




## MultiModal

EF MARINE'S EXCLUSIVE SOLUTION FOR CHARTERERS

## Claims Emergency

Our claims response service is available 24/7/365 and provides immediate global assistance. Calling the emergency contact number provides a quick and effective way to speak directly to a duty claims handler in the event of an incident or casualty involving an Insured Vessel. During office hours the emergency number will redirect to the relevant corresponding office switchboard.


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## Correspondents

Our Assured's and brokers are supported by a global network of Correspondents, our local experts who are readily available to provide practical, local advice and support. Contact details for all the Companies Correspondents can be found online at:

 [www.efmarinegroup.com](http://www.efmarinegroup.com)

## Data Privacy Notice

EF Marine is committed to manage personal data in accordance with data protection law and data protection principles. To provide our Assured's with high-quality insurance and high-quality service associated to this insurance we collect information. This may be personal information such as name, address, contact details, identification details, risk details and financial details. EF Marine's full Data Privacy Notice can be found at [www.efmarinegroup.com](http://www.efmarinegroup.com) or can be obtained by contacting our Data Protection Officer by email.

 [compliance@efmarinegroup.com](mailto:compliance@efmarinegroup.com)

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## Part 1 - Introductory

### A. TERMS AND SCOPE OF COVER

- 1.1 The Assured is insured on the terms set out in these Terms and Conditions, the Certificate of Insurance and any Endorsement thereto hereinafter referred to as The Insurance.
- 1.2 The Assured is insured for liabilities, losses, costs and expenses which arise;
  - 1.2.1 in direct connection with the Assured's activities as described under "Insured Business";
  - 1.2.2 out of an Event taking place during the Period of Insurance.
- 1.3 The Assured is only covered for such of those risks specified in Part 2 and any additional covers as are expressly prior agreed between the Assured and the Company.

### B. DURATION OF COVER

This Insurance shall commence on the date prescribed in the Certificate of Insurance and be effective for the duration of the period of insurance mentioned in the Certificate of Insurance, unless and until cover ceases or the insurance expires or is terminated in accordance with section 22.

### C. GENERAL PROVISIONS

Words which start with a capital letter in these Terms & Conditions are defined in and shall have the meanings set out in Part 5 - Definitions.



## Part 2 – Liability

### LEGAL AND CONTRACTUAL LIABILITY

1. Cover provided:  
The Company shall indemnify the Assured against legal liabilities. Contractual liabilities exceeding the legal liability of the Assured, are only covered if and to the extent that the terms of the contract have been approved in writing by the Company.

### ERRORS AND OMISSIONS

2. Cover provided:  
The Company shall indemnify the Assured against the liability for a negligent act, error or omission and/or failure to perform the contractual obligations.  
Provided that the negligent act, error or omission and failure to perform the contractual obligations was not committed intentionally or recklessly and arising out of the Assureds activities as described under “Insured Business”.

### CARGO

3. Cover provided:
  - 3.1. The legal liability or approved liability under a contract for loss, shortage and damage to cargo under his possession or being handled and/or carried in relation to the Assureds activities as described under “Insured Business”.
  - 3.2. The additional costs and expenses over and above those which would have been incurred by the Assured in any event under the contract of carriage, which have been incurred by the Assured in discharging or disposing of damaged or worthless cargo, but only if and to the extent that the Assured is unable to recover those costs from any other party.
  - 3.3. The liabilities and additional costs incurred by the Assured, over and above the costs which would have been incurred by him if the cargo had been collected or removed, solely by reason of the total failure of a consignee to collect or remove cargo at the port of discharge or place of delivery, but only if and to the extent that such liabilities or costs exceed the proceeds of sale of the cargo and the Assured has no recourse to recover those liabilities or costs from any other party.

## POLLUTION

4. Cover provided:

The Company shall indemnify the Assured against the legal liability for pollution and or contamination of soil, air or water, if said pollution and/or contamination is the direct consequence of a sudden and accidental incident and when and to the extent that they are caused by or incurred in consequence of the Assureds activities as described under "Insured Business".

## INJURY, LOSS OF LIFE AND ILLNESS

5. Cover provided:

The Company shall indemnify the Assured against the liability to pay damages or compensation for personal injury, death or illness of any person, other than an employee, including hospital, medical or funeral expenses incurred in relation to such injury, death or illness.

## LOSS OF OR DAMAGE TO PROPERTY

6. Cover provided:

The Company shall indemnify the Assured against the liability to pay damages or compensation for any loss of or damage to any property whether on land or water and whether fixed or moveable.

## FINES AND DUTY

7. Cover provided:

The Company shall indemnify the Assured against the liability for fines and/or duties imposed by any court, tribunal, or Authority of competent jurisdiction upon the Assured or upon any person for whom the Assured is legally liable to reimburse, for any of the following:

- A. Short or over delivery of cargo or for failing to comply with regulations concerning declarations relating to goods or cargo;
- B. In respect of pollution by oil or other substance;
- C. Smuggling or any infringement of any customs law or regulation relating to the cargo;
- D. any act, neglect or default, other than those specified above, of any servant or agent of the Assured during their duties in respect of the Insured Activities.

### GENERAL AVERAGE

8. Cover provided:  
The Company shall indemnify (without application of deductible) the Assured against the liability to pay the freight proportion of General Average, salvage and/or salvage charges.

