Limit of Indemnity</b>	The maximum amount We will pay under a particular part of Your Policy, and will either be specified in the Policy Schedule or within the Policy wording in respect of that Cover.
<b>Territorial Limits</b>	The geographical area specified in Your Policy Schedule.
<b>Terrorism</b>	An act, including but not limited to the use of force or violence (or the threat of force or violence), of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or governments(s), committed for political, religious, ideological ethnic or similar purposes including the intention to influence any government and/or to put the public, or any Section of the public in fear.
<b>We / Our / Ours / Us / NTI</b>	National Transport Insurance, administered on behalf of the Insurers by its manager NTI Limited: ABN 84 000 746 109; AFSL 237246.
<b>Wreck</b>	Any Chartered Ship which is abandoned, disabled or is aground or has sunk and is not the subject of a salvage contract, or where effective measures to assist the Chartered Ship or any property in danger are not being taken.

# THE COVER

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## Our agreement with You

Based on the information in Your Insurance Proposal, and the statements and declarations that You have made in support of Your application for insurance and provided that You have paid the Premium by the due date, We will indemnify You for the Cover specified in Your Policy Schedule, subject to the terms, conditions and exclusions that are set out in this Policy.

Your Policy consists of:

- a. this Policy document, which sets out the conditions of Cover, exclusions and the terms and conditions that apply to the Policy or level of Cover You have chosen;
- b. the Policy Schedule is a separate document and shows the insurance details that are relevant to Your insurance;
- c. any endorsements noted on Your Policy Schedule or otherwise notified by Us to You in writing;
- d. Your Insurance Proposal, the declarations and statements that were made when You applied for Cover from Us and every other matter which You subsequently declare or state to Us when You replace, vary, extend or reinstate Your Policy.

They are all to be read as if they are the one document.

## Important Note: Policy Sections Only Provided If Shown In Your Policy Schedule

Each of the following Policy sections will only apply where:

- a. You have specifically requested Cover under that section;
- b. We have agreed to provide the Cover under that section;
- c. You have paid any additional premium for the Cover under that section; and
- d. the Section is noted as being Covered in Your Policy Schedule,

Otherwise, such Cover is excluded.

# SECTION 1 - HULL LIABILITY

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## What You are insured for under Section 1:

Subject to the Limit of Indemnity specified in Your Policy Schedule, We will indemnify You in respect of all sums which You will become legally liable to pay to the Owner as compensation for:

- a. Physical loss or physical damage to the Chartered Ship; and
- b. Hire, demurrage or damages for loss of use (including detention) in relation to any period in which the Chartered Ship cannot trade arising directly from a claim Covered under a. above,

in the Period of Insurance within the Territorial Limits and in connection with Your Ship Chartering Activities, less the Excess amount specified in Your Policy Schedule as applicable to Hull Liability.

# SECTION 2 – CARGO LIABILITY

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## What You are insured for under Section 2:

Subject to the Limit of Indemnity specified in Your Policy Schedule, We will indemnify You in respect of all sums which You become legally liable to pay as compensation:

- a. for physical loss of, damage to, or shortage of cargo and other responsibility in respect of cargo arising from a breach of a contract of carriage by You (or any person for whose act, neglect or default You may be legally liable) or arising under a Charterparty, bill of lading or other document evidencing a contract of carriage; and
- b. to the Owner in respect of hire, demurrage or damages for loss of use (including detention) in relation to any period in which the Chartered Ship cannot trade arising directly from a claim Covered under a. above; and
- c. in respect of reasonable expenses incurred at the port of discharge or the place where the voyage is abandoned in connection with necessarily discharging or disposing of damaged cargo or the failure of the person entitled to delivery of the cargo to collect or remove it from the custody of the Owner or from the Chartered Ship,

provided that:

- i. You have first exercised all rights of recourse available to recover sums Covered by this clause c. from any third party;
- ii. the expenses claimed hereunder are greater than any net proceeds of sale of the cargo actually received by You;
- iii. the expenses claimed hereunder exceed those which would have been incurred by You if the voyage, loading, discharge and all associated operations had proceeded as intended by the parties; and
- iv. the damaged cargo is Covered under Section 2. a. above,

in the Period of Insurance within the Territorial Limits and in connection with Your Ship Chartering Activities, less the Excess amount specified in Your Policy Schedule as applicable to Cargo Liability.

Recoveries under this Section 2. – Cargo Liability shall not be prejudiced by the unseaworthiness or unfitness of the Chartered Ship provided that You or Your servants were not aware of such unseaworthiness or unfitness before or at the commencement of the voyage.