### SUE & LABOUR AND LEGAL COSTS

9. Cover provided:  
The Company shall indemnify the Assured for costs and/or expenses reasonably incurred by the Assured with the intention of preventing or minimizing a loss for which the Company would have been liable under the terms and conditions of this policy, provided that such costs and/or expenses have been incurred with the Company's prior approval and the loss will be above the deductible.

### COLLECTION COSTS

10. Cover provided:  
The Company shall indemnify the Assured for reasonable costs, incurred with the Company's prior approval, relating to a debt owed to the assured, provided that the amount due to the insured are being withheld by a third party solely because of a claim for which the Company may be liable under the terms and conditions of the policy.

### INTERFERENCE BY GOVERNMENT AUTHORITIES

11. Cover provided:  
The Company shall indemnify the Assured for expenses incurred in defending or seeking redress where there has been interference with the operation of the Insured Activities by any lawful authority in any country which the Company shall, in its own discretion, decide is unwarranted and requires investigation.

### OMNIBUS

12. Cover provided:  
The Company may, in exceptional circumstances and in its absolute and sole discretion, cover the Assured's liability, loss, costs or expense which are incidental to the business of ship owning and which would not otherwise be covered under This Insurance, to the extent that the Company considers that such cover would be appropriate.

## Part 3 – EXCLUSIONS AND LIMITATIONS

### GENERAL EXCLUSIONS AND LIMITATIONS

#### 13.1 This Insurance excludes liabilities, costs and expenses:

- a. Arising out or connected with willful and /or intentional wrongful acts of the management of the assured(s).
- b. If the Assured has failed to promptly provide the Company or its nominated representative with any information or documentation relating to any claim or dispute under This Insurance.
- c. If the insured is held liable because of a penalty, guarantee or other similar clause, except if and in so far as liability would have existed even without such a clause.
- d. If the claim or dispute is between joint assureds or between associated persons.
- e. If the claim or dispute arose out of or consequent upon any actions in respect of illegal goods, contraband, blockade running or being employed in an unlawful trade or that an action was imprudent, unsafe, unduly hazardous or improper.
- f. Arising from another activity and/or capacity, as mentioned under "Insured Business".
- g. Which are covered under any other policy or would be covered under any other policy in case this insurance would not exist.
- h. Arising from or caused by war and warlike operations, civil war, revolution, rebellion, insurrection, terrorist act (or act by any person acting from political or religious motive) or any weapons of war.
- i. Arising from or caused by acts of violence committed in connection with strike, lock-out of workmen, labour disturbances, riots and local disturbances.
- j. Arising from or caused by any continuous, intermittent or repeated exposure to or ingestion, inhalation or absorption of the following substances in any form or condition and whether directly or indirectly: asbestos, tobacco, coal dust, polychlorinated biphenyls, silica, benzene, lead, talc, dioxin, pharmaceutical products or drugs of any type, pesticides or herbicides, human immune virus or acquired immune deficiency syndrome and/or electromagnetic field.
- k. Arising from the making of agreements restricting competition, or of any other action of omission with a character of restricting competition.



- l. Arising from infringement of patents and licenses.
- m. Arising from or caused by slander or libel.
- n. Caused by any property or equipment owned, leased, hired, occupied or rented by the Assured.
- o. Arising from the Assured being the owner, operator and/or user of any vehicle(s) and/or conveyance(s) of any description required to be licensed under statutory provision(s) and/or regulations, and/or arising from or caused by a vehicle, chassis, trailer, conveyance and/or the like on public roads and/or outside the confines of the port and/or terminal.
- p. Arising from any interest the Assured may have in any vessel, aircraft and/or helicopter whether owned, leased, rented, hired, chartered, or operated by the Assured, including any management and/or operation of any airport, area or building upon which aircraft and/or helicopter(s) land or maneuver, or which they are housed, maintained or repaired.
- q. Directly caused by dredging operations.
- r. Arising from USA Law and Jurisdiction.
- s. Arising out or connected with Employers Liability.

#### **SPECIFIC EXCLUSIONS AND LIMITATIONS**

- 13.2.1. Cargo (Part 2, section 3)
- 13.2.2. Notwithstanding the Period of Insurance and the Insured Activities hereunder there shall only be recovery from the Company under this Article if and only if the loss or damage is suffered or legal liability is incurred between the time of receipt for transport and completion of delivery at the final destination.
- 13.2.3. There shall be no recovery from the Company under this Article in respect of liabilities, costs or expenses:
  - 13.2.3.1. arising from bill of lading, way bill or other document containing or evidencing the contract of carriage, issued with the knowledge of the Assured, or his agent with an incorrect description of the cargo or its quantity or its condition.
  - 13.2.3.2. arising from the issue of a bill of lading or other document containing or evidencing the contract of carriage which contains any fraudulent misrepresentation, including but not limited to the issue of an ante-dated or post-dated bill of lading or other document.
  - 13.2.3.3. in respect of Valuables, bullion, precious or rare metals or stones, plate, jewellery or other objects of a rare or precious nature, bank notes or other forms of currency, bonds or other negotiable instruments or specie, unless the Company has approved the carriage in writing.

13.2.3.4. arising because of or arising following a deviation from the contractually agreed voyage and if because of such a deviation the Assured is not entitled to rely on any defences or rights of limitation which would otherwise have been available to him to reduce or eliminate his liability. The Company may agree special cover at terms to be agreed, if the deviation is reported before it occurs.