## Specific Exclusions that Apply to Section 2 – Cargo Liability

In addition to the Exclusions that Apply to All Sections Of This Policy, We will not be liable to indemnify You in respect of any claims directly or indirectly caused or contributed to/by, or in connection with, arising from, or in any way relating to:

### 1. Precious cargo

precious or rare metals or stones, jewelry, plate, specie, bullion, bank notes or other forms of currency, bonds or other negotiable instruments.

### 2. Terms of contract of carriage

bills of lading or other documents evidencing a contract of carriage, except to the extent that such liabilities would have arisen under:

- a. the Hague Rules; and/or
- b. Hague-Visby Rules; or
- c. the Hamburg Rules (but only where compulsorily applicable – to the contract of carriage); or
- d. Hybrid versions of the Rules referred to in a., b. and c., such as the amended Hague Rules, as enacted in Australia.

### 3. Mis-dated bills of lading

the issue of an ante or post dated bill of lading or similar document of title or other fraudulent or reckless misrepresentation made in connection with a contract of carriage.

### 4. Mis-stated cargo quantity/condition

the issue of a bill of lading or similar document of title which You or Your agent knew or should have known did not correctly state the accurate quantity and/or condition of the cargo at the time of shipment.

# SECTION 2 – CARGO LIABILITY

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## 5. Ad Valorem bills of lading

any amount in excess of US\$2,500 per unit piece or package of goods carried under an ad valorem bill of lading in which the value per unit, piece or package has been stated to be over US\$2,500.

## 6. Cargo on deck

the carriage of any cargo on deck except:

- a. in containers where the Chartered Ship is classed and designed and/or adapted with the approval of an IACS Classification Society for the carriage of containers on deck;
- b. the carriage of cargo other than containers on deck where such carriage recognised as a custom of the trade;
- c. where carriage on deck is permitted under the contract of carriage and subject to prior written approval by Us; or
- d. where the bill of lading is claused “shipped on deck at shipper’s risk” or words having a similar effect on the bill of lading.

## 7. Delays in loading

the non-arrival or late arrival of the Chartered Ship at the load port or the failure to load a cargo in the Chartered Ship.

## 8. Delay

Delay, unless arising from physical loss or physical damage or shortage Covered under Section 2.a.

## 9. Deviation

a deviation within Your control. For the purposes of this exclusion a deviation includes, but is not limited to, a geographical or other departure from the agreed voyage.

## 10. Delivery without surrender of bill of lading

the delivery of cargo carried under a negotiable bill of lading or other document of title without production of an original bill of lading or other document of title by or on behalf of the person to whom delivery is made.

## 11. Market movements

losses of profits due to market movements otherwise than arising out of physical loss or damage to or shortage of cargo Covered under Section 2. a.

# SECTION 3 – PROTECTION & INDEMNITY

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## 1. Cover

Subject to the Limit of Indemnity or Sub-Limit of Indemnity specified in Your Policy Schedule, We will indemnify You in respect of all sums which You will become legally liable to pay as compensation as the result of a claim in the Period of Insurance arising from:

### a. Personal Injury

the Personal Injury of any third party (including the crew of the Chartered Ship) including hospital, medical, funeral and repatriation expenses arising out of such Personal Injury, provided that such liability arises out of negligent acts or omissions on board the Chartered Ship or directly in connection with loading cargo onto or discharging it from the Chartered Ship.

### b. Property Damage

Property Damage (including the infringement of associated rights) to any fixed or movable property whether on or in water or on land arising in connection with the Chartered Ship.

### c. Collision

a collision between the Chartered Ship and any other vessel.

### d. Pollution

Pollution damage arising from the discharge or escape of any substance from the Chartered Ship, including claims arising from measures taken in order to avoid or minimise Pollution damage, as a result of Pollution damage caused by a single Occurrence that is:

- i. sudden and identifiable and neither expected nor intended by You; and
- ii. first commences during the Period of Insurance and takes place in its entirety at a specific time and place, provided that the Pollution damage:
  1. did not result from Your intentional and willful violation of any government statute, rule or regulation;
  2. was not gradual; and,
  3. did not result from a continuous or repeated Occurrence or substantially similar Occurrences,

subject always to there being no recovery under this clause d. in respect of costs or expenses incurred by You pursuant to an order or direction given by a competent government or recognised authority if such liabilities and expenses are Covered under any other insurance.

This clause d. shall not provide Coverage for fines, penalties, punitive or exemplary damages.

### e. Towage

customary towage of the Chartered Ship (but excluding the costs of the contracted service) meaning:

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

### f. Fines

fines imposed directly upon You (or any person who You are liable to reimburse) by any competent court, tribunal or governmental or regulatory authority in respect of the Chartered Ship:

- i. for short delivery or over delivery of cargo or failure to comply with regulations relating to any declaration of goods or to documentation relating to the Chartered Ship or her cargo, but only if and to the extent that You are Covered under Section 2 – Cargo Liability;
- ii. in respect of Pollution but only if and to the extent that You are Covered for Pollution Liabilities under clause 1.d. above; or
- iii. for any other act, neglect or default of any employee or agent of Yours in the course of their duties in respect of the Chartered Ship.

# SECTION 3 – PROTECTION & INDEMNITY

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## g. Salvage and General Average

- i. salvage, salvage charges, general average and special charges for which You are liable in respect of bunkers and/or freight at risk concerning the Chartered Ship.
- ii. liability to the Owner in respect of salvage, salvage charges, general average and special charges arising out of physical loss or physical damage Covered under Section 1 – Hull Liability, clause 1.a.

## h. Quarantine Expenses

extra expenses incurred as a direct consequence of an outbreak of an infectious disease on the Chartered Ship, including quarantine and disinfection expenses and expenses incurred by You (over and above those expenses which would have been incurred but for the outbreak) in respect of fuel, insurance, wages, stores, provisions and port charges.

## i. Stowaways

to the Owner under a Charterparty for fines and other expenses incurred by that Owner as a consequence of stowaways being or having been on board the Chartered Ship, provided that:

- i. the Owner has incurred such fines and expenses under legal liability;
- ii. such expenses are not recoverable by You from any third party;
- iii. there shall be no recovery from Us in respect of liabilities in excess of those You have or would have incurred under the BIMCO Stowaways Clause for Time Charterer Parties 2009 (as time to time amended);

## j. Non-Owned Cargo

physical loss of or damage to cargo In Transit carried under a contract of carriage to which You are not a party, excluding liability for cargo owned by You; and

## k. Removal of Wreck

- i. the reasonable expenses in removing, raising, destroying, lighting or marking the Wreck of the Chartered Ship or any attempt thereat,
- ii. The involuntary shifting or presence of the Wreck of the Chartered Ship or any part thereof, or as a result of the failure to remove, raise, destroy, light or mark it, including seepage and pollution of any substance but only to the extent Covered by clause d. above,

provided that We shall only Cover losses under this clause and k.i and k.ii if the Chartered Ship becomes a Wreck during the Period of Insurance, in which case We shall indemnify You for losses under clauses k.i and k.ii. subject to all the terms of the Policy which occur up to four years after the Period of Insurance ends.

## 2. Excess

Section 3 – Protection & Indemnity is subject to the Excess specified in Your Policy Schedule. However fines relating to cargo under f.i above, will be added to Cargo Claims under Section 2 and fines under f.ii above relating to Pollution will be added to Pollution claims under Section 3 – Protection & Indemnity 1.d.

## 3. Specific Exclusion that Applies to Section 3 – Protection & Indemnity

In addition to the Exclusions that Apply To All Sections of this Policy (see below), We will not indemnify You for any claims directly or indirectly caused or contributed to/by, or in connection with, arising from, or in any way relating to:

### a. Cargo Owner's Pollution Liability

Any claim under Section 3 – Protection & Indemnity, clause d. – Pollution which arises out of Your ownership of or rights in cargo In Transit.

## SECTION 4 - COSTS AND EXPENSES

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Subject to a claim being accepted by Us under Sections 1, 2 or 3 We will also pay the following:

### **a. Mitigation Expenses**

Expenses reasonably incurred by You in seeking to avert or minimise liabilities or expenses which might be recoverable under the Policy in the settlement or defence of any claim for compensation for which You may be liable under this Policy, subject to such expenses being incurred with Our prior written approval, where reasonably practicable.

### **b. Costs**

Costs which were incurred with Our prior written consent and for costs awarded against You, in respect of claims which are Covered under this Policy.

### **c. Inquiry Expenses**

Expenses incurred by You in respect of a formal inquiry into facts and circumstances concerning liabilities which might be Covered by this Policy, subject to such expenses being incurred with Our prior written approval.

## LIMIT OF INDEMNITY

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Our total liability under this Policy in respect of all claims or series of claims arising out of any one event including any costs, fees, fines and expenses shall in no circumstances exceed the Limit of Indemnity or Sub-Limit of Indemnity stated in the Policy. Those limits shall apply to all claims, costs, fees, fines and expenses arising out of any one event whether they are made by one or by more than one Assured.