13.3. Standard terms of carriage (by sea)

There shall be no recovery from the Company in respect of liabilities, costs and expenses, which would not have been incurred by the Assured if the cargo had been carried on terms no less favorable to the Assured than those laid down on the Company's recommended standard terms of carriage which shall be the Hague-Visby Rules. There shall be no recovery from the company in respect of liabilities arising under the Hamburg Rules, unless the Hamburg Rules are compulsorily applicable to the contract of carriage by operation of law.

13.4. Standard terms of carriage (other than by sea)

There shall be no recovery from the Company in respect of liabilities, costs and expenses, which would not have been incurred by the Assured if the cargo had been carried on terms no less favorable to the Assured than those laid down on the Company's recommended standard terms of carriage which shall be a National and/or International Convention that is compulsory or statutorily applicable.

13.5. Ad valorem cargo

Where the value of any cargo is declared upon the bill of lading or other document containing or evidencing the contract of carriage at a figure in excess of US\$ 2,500.- (or the equivalent in the currency in which the declared value is expressed) per unit, piece or package, the liability of the Company under this Section shall not exceed US\$ 2,500.- per unit, piece or package, unless the Company has agreed in writing to provide cover at a higher value.

14. Pollution (Part 2, section 4)

14.2. There shall be no recovery from the Company under this article if the assured is also the owner of the cargo causing the pollution.

14.3. Any Certificate of Insurance or confirmation of cover pursuant to this policy shall not be deemed to be evidence of financial responsibility under the Oil Pollution Act of 1990 or any similar federal or state law and may not be shown or tendered to the United States Coast Guard or any federal or state agency as evidence of financial responsibility or evidence of insurance. The Company does not consent to be a guarantor.

15. Fines and Duty (Part 2, section 7)

15.2. There shall be no recovery from the Company under this article in respect of:

15.3. Overloading.

15.4. Entry of the vessel or other mean of transport into prohibited areas.

15.5. Disregarding routing regulations.

## PART 4 – GENERAL TERMS AND CONDITIONS

### 16. APPLICATION OF TERMS

Any contract of insurance effected pursuant to This Insurance wording shall incorporate the general terms and conditions and the terms and conditions of Part 2, Part 3 or Part 4 when applicable. The terms and conditions set out in each Part in This Insurance shall prevail over the general terms and conditions in the event of a conflict between them, but any terms appearing in the Certificate of Insurance shall prevail above all others.

### 17. APPLICATION FOR INSURANCE

The contract of insurance between the Company and the Assured shall rely on the information provided by the Assured in the form supplied by the Company at the time of applying for insurance.

### 18. CERTIFICATE OF INSURANCE

18.2. On acceptance of the application for insurance by the Company, a Certificate of Insurance will be issued by the Company evidencing the terms and conditions of the contract of insurance between the Company and the Assured, which shall also state:

- 18.2.1. Name of Assured on whose behalf the Insured Vessel is insured and name of any Co-assured.
  - 18.2.2. The Part of Insurance and any special terms and/or warranties.
  - 18.2.3. The name and main details of the Insured Vessel(s).
  - 18.2.4. The Attachment Date of the Insured Vessel(s) and the Period of Insurance.
  - 18.2.5. The maximum amount insured.
  - 18.2.6. The applicable Deductibles.
- 18.3. If at any time during the Period of Insurance the terms relating to any Insured Vessel vary, the Company will issue an endorsement stating the terms and effective date of such variation.
- 18.4. Every Certificate of Insurance shall be conclusive evidence as to the terms of the contract of insurance or as to the variation of such terms.

## 19. EXCLUSIONS AND LIMITATIONS

- 19.2. The Assured shall not be entitled to recover under any part of This Insurance, if:
- 19.2.1. The Assured has failed to exercise reasonable care in the chartering, operation or management of the Insured Vessel including taking reasonable steps to check the solvency and reputation of the other party to any Charter Party;
  - 19.2.2. The Assured has failed to promptly provide the Company or its nominated representative with any information or documentation relating to any claim or dispute under this policy;
  - 19.2.3. The claim or dispute is between Joint Assureds or between Associated Persons;
  - 19.2.4. The claim or dispute arose out of or consequent upon the Insured Vessel carrying illegal goods, contraband, blockade running or the Assured recklessly or intentionally employed or caused the Insured Vessel to be employed in an unlawful or unduly hazardous or improper trade or voyage or that the Cargo carried and/or the method of its securing or unsecuring, carriage, loading, discharging, inspection, maintenance, treatment or lack thereof during the voyage was unduly hazardous, patently inappropriate or improper;
  - 19.2.5. it concerns consequential loss, general monetary loss, or loss of time, loss through price, market or currency fluctuations, loss of market or similar loss, loss of production, depreciation, loss of opportunity, loss of profit, or similar loss, except where the Assured is legally liable to a third party for such loss and such liability is covered under these Terms and Conditions.
  - 19.2.6. performing Specialist Operations unless prior written approved by the Company
  - 19.2.7. cargoes that are not carried in accordance with the specific international guidelines applicable including, but not limited to, the IMDG, IBC or IMSBC Code, and port/local regulations; or which are carried on board vessels which do not comply with the requirements as set for the carriage of such Cargo. The transport of this type of Cargo to be always approved under the Charter Party and done with the knowledge and consent of the master/owners;

- 19.2.8. War Risks  
The liabilities, costs, losses or expenses are caused by:
- a) war, civil war, revolution, rebellion, insurrection, terrorist act or civil strife arising from that, 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 Vessel;
  - d) nuclear risks;
  - e) willful misconduct on the part of the Assured, such misconduct being an act intentionally done, or a deliberate omission by the Assured, 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.
- 19.2.9. The Insured Vessel has been, or is intended to be, employed in trades or areas other than those agreed with the Company;
- 19.2.10. The Assured has failed to declare the Vessel to the Company prior to commencement of the Charter Party or voyage, unless specifically otherwise agreed in the Certificate of Insurance;
- 19.2.11. The claim is in respect of liability, losses, costs and expenses arising out of performing Specialists Operations, unless agreed by the Company in writing prior to attachment;
- 19.2.12. The Claim is in respect of liability, losses, costs and expenses arising out of the carriage of Passengers, unless agreed by the Company in writing prior to attachment;
- 19.2.13. The liability arises under the terms of any contract of indemnity and would not have arisen but for those terms, unless those terms were previously approved by the Company in writing.

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

- 19.3.1. This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.
- 19.3.2. 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 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.

19.4. Marine Cyber Endorsement [LMA 5403]

- 19.4.1. Subject only to section 19.4.3. 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.
- 19.4.2. 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.
- 19.4.3. 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, section 19.4.1. 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.

## 20. PAYMENTS TO THE COMPANY

- 20.2. The obligation to pay the premium is an obligation solely of the Assured. Section 53 of the Marine Insurance Act shall not unless otherwise agreed apply.
- 20.3. The Assured shall pay the premium strictly as required by the Company in the Certificate of Insurance or as the Company shall specify from time to time. Time shall be of the essence about any due date as hereinafter defined.
- 20.3.1. The Certificate of Insurance or other written notification by the Company requires payment to be made in full by a given date or within the period there set out this shall be the "due date" by which the Assured must pay.
- 20.3.2. If the Certificate of Insurance or other written notification by the Company requires payment to be made in instalments by a series of dates or periods as there set out, then each date or period shall count as a "due date" by which the Assured must pay, although it is expressly agreed and noted that the instalment payments do not render the policy severable.
- 20.3.3. If the Certificate of Insurance or other written notification by the Company requires payment to be made against periodic bordereaux of chartered vessels or pursuant to individual or group declarations ("schedule payments") then the payment date for each schedule payment shall count as a "due date". It is expressly agreed that the schedule payments do not render the policy severable.
- 20.4. No claim of any kind whatsoever by the Assured against the Company shall constitute any right of set-off against the premiums or other sums due to the Company or shall entitle the Assured to withhold or delay payment of any premiums or other sums due under this Policy of Insurance.
- 20.5. If any premium or other sum due to the Company is not paid on, or before, the date specified by the Company, interest shall be payable from the date specified for payment thereof to the date of payment at a rate which the Company shall from time to time determine.
- 20.6. Where the Assured has failed to pay, either in whole or in part, any premium or other sums due to the Company by a due date notwithstanding that, in relation to instalment payments and schedule payments, the Assured may have paid any prior amount(s) by the due date(s), the Company shall have the right to serve a notice upon the Assured requiring him to pay such amount by any date specified in such notice, not being less than seven (7) days from the date on which notice is given.

If the Assured fails to make such payment in full on or before the date so specified, the insurance of the Assured shall be cancelled forthwith without further notice or any other formality. The effect of such cancellation shall be as set out in section 29.1 below.

Notwithstanding that the insurance has been cancelled by this section, the Assured shall be liable for all or any amounts which have fallen due under this policy prior to such cancellation.

- 20.7. The Company shall be entitled, once premiums and other sums have become due and payable, to commence an action against the Assured or any other liable Person, for the recovery of these amounts.
- 20.8. For the avoidance of doubt, in relation to schedule payments the Assured may not elect or seek to appropriate any one premium payment to a schedule payment. Its obligation is to pay each schedule payment as it falls due and in strict rotation. The Company may serve a notice pursuant to section 26.5 in respect of any failure to pay by a due date and its right of cancellation pursuant to section 26.5, and the effect thereof pursuant to section 29.1, shall subsist and there shall be no waiver in respect thereof even if an earlier or later schedule payment(s) has been made by a due date(s). Should the Assured electronically transmit funds after a due date or after the notice period specified in the Company's notice under section 26.5 has expired then the acceptance of such funds is conditional only and the Company in its sole discretion may unequivocally accept or reject the late payment. If the Company rejects the late payment, then this insurance shall be effectively cancelled as from the expiry of the notice period and section 29.1 shall be fully effective.
- 20.9. The Assured shall indemnify the Company and hold it harmless in respect of any liability, cost or expense incurred or amount paid by the Company in respect of any Insurance Premium Tax for which the Assured is liable.

## 21. CLAIMS

- 21.2. Upon the occurrence of any casualty, event or matter liable to give rise to a claim by the Assured against the Company, it should be the duty of the Assured and his agents to take and continue to take all such steps as may be reasonable for the purpose of averting or minimising any expense or liability in respect of which he may be insured by the Company. If the Assured commits any breach of this obligation the Company may reject any claim by him.
- 21.3. If the Assured makes any request for payment under this Policy of Insurance knowing it to be fraudulent or false in any respect (or in circumstances where it ought reasonably to be known to be so) or where the Assured colludes with a third party with a view to making a fraudulent claim under this policy, the Company may reject this request for payment.
- 21.4. If the Assured becomes insolvent during any claim to which the Company has given support, the Company shall thereupon reserve the right to withdraw that support forthwith.
- 21.5. It is a condition precedent to Company's liability hereunder that the Assured shall give prompt notice in writing to the Company of any claim, dispute, matter or Event, which has arisen or has occurred and which is liable to give rise to a claim under this Policy of Insurance and give the Company all relevant facts of which the Assured has knowledge at the time of any notification.