# CONDITIONS THAT APPLY TO THIS POLICY

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## 1. Premiums and Declarations

The Premium payable under this Policy is based on the estimated number of charters and information provided by You in the proposal or declaration for the Period of Insurance in relation to the extent of Your Ship Chartering Activities. Unless otherwise agreed:

- a. If the deposit Premium is \$10,000 or less, the deposit Premium will be regarded as the minimum Premium for the Period of Insurance shown in the current Policy Schedule and no adjustment or declaration of any information will be required;
- b. If the deposit Premium is more than \$10,000 You must supply a declaration of any information We require within three (3) months of the expiry of the Period of Insurance (or within 1 month where the Policy is cancelled before the expiry date). An adjustment will be made to the deposit premium, based on rates We agreed with You at the beginning of the Period of Insurance. If the adjusted Premium exceeds the deposit Premium, You must pay the difference to Us.

If the adjusted Premium is lower than the deposit Premium, We will pay the difference to You but subject to any minimum Premium for the Period of Insurance shown in the current Policy Schedule.

Your declaration of Ship Chartering Activities must include all relevant amounts in relation to Your Ship Chartering Activities during the Period of Insurance, including the number, GRT and type of vessels chartered and/or type of goods conveyed and/or the voyages undertaken.

## 2. Termination

Subject to the Insurance Contracts Act 1984 (Cth) or the Marine Insurance Act 1909 (Cth), whichever is applicable, this Policy shall terminate if:

- a. You fail to pay the premium or part thereof or any other money due to Us; and
  - i. You are served with a notice of cancellation stating the amount due and requiring You to pay the amount due by a stated date being no less than 7 days from the said service; and
  - ii. You fail to pay the sum due within the time stated in the said notice of cancellation.

In stating the amount due, no account shall be taken of any amount said to be due by Us to You and You shall not be entitled to set off any such sum against the amount due to Us. If the Notice of Cancellation is not complied with within the time stated, We shall not be liable for any claim under the Policy even if it arose before the date of termination or We have admitted liability for or appointed lawyers, surveyors or others to handle such claim.

- b. An Assured corporation is the subject of an order or resolution declaring it to be in receivership, administration, winding-up, provisional or full liquidation, dissolution or other form of insolvency. This will not affect any claims arising out of an event or events which occur prior to the date of termination.
- c. Upon the expiry of 45 days (or such longer period as may be agreed) from the date one party gives the other notice of termination in writing. This will not affect any claims arising out of an event or events which occur prior to the date of termination or Your liability for the Premium up to the date of termination.

Nothing contained in this clause shall affect Our right to Premium paid or due for periods for which We have been on risk or, where applicable, minimum Premium.

## 3. Goods and Services Tax

- a. The amount of premium paid by You for Your Policy includes an amount for GST on the Premium. As You are a commercial entity, You must inform Us of the extent to which You are entitled to an Input Tax Credit for that GST amount each time that You make a claim under Your Policy;
- b. No payment will be made to You for any GST liability that You may incur on the settlement of a claim if You do not inform Us of Your entitlement or correct entitlement to any Input Tax Credit;
- c. Despite the other provisions of this Policy (including provisions in the wordings, Your Policy Schedule or any endorsement) Our liability to You will be calculated taking into account any Input Tax Credit to which You are entitled for any acquisition which is relevant to Your claim, or to which You would have been entitled were You to have made a relevant acquisition; and if the sum insured is not sufficient to Cover Your loss, We will only pay any GST (less any relevant Input Tax Credit) that relates to Our proportion of Your loss.

# CONDITIONS THAT APPLY TO THIS POLICY

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## 4. Government Taxes and Duties

You must pay all levies, taxes, imposts and/or charges, including but not limited to stamp duty and other similar charges which may be payable to or required to be paid to any government in Australia whether acting through any agency, instrumentality or otherwise in relation to Your Policy.

## 5. Law & Jurisdiction

This Policy is subject to Australian law and practice. The Marine Insurance Act 1909 (Cth) or the Insurance Contract Act 1984 (Cth) may apply to this Policy.

Each party agrees to submit to the jurisdiction of any court of competent jurisdiction within Australia and to comply with all requirements necessary to give such court jurisdiction. All matters arising under this Policy will be determined in accordance with the law and the practice of such courts.

## 6. Notices

Where there is more than one of You, any notice given by Us under Your Policy to any one of You will be deemed to be notice given to all of You.