- 21.6. The Assured must always promptly provide the Company of any documents, reports, evidence or other information relevant to any claim, dispute, matter or Event which has led, or which is liable to lead to a claim under this Policy of Insurance, and which are in the possession or power of the Assured or his agents or otherwise within his knowledge.
- 21.7. When so requested by the Company, the Assured shall promptly produce, or cause his agents promptly to produce all such documents or information of whatsoever nature which are or may be relevant to the Assured's claim or intended claim.
- 21.8. The Assured shall permit the Company or his appointed agent or servant to interview any servant or agent or other person who may have been working for the Assured at the material time or at any time thereafter or whom the Company considers likely to have any direct or indirect knowledge of the matter giving rise to a claim under this Policy of Insurance.
- 21.9. Any lawyer, surveyor or other expert or adviser shall be selected by the Company. The Company may, at its sole discretion, approve or decline any suggestions of the Assured in this regard. A lawyer, surveyor, expert or other adviser so selected shall be appointed and employed solely on the basis:
- 21.9.1. That they are employed by the Assured who shall be deemed their principal.
  - 21.9.2. That they have standing instructions from the Assured at all times to give advice and report to the Company directly without prior reference to the Assured and shall produce to the Company any and all relevant documents or information obtained by them whether from the Assured or howsoever and whether or not such advice, reports, documents or information would otherwise be the subject of legal or any form of privilege as if they had been appointed to act at all times and had at all times been acting on behalf of the Company and the Company may at any time whatsoever rely upon such advice, reports and documentation or information as it in its absolute discretion deems fit, including but not limited to, the provision of further support and on coverage under the Policy of Insurance.
  - 21.9.3. That notwithstanding section 27.8.2 above, any reports or advices given pursuant to this section shall not bind the Company to any course of action.
  - 21.9.4. That they shall provide costs and disbursement estimates to the Company at the Company's request. If so advised by the Company in writing, no legal costs and expenses shall be incurred by them without the Company's express prior approval.
  - 21.9.5. Where legal steps or other proceedings are undertaken by lawyers or other parties appointed by the Assured or its agents, the Company has the discretion to decline to pay for such legal services. The Company furthermore has the right to control or direct the conduct of handling of any case or legal and other proceedings relating to any matter in respect whereof legal and other costs are covered and to require the Assured to settle, compromise or otherwise dispose of the case or legal and other proceedings in such manner and upon such terms as the Company deems necessary. The Company shall be under no liability to reimburse an Assured for costs incurred before the Company has been notified of a claim under the cover.

- 21.9.6. The Company is under no obligation to provide bail or other security on behalf of the Assured, but from time to time the Company may in its sole discretion decide to provide bail or other security on such terms as the Company may consider appropriate.
- 21.10. The provision by the Company of bail or other security, or otherwise acting on behalf of the Assured, shall not constitute an admission of liability by the Company for the claim in respect of which the bail or other security is given.
- 21.11. The provision by the Company of bail or other security is always subject to payment to the Company of the applicable Deductible(s) and all outstanding premiums.
- 21.12. It is a condition precedent to the Assured's right of recovery under this policy regarding any claim by the Assured in respect of any loss, expense or liability, that the Assured shall first have discharged any loss, expense or liability.
- 21.13. Where the Company has indemnified the Assured for any claim under this policy, the Company shall be entitled to any recovery from a third party in respect of that claim and the Assured shall, upon first request of the Company, provide all documents to enable the Company to exercise the Assured's rights of recovery.
- 21.13.1. Where the Assured because of an Event which is covered by the Company obtains extra revenue saves expenses or avoids liability or loss which otherwise would have been incurred and which would not have been covered by the Company, the Company shall be entitled to recover from the Assured or retain from any sum which would otherwise be payable to the Assured, an amount equivalent to the benefit obtained by the Assured.
- 21.13.2. Where an Assured or Co-assured is entitled to limit any liability covered by the Company, there shall be no recovery in respect of such liability for more than the amount to which liability could have been limited.

## 22. CESSER OF INSURANCE AND TERMINATION

The Assured shall cease to be insured by the Company in respect of all Insured Vessels upon the happening of any of the following:

- 22.2.1. In respect of the Assured:
  - 22.2.2. If the Assured is served in accordance with section 26.5 or section 32.3 with a notice by the Company requiring him to pay any amount due to the Company and he fails to pay such amount on or before the date specified in such notice;
  - 22.2.3. Where the Assured is an individual, upon his death or if a receiving order shall be made against him or if he shall become bankrupt or make any composition or arrangement with his creditors generally or if he shall become incapable by reason of mental disorder of managing and administering his property and affairs;
  - 22.2.4. Where the Assured is a corporation, upon the passing of any resolution for voluntary winding up (other than voluntary winding up for the purposes of Company or group reorganisation) or upon an order being made for compulsory winding up or upon dissolution or upon a receiver or manager of all or part of the corporation's business or undertaking being appointed or upon possession being taken by or on behalf of the holders of any debentures secured by a floating charge of any property comprised in or subject to the charge.
- 22.3. In respect of the Insured Vessel:
- 22.3.1. If the Assured assigns rights and/or obligations under the Charter Party or any other contract for which the Insured Vessel is insured;
  - 22.3.2. From the date of redelivery of the Insured Vessel or termination of the contracted voyage by any reason;
  - 22.3.3. If the Insured Vessel becomes a total loss or is accepted under the Hull or War Risks Policies as being a constructive, compromised or arranged total loss, the Company will then be entitled to receive full annual premium and any outstanding payments will become immediately due;
  - 22.3.4. If the Insured Vessel is missing for 10 days from the date she was last heard of, or upon her being posted at Lloyd's as missing, whichever shall be the earlier;
  - 22.3.5. If the Insured Vessel is requisitioned by a State of government authority.
- 22.4. Termination by the Company
- The Company may terminate cover of any or all of the Assured's vessels covered, on such notice in writing as the Company may decide where, in the opinion of the Company, the Assured has exposed or may expose the Company to the risk of being or becoming subject to a sanction, prohibition, restriction or other adverse action by a state or international organisation or competent authority.

### **23. EFFECT OF CESSER OF INSURANCE**

- 23.2. If the cesser of the insurance occurs because of a cancellation for failure to pay premiums, the Assured shall cease to be insured as from the Attachment Date and the Company shall not be liable for any claims of whatsoever nature in respect of any Insured Vessel under this policy, whether the incident giving rise to such claim occurred before or after the cesser of this insurance and notwithstanding the Company may have admitted liability for or appointed lawyers, surveyors or any other Person to deal with any claims or the Company has posted or promised security. The Assured must in all cases make alternative arrangements for the defence or prosecution of any claims and for the provision of substitute security and do all things necessary to take over and handle any claims as prudent uninsured.
- 23.3. If the cesser of insurance occurs for any other reason, the Company shall remain liable for all claims under this policy arising from any incident which occurred before the cesser but shall be under no liability in respect of any claim arising out of any occurrence or Event after the cesser.

### **24. MAXIMUM INSURED AMOUNT**

- 24.2. The maximum liability of the Company under this policy in respect of each accident or occurrence relating to the Insured Vessel and falling within the Period of Insurance shall be limited to the amount(s) specified in the Certificate of Insurance.
- 24.3. Where more than one limit applies, the Company's liability shall not exceed the lowest applicable limit.

### **25. LIMIT OF LIABILITY**

The total limit of liability of the Company under this policy in respect of claims or series of claims arising out of any one Event including any costs, fees and expenses shall in no circumstances exceed the amount stated in the Certificate of Insurance. This limit shall apply to all claims, costs, fees and expenses arising out of the Event whether they are made by one or by more than one Assured.

## 26. DEDUCTIBLES

- 26.2. Any claim recoverable under this policy shall be limited to the excess of the Deductibles specified in the Certificate of Insurance.
- 26.3. The Assured shall pay the Deductible on or before the date specified by the Company.
- 26.4. Where an Assured has failed to pay, either in whole or in part, any amount due from the Assured to the Company, the Company shall have the right to serve a notice upon the Assured requiring him to pay such amount by any date specified in such notice, not being less than seven (7) days from the date on which notice is given. If the Assured fails to make such payment in full on or before the date so specified, the insurance of the Assured shall be cancelled forthwith without further notice or formality. Notwithstanding that the insurance has been cancelled by this clause, the Assured shall be liable for all or any amounts which have fallen due under this policy prior to such cancellation.
- 26.5. The Company shall be entitled, once Deductibles have become due and payable, to commence an action against the Assured or any other Person liable to recover any such unpaid Deductible.

## 27. JOINT ASSURED AND CO-ASSURED

### 27.2. Joint Assureds

- 27.2.1. The Company may agree to extend the Policy of Insurance to a Joint Assured named in the Certificate of Insurance.
- 27.2.2. Joint Assureds shall be jointly and severally liable to pay all amounts due to the Company.

### 27.3. Co-assureds

- 27.3.1. The Company may agree to extend cover under the Policy of Insurance to a Co-assured named in the Certificate of Insurance.
- 27.3.2. The cover afforded to the Assured shall extend only insofar as such Co-assured may be found liable to pay in the first instance for loss or damage which is properly the responsibility of the Assured (or, in the case of Defence cover, insofar as such Co-assured may be required to resist a claim arising from such a liability), and nothing herein contained shall be construed as extending cover in respect of any amount which would not have been recoverable from the Company by the Assured had the claim in respect of such loss or damage been made or enforced against him.
- 27.3.3. A Co-assured shall not be liable for amounts due to the Company by the Assured, unless they approach the Company for cover in which case they will be jointly and severally liable to pay all amounts due to the Company.

#### 27.4. Terms of cover:

- 27.4.1. Any payment by the Company to the Assured or any one of the Joint Assureds, or any Co-assured, shall be deemed to be complete payment to the Assured and to all Joint Assureds and Co-assureds jointly and shall fully discharge the obligations of the Company in respect of that payment.
- 27.4.2. The contents of any communication between the Company and the Assured, or any Joint Assured or any Co-assured, shall be deemed to be within the knowledge of the Assured and all Joint Assureds and Co-assureds.
- 27.4.3. Any failure by the Assured, or any Joint Assured, or any Co-assured to comply with any of the obligations under this Policy of Insurance, shall be deemed to be a failure of the Assured and all Joint Assureds and Co-assureds.
- 27.4.4. Any conduct or omission (including misrepresentation or non-disclosure) by the Assured, or any Joint Assured or any Co-assured, which would have entitled the Company to reject or reduce any claims shall be deemed to have been the failure of the Assured and all Joint Assureds and Co-assureds.
- 27.4.5. The Company shall not cover any liability, loss, expense or costs in respect of any dispute between the Assured and any Joint Assured, Co-assured or Affiliate, or between Joint Assureds, or between Co-assureds and Affiliates.
- 27.4.6. The total liability of the Company in respect of any one Event, to the Assured, and to any Joint Assured or Co-assured shall not exceed such sum as would have been recoverable from the Company only by the Assured.
- 27.4.7. If the total liability of the Company is less than the total sum claimed by the Assured and by any Joint Assured or Co-assured, the Company shall be entitled to apportion payment in proportion to the respective amounts claimed.

#### 28. ASSIGNMENT

- 28.2. No insurance provided by the Company and no interest in any contract between the Company and the Assured may be assigned without the written consent of the Company, who shall have the right in its sole discretion to give or refuse such consent without stating any reason or to give consent upon any such terms or conditions as the Company may think fit.
- 28.3. The Company shall be entitled, before paying any claim to an assignee of the Assured, to deduct or retain such amount as the Company may then estimate to be sufficient to discharge any liabilities of the Assured to the Company, whether existing at the time of the assignment or having accrued or being likely to accrue thereafter.

#### 29. FORBEARANCE AND WAIVER

No act, omission, course of dealing, forbearance, delay or indulgence by the Company, whether by its officers, servants, agents or otherwise, shall be treated as a waiver of any of his rights in respect of any of the terms and conditions in this policy.

### **30. DISPUTES BETWEEN ASSURED**

In the event of a dispute between Assureds insured with the Company, the Company may insist that the dispute in question shall be submitted to the Company and/or to a legal, technical or other expert appointed by the Company, for an opinion prior to the commencement of court proceedings or arbitration. Any such opinion may not be referred to in any subsequent proceedings but may be considered by the Company in determining to what extent the Company shall cover the costs of either Assured.

### **31. ADMISSION AND SETTLEMENT**

The Assured shall make no admission of liability nor settle any claim or dispute or proceedings instituted by or against it without prior written approval of the Company. If the Assured admits liability or settles the claim or dispute without such prior written approval or refuses to settle the claim, notwithstanding that the Company shall have required it to do so, the Company shall not be liable to indemnify the Assured and the Assured will be liable to refund the Company all or part of any costs paid by the Company either to the Assured or to lawyers, surveyors or other persons.

### **32. DOUBLE INSURANCE**

32.2. There shall be no recovery from the Company of any claim in respect of liabilities or expenses which are recoverable under any other insurance effected by the Assured.

32.3. The Company shall not be liable for any franchise, deductible or deduction of a similar nature borne by the Assured under such other insurance.

### **33. INTEREST AND SET OFF**

33.2. In no case whatsoever shall interest be paid on any amount due from the Company.

33.3. The Company shall be entitled to set off any amount due from the Assured against any amount due to the Assured.

### **34. SUBROGATION**

34.2. The Company shall be subrogated to all the rights which the Assured may have against any other Person or entity, in respect of any payment or promise of payment made in accordance with this policy, to the extent of such payment or that promise of payment, and the Assured shall, upon the request of the Company, execute all documents necessary to secure to the Company such rights.

34.3. The Company shall have the right to sue in the name of the Assured, and the Assured shall execute all papers and documents in connection therewith, as requested by the Company, and shall lend all assistance to the prosecution of any suit. The balance of any amount recovered after full reimbursement of the Company for its loss and all expenses incurred shall be paid to the Assured. Compliance with this requirement may, in the Company's discretion, be made a condition of the payment of a loss.

### 35. NOTIFICATION AND TIME LIMIT

Without prejudice to the duty of prompt notification contained in section 27.4, the Assured's claim against the Company shall be extinguished and the Company shall be under no further liability in respect thereof if an Assured:

- a. fails to notify the Company of any casualty, Event or claim referred to in section 27.4 within one year after he has knowledge thereof or ought to have had knowledge thereof; or
- b. fails to submit a claim to the Company for reimbursement of any liabilities, costs or expenses within one year after discharging the same.

### 36. TOTAL ASBESTOS EXCLUSION

There shall be no recovery from the Company in respect of any liabilities, costs and expenses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

### 37. LAW AND JURISDICTION

- 37.2. This policy shall be governed by and construed in accordance with English Law.
- 37.3. The High Court in London shall have exclusive jurisdiction to hear and determine any claim or dispute under this policy.
- 37.4. The insurance provided by the Company shall not nor is intended to confer any right or benefit on any third party under the Contracts (Rights of Third Parties) Act 1999 or any similar provision, enactment or principle of law contained in the laws of any State which purports to do so.

### 38. INSURANCE ACTS

This policy and all contracts of insurance made by the Company shall be subject to and incorporate the provisions of the Marine Insurance Act 1906 and the Insurance Act 2015 of the United Kingdom and any statutory modification thereof except insofar as such Acts or modifications may have been expressly excluded by this policy or by any term of such contracts.

### 39. SANCTION LIMITATION AND EXCLUSION CLAUSE

The Company shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.