## 7. Other Insurances

You must give Us written notice of any policies of insurance already effected, or which may be subsequently effected, covering whether in whole or in part, the subject matter of the various parts of this Policy. Subject to either the Insurance Contracts Act, 1984 (Cth), or the Marine Insurance Act, 1909 (Cth), whichever is applicable, We reserve the right to seek contribution from such other insurers.

## 8. Reasonable Care

At Your own expense You and any person acting for You or on Your behalf must exercise reasonable care and take precautions and use all due diligence to:

- a. prevent loss or damage to and ensure the safety and security of any item or thing which is the subject of the Cover provided under any part of Your Policy;
- b. employ only competent employees;
- c. comply with all statutory obligations and by-laws or regulations and recognised standards imposed by any public authority;
- d. prevent Personal Injury or Property Damage ;
- e. employ safe work practices; and,
- f. maintain Your property, accessories, plant and equipment, machinery, implements and everything used in Your Business in proper repair and sound condition.

## 9. Subrogation

Upon the payment of any claim under this Policy and subject to any restrictions imposed by the Insurance Contracts Act 1984 (Cth) or the Marine Insurance Act 1909 (Cth), whichever is applicable. We will be subrogated to all Your rights and remedies arising out of such claim against any person or corporation whatsoever. If there is any recovery by way of subrogation that includes both Our loss and Your loss, then We and You will be entitled to Our individual pro-rata proportions of the recovered amount (that includes any interest component) subject to the provisions of whichever of those Acts apply. For the purposes of this clause, loss includes any legal and administrative costs incurred by either party in the recovery.

## 10. Right of Recovery

Where another person other than a person exempted by law, is liable to compensate You for any loss or damage Covered by the Policy, but You have agreed with, or given an undertaking to, that person without Our written authority, either before or after the loss or damage occurred that You would not seek to recover any moneys from that person, We will not Cover You under Your Policy for any such loss or damage.

# CONDITIONS THAT APPLY TO THIS POLICY

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## 11. Joint Assureds

- a. Where Cover is required for a number of Assureds, each Assured will be identified in the Policy. Cover will not be provided for liabilities or expenses incurred by associated or affiliated companies of the Assured, unless the Policy provides to the contrary.
- b. If there are joint Assureds, each Assured shall be jointly and severally liable to Us for premium and other debts. Receipt by one Assured of any payment from Us shall constitute payment to each Assured and shall fully discharge Us from liability in respect of such payment.
- c. There shall be no recovery under this Policy in respect of claims between joint Assureds.

## 12. Assignment

No assignment of this Policy or any interest therein or any money which may be or become payable hereunder shall take place without the prior written agreement of Us who shall have the right in their absolute discretion to give or refuse such consent without reason and upon such terms as they think fit. Any purported assignment without such consent shall be null and void and shall not be binding upon or recognised by Us.

## 13. Duty of Utmost Good Faith

- a. You owe Us a duty of utmost good faith. You are under a duty to disclose all material circumstances to Us before and at the time the Policy (or any amendment or endorsement made thereto) is agreed and throughout the Period of Insurance. Any material non disclosure or misrepresentation may entitle Us to avoid the Policy from inception, subject to the Insurance Contracts Act 1984 (Cth) or the Marine Insurance Act 1909 (Cth), whichever applies to this Policy.
- b. Any information given or representations made shall form the basis of the Policy and any materially inaccurate representation may entitle Us to avoid the Policy from inception.
- c. Any breach of this clause by one joint Assured shall entitle Us to avoid the Policy altogether as against all Assureds.

## 14. Prohibited By Law

Where this Policy provides any indemnity to You which is prohibited by law, this Policy will be varied by operation of this clause so that this Policy does not respond to the extent that the indemnity is prohibited by law.

## 15. Payment of Limit of Indemnity

We may at any time pay to You or any claimant the appropriate Limit of Indemnity or Sub-Limit of Indemnity (after deducting any sum or sums already paid) or any lesser amount for which a claim or claims may be settled and thereupon We will relinquish the conduct and control of and will be under no further liability in connection with such claim or claims except for those costs and expenses incurred prior to the date of such payment.

## 16. Contribution to Costs

If We have not exercised Our rights under Condition 15. of this Policy, Our liability to pay costs and expenses, where any sum or sums exceeding the appropriate Limit of Indemnity or Sub-Limit of Indemnity have to be paid to dispose of a claim or claims, will be limited to such proportion of the said costs and expenses as such Limit of Indemnity or Sub-Limit of Indemnity bears to the amount actually so paid, or to be paid.

# CONDITIONS THAT APPLY TO THIS POLICY

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## 17. Approved Charterparties

- a. Except as otherwise provided Cover under this Policy is only in respect of forms of Charterparty approved by Us. We shall approve the terms of a specimen Charterparty and rider clauses for each form listed. Recoveries under this Policy shall not exceed those sums to which You would have been entitled had the Chartered Ship been chartered on terms not materially different to those of an approved specimen unless We give Our prior written approval to such other terms.
- b. You shall exercise due diligence to ensure that any Charterparty shall contain terms that the Chartered Ship shall, throughout the Period of Insurance, remain:
  - i. fully insured against Owners' P&I Risks with a P&I Club which is a member of the International Group or other P&I insurer approved by Us; and
  - ii. fully insured against hull and machinery risks; and
  - iii. classed with an I.A.C.S. Classification Society.

If You are unable to negotiate the inclusion of any of these terms into a Charterparty, Cover under this Policy shall be subject to Our prior written agreement upon such amended terms as We may require.

## 18. Carriage of Cargo

Cover under this Policy is only in respect of cargoes listed as approved cargoes in the Policy. You shall exercise due diligence so far as it is within Your control to ensure that cargo:

- a. conforms in type, quality and quantity to that permitted in the Charterparty; and
- b. is carried and stowed with the approval and consent of the Owner and/or master of the Chartered Ship; and
- c. is carried and stowed in conformity with all relevant international, national and local conventions, laws and regulations.

## 19. Declaring Vessels

- a. This Policy shall only Cover You in respect of Chartered Ships which have been declared to Us in accordance with the Policy or within 72 hours of the date on which a legally binding Charterparty is agreed.
- b. In respect of an open Cover You undertake to declare and We undertake to insure all Chartered Ships in accordance with the terms of the Policy.
- c. Cover hereunder shall commence from the date on which Your legal liabilities start to arise pursuant to the Charterparty and in connection with the Chartered Ship declared to Us in accordance with the terms of the Policy.

## 20. U.S.A. Oil Pollution Disclaimer

This Policy is not evidence of financial responsibility under the United States of America Oil Pollution Act of 1990 or any similar federal or state laws. Any showing or offering of this Policy by the Assured as evidence of insurance shall not be taken as any indication that We consent to act as guarantors or to be sued directly in any jurisdiction whatsoever. We do not consent to be guarantors or to be sued directly.

## 21. Several Liability of Insurers

If there is more than one Insurer subscribing to this Policy, each Insurer's obligations to the Assured shall be several and not joint and shall be limited solely to the extent of their individual subscriptions. The subscribing Insurers shall not be responsible for the subscription of any co-subscribing Insurer who for any reason does not satisfy all or part of its obligations.

# CLAIMS RESPONSIBILITIES THAT APPLY TO THIS POLICY

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When You suffer loss, damage, liability or expense claimable under this Policy, You, or anyone acting for You or on Your behalf must:

1. take all reasonable measures to avoid or minimise any loss, damage, liability or expense and take all necessary steps to preserve any rights of recourse or other remedies which You or We may have directly or indirectly against any third party;
2. not waive any rights, nor make any admission, offer, promise, payment or indemnity without Our written consent;
3. tell Us all the details of the loss immediately either by submission of a claim form or by providing the information required by **NTI ACCIDENT ASSIST** on **1800 684 669**, and in no case more than 30 days after the loss damage, liability or expense occurred. This information should be provided to Us with any written documentation, for example, a letter of demand from a claimant, a writ, summons or process received from any third party claimant. The obligation to provide this information is ongoing;
4. pay the Excess to Us at the time of lodgement of claim;
5. give Us all information and assistance We require in the prosecution, defence or settlement of any claim or any action or any claim made by You for benefits under Your Policy;
6. notify Us of any other insurance that also provides insurance for any claim under Your Policy;
7. in the event of loss caused by burglary, theft and/ or malicious damage, notify the police immediately and provide to them all assistance to apprehend the offending party;
8. not make any false declaration or statement in support of any claim under Your Policy; and
9. allow Us to exercise Our rights to possession of the damaged or recovered property where We have paid Your claim.
10. When You claim under this Policy:
  - a. We may take over any right that You may otherwise have had against any person who may be held responsible for the loss, damage, liability or expense and to take recovery action in Your name against those responsible; and
  - b. We may take over and conduct in Your name the defence or settlement of any claim or prosecute in Your name for Our benefit, any claim for indemnity or damages or otherwise and will have full discretion in the conduct of any proceedings and in the settlement of any claim.
  - c. We may at Our absolute discretion assume the conduct of any claim against You which may be recoverable under the Policy in Your name or otherwise at any time whether or not We are subrogated to Your rights and may defend, litigate, mediate, settle or otherwise dispose of such claim as We see fit.
  - d. If You do not dispose of the claim in the manner required by Us, any eventual recovery by You from Us under the Policy in respect of such claim shall be limited to the amount You would have recovered had You complied with Our requirements.
  - e. If We have paid a claim under the Policy, We shall be subrogated to Your rights and remedies.
  - f. We shall have the right to appoint lawyers, surveyors, inquiry agents and/or adjusters to investigate and/or handle the claim on Your behalf at Our expense. Any such appointments will not constitute a waiver of any rights or defences, an admission of liability or acceptance of a claim by Us.
  - g. If a recovery is made from a third party in respect of claims which may be or have been paid wholly or in part under the Policy, the costs of pursuing the recovery shall first be deducted from the recovery proceeds and repaid to the party who paid such costs in the first place. The balance shall then as between You and Us be distributed as follows:
    - i. You receive any sum You have paid or lost in respect of which the recovery has been made in excess of the Excess (if applicable) and in excess of all amounts recovered and recoverable under this Policy; then
    - ii. After payment of the amount referred to in sub-clause i. above, We receive all sums which We have paid in respect of the loss which is the subject of the recovery; then
    - iii. After payment of the amounts referred to in sub-clauses i. and .ii. above and (ii), You receive any balance.