## PART 5 – DEFINITIONS

<b>Affiliate</b>	A Person who is affiliated to or associated with the Assured and to whom the Company has agreed (subject to restrictions) to extend the cover afforded to the Assured.
<b>Associated person</b>	A Company or other legal entity which controls or is controlled by or is under common control with the Assured.
<b>Assured</b>	The Person insured under the Policy of Insurance and who is stated to be the Assured in the Certificate of Insurance.
<b>Attachment Date</b>	The first day on which the insurance commences.
<b>Cargo</b>	Goods which are the subject of a contract of carriage and are intended to be, are, or were carried on the Insured Vessel, other than containers leased and/or owned by the Assured.
<b>Certificate of Insurance</b>	The document issued by the Company stating the details of risks attached and which is evidence of the contract of insurance including the endorsements provided as per part 5, section 24.2) under the Policy of Insurance.
<b>Charter Party</b>	A time charter party, a voyage charter party, including contracts of affreightment and booking notes or a space charter party.
<b>Charterer</b>	A time charterer, a voyage charterer (whether under contract of affreightment or otherwise), a charterer in partnership or space charterer in relation to a charter party of an Insured Vessel.
<b>Class of insurance</b>	Any Class of Insurance which is referred to in the Policy of Insurance.
<b>Co-assured</b>	A party, other than the Assured, who is named on the Certificate of Insurance, to whom the Company has agreed (subject to restrictions) to extend the cover afforded to the Assured.
<b>Company</b>	EF Marine for and on behalf of the risk carrier as stated in the Certificate of Insurance
<b>Crew</b>	Any person (including the Master) employed or engaged to serve on board the Insured Vessel under Articles of Agreement or other Crew agreement or contract of service of or employment, including a substitute for such person.
<b>Deductible</b>	The proportion, percentage or the limited sum of money to be borne by the Assured in respect of any claim.
<b>Electronic Trading System (E.T.S.)</b>	<p>1. an E.T.S. is any system which replaces or is intended to replace paper documents used for the sale of goods and/ or their carriage by sea or partly by sea and other means of transport and which:</p> <ul style="list-style-type: none"> <li>- are documents of title, or</li> <li>- entitles the holder to delivery or possession of the goods referred to in such documents, or</li> <li>- evidences a contract of carriage under which the rights and \ obligations of either of the contracting parties may be transferred to a third party.</li> </ul>

2. a “document” shall mean anything in which information of any description is recorded including, but not limited to, computer or other electronically generated information.

<b>Event</b>	Any event, including any occurrence or occurrences arising out of any such event unless the Company decides to treat each occurrence as a separate event. An event shall be deemed to have taken place at the time of the first occurrence which results in a claim or claims.
<b>Hague Visby Rules</b>	The International Convention for the Unification of Certain Rules Relating to Bills of Lading signed in Brussels on 25th August 1924, as amended by the Protocol to that Convention signed in Brussels on 23rd February 1968.
<b>Hull Policies</b>	The insurance policy or policies effected on the hull and machinery of the Insured Vessel, including any interest, increased value, excess liability, war & strikes risks and other total loss policies.
<b>Insured Vessel</b>	A Vessel the name of which appears in the Certificate of Insurance.
<b>Joint Assured</b>	Where the Certificate of Insurance names more than one Person as the Assured, any of those so named.
<b>Legal Liability</b>	Liability arising out of a final and unappealable judgement or award from a competent court, tribunal or other judicial body.
<b>Marine Insurance Act</b>	The Marine Insurance Act of 1906 of England and Wales.
<b>Passenger</b>	Any person who is carried in the ship under a contract of carriage, or who, with the consent of the carrier, is accompanying a vehicle or live animals covered by a contract for the carriage of the goods.
<b>Period of Insurance</b>	Twelve months as from the Attachment Date of insurance of the Insured Vessel or such lesser period as the Company shall agree. Unless otherwise agreed the period running from 00:00 GMT on the date of commencement of the insurance to 00:00 GMT on the same date in the following calendar year.
<b>Person</b>	A natural person, an incorporated or unincorporated body or a combination of both.
<b>Specialist Operations</b>	Specialist operations are considered to be salvage, firefighting, exploration, surveying, drilling, production, and associated services in respect of oil, gas or minerals, oil storage, underwater operations by a submarine or other submersible, commercial diving and underwater surveying, construction, including pile driving, blasting, and the transport and construction of offshore installations, dredging and the removal and discharge of dredging or other spoil, cable or pipeline laying or recovery, including preparatory surveying, laying or recovery operations, maintenance, waste incineration or disposal, pollution control, professional oil spill response and tank cleaning (other than on the Insured Vessel), search and rescue at sea, research at sea, leisure, accommodation and catering services on board a permanently moored vessel.

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<b>This Insurance</b>	These Terms and Conditions, the Certificate of Insurance and any Endorsement issued by the Company.
<b>Valuables</b>	Cash, banknotes or other forms of currency, bullion, works of art, precious or rare metals or stones, plate or other objects of a rare or precious nature, specie, bonds or other negotiable instruments.
<b>Vessel</b>	Any ship, boat, hovercraft or other description of vessel or structure (including any ship, boat, hovercraft or other vessel or structure under construction) used or intended to be used for any purpose whatsoever in navigation or otherwise on, under, over or in water or any part thereof or any proportion of the tonnage thereof or any share therein.