# CLAIMS RESPONSIBILITIES THAT APPLY TO THIS POLICY

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11. Security

We are not obliged to provide guarantees, letters of undertaking, bonds or any other security (either directly or indirectly) in respect of any claim; however We may do so at Our absolute discretion subject to the No Waiver of Our Rights provision (clause 12), below.

12. No Waiver of Our Rights

No action by Us or anyone acting on Our or Your behalf in connection with the handling of a claim either under the Policy or by or against a third party including the provision of security and the appointment of lawyers, loss adjusters and others on Your behalf shall constitute a waiver of any rights or defences or an admission of liability by Us.

13. No Set Off

You shall have no right to set off amounts payable to Us against claim payments due or allegedly due from Us to You or any joint Assured.

14. Contracts (Rights of Third Parties)

A person who is not a party to this contract has no right to enforce any term of this contract but this does not affect any right of a third party which exists by law.



# EXCLUSIONS THAT APPLY TO ALL SECTIONS OF THIS POLICY

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We will not be liable for any loss, damage, liability, cost or expense, including without limitation compensation or costs, directly or indirectly caused or contributed to by, or in connection with, or arising from:

## 1. Sanction Limitation and Exclusion Clause

any claim or benefit hereunder to the extent that the provision of such Cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

## 2. Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion

This exclusion shall be paramount and shall override anything contained in this Policy that is otherwise inconsistent.

- 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 d. 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.

## 3. Asbestos

or aggravated by or in any way involving asbestos, asbestos fibres, asbestos products or by-products or derivatives of asbestos, including, but not limited to:

- a. mining, processing, transport, distribution and / or storage of asbestos;
- b. manufacture of asbestos;
- c. processing of asbestos;
- d. installation, removal, cleaning up, decontamination, control or treatment of asbestos;
- e. the inhalation of, or fears of the consequences of exposure to or the inhalation of asbestos; or
- f. any Property Damage (including the resultant loss of use of such property).

## 4. Contractual Liabilities

- a. Liability assumed by an indemnity, hold harmless agreement, guarantee or by the terms of any contract or agreement other than a Charterparty (subject always to exclusion 4.b below), a contract of carriage (subject always to Specific Exclusions to Section 2 - Cargo Liability), or a usual or customary form of salvage, towage, pilotage or stevedoring contract, except to the extent that the Assured would have been under the same liability in the absence of the indemnity or other contract.
- b. Liability arising under or in connection with a Charterparty on terms not approved by Us except to the extent that the liability would have arisen under the terms of any other specimen Charterparty(s) approved by Us for use by You or (for time charterparties) under the terms of the current NYPE form with usual amendments and/or rider clauses (including but not limited to the Inter Club Agreement) or, for voyage charterparties, under the terms of the current Gencon form with usual amendments and/or rider clauses.

# EXCLUSIONS THAT APPLY TO ALL SECTIONS OF THIS POLICY

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## 5. Marine Cyber Endorsement - LMA5403 11/11/19

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.
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.
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.

## 6. Other Insurance

any claims which are, or would be but for the existence of this Policy, insured by any other insurance effected by You or on Your behalf. This exclusion will not apply in respect of any difference in Cover, sum insured or Excess.

## 7. Punitive Damages

any ruling against You for payment by You of aggravated, exemplary, punitive or additional damages resulting from the multiplication of compensatory damages.

## 8. Terrorism

- a. Terrorism; and / or,
- b. steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived Terrorism.

## 9. War, Strikes and Civil Commotion

- a. war, civil war, revolution, rebellion, insurrection, invasion, act of foreign enemy, hostilities (whether war be declared or not), insurrection or the use of military or usurped power, any act by or against a belligerent power or civil strife arising from any such cause;
- b. confiscation, expropriation, nationalisation, requisition or any Property Damage as a result of any order of any government, public or local authority;
- c. capture seizure, arrest, restraint or detainment and the consequences thereof or any attempt thereat;
- d. strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;
- e. derelict mines, torpedoes, bombs, rockets, shells, explosive or other similar weapons of war, except for liabilities, costs or expenses which arise solely by reason of the transport of such weapons either as a result of government order, or with Our written consent where the reason for such transport is the avoidance or mitigation of liabilities, costs or expenses which would otherwise fall within the Cover given under this Policy.

## 10. Silica

the inhalation of, or exposure to silica in any form whatsoever.



# EXCLUSIONS THAT APPLY TO ALL SECTIONS OF THIS POLICY

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## 11. Types of Use

a Chartered Ship used:

- a. for operations of pile driving, pipe laying, blasting, fire-fighting, diving or waste disposal, where the claim arises out of those operations;
- b. for drilling, core sampling, oil production, gas production or similar operations, where the claim arises out of those operations;
- c. as a dredger where the claim arises out of dredging operations;
- d. for salvage operations, where the claim arises from salvage or attempted salvage services provided pursuant to a contractual obligation of the Assured.

## 12. Wilful, Criminal and Unsafe Acts or Lack of Due Diligence

- a. the wilful misconduct of the Assured;
- b. criminal activity of which the Assured was aware or ought to have become aware during the normal course of running their business, or which the Assured recklessly disregarded or failed to take reasonable steps to prevent;
- c. any carriage, trade or voyage which is or which the Assured should have known to be imprudent, unsafe, unduly hazardous, or improper;
- d. a failure by the Assured to exercise due diligence in the chartering of an Chartered Ship including a failure to make adequate enquiries to ascertain that the Chartered Ship is:
  - i. fully insured against Owner's P&I Risks with a P&I Club which is a member of the International Group or other P&I insurer to which We have given Our prior written approval; and
  - ii. fully insured against Hull & Machinery risks; and
  - iii. classed with an IACS approved Classification Society; and
  - iv. compliant with ISM.

If You are unable to comply with any of these terms, Cover under this insurance shall be subject to Our prior written agreement upon such amended terms as We may require.

## 13. You, Your Property or Passengers:

in respect of:

- a. Personal Injury to directors, officers or employees of the Assured, associated or affiliated companies;
- b. passengers; or
- c. loss of or damage to any property (including cargo) owned or leased by You, or Your associated or affiliated companies;

## 14. Insolvency

arising directly or indirectly out of the insolvency or financial default of the Assured;

## 15. Bareboat Charter

arising under and/or in relation to bareboat charters or charters by demise;

## 16. Cancellation of Charterparty or Engagement

arising out of the cancellation by You of a Charterparty or other engagement entered into in respect of the Chartered Ship;

# EXCLUSIONS THAT APPLY TO ALL SECTIONS OF THIS POLICY

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## **17. Contraband or Prohibited by Law**

Any claim in relation to:

- a. contraband, blockade running, unlawful trade, illegal fishing, breach of routing regulations; or
- b. entering into or trading in waters where the Chartered Ship is restricted, limited or prohibited by any international convention, treaty or law,

in so far as You were privy to such actions.

## **18. Communicable or Infectious Disease**

- a. The infection of property, humans, animals or other living creatures by infectious matter or parasite, or the spreading or releasing thereof whether accidentally, knowingly, wilfully, maliciously or otherwise; or
- b. any losses caused by a disease listed in the Biosecurity Act 2015 (including consequential amendments and transitional provisions); or
- c. any disease in any way related to any form of Coronavirus, SARS, Avian Flu, Swine Flu or similar disease; or
- d. any disease directly or indirectly caused by or in connection with negatively stranded RNA virus or viruses belonging to the Influenza A genus of the family: Orthomyxoviridae





## **NATIONAL OFFICE**

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