

Liability Insurance Policy for European Inland Craft 2023



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LIABILITY INSURANCE POLICY FOR EUROPEAN INLAND CRAFT 2023

Who we are

EUROP&I is a specialist P&I intermediary acting as the agent of The Shipowners' Mutual Protection and Indemnity Association (Luxembourg) in the provision of this insurance. EUROP&I is managed by DUPI Underwriting Agencies B.V.

The Shipowners' Mutual Protection and Indemnity Association (Luxembourg) is a marine liability insurer operating as a non-profit making organisation. We provide insurance on a mutual basis.

Your policy documentation

When We insure You, You become a Member of the Shipowners' Club. You will receive a Policy Schedule from EUROP&I setting out the scope of cover and risks insured. Subsequent amendments to cover will be documented by Policy endorsements.

The protection we provide

This policy protects the interests of European inland craft owners and operators including those whose vessels have a specific license to sail coastal and/or estuarine waters for the purpose of reaching European inland waters.

You can expect Us to respond to all marine liability claims made against You as the owner or operator of the vessel named on Your Certificate of Insurance, other than those We list under 'What is not covered (exclusions)' and those claims which are unrelated to owning and operating the vessel We insure for You. The reasonable costs of investigating and defending claims are paid, too.

For any claim to be payable it must arise from an incident which occurs during the period of insurance stated on Your Certificate of Insurance.

Your cover

The liabilities insured include:

Cargo

Liabilities and expenses relating to cargo carried or intended to be carried by the insured vessel.

We also offer a number of Optional Covers in respect of specific additional cargo liabilities and expenses. You will find these listed at the end of this document.

Collision and property of others

Claims for damage to the vessels and property of others arising from collision, whether or not contact occurs, and/or contact damage including liabilities in respect of pushed/towed units as

per the European Push Conditions, either in excess of Your Hull and Machinery Policy or to the extent not covered by Your Hull and Machinery policy, unless We have agreed otherwise and this is stated in Your Certificate of Insurance.

We also pay claims from other parties for personal injury or death which arise out of a collision.

To the extent covered above, for damage or contamination to property belonging wholly or in part to You, You shall have the same rights of recovery and We shall have the same rights as if such property belonged wholly to different owners.

Crew, passengers and others

Claims from Your crew, passengers or others for personal injury, illness or death including when those claims arise under crew contracts so long as they are reasonable and appropriate for the duties and position held by the crew when viewed against the prevailing compensation regime. Related medical costs and other expenses are covered, too.

Diversions costs

The extra costs and expenses of fuel, insurance, wages, stores, provisions, and port charges incurred in diverting and awaiting crew replacement whilst Your vessel brings sick or injured crew or others ashore for urgent medical treatment or to arrange the repatriation of dead bodies from Your vessel.

Fines

Fines imposed on You or any crew that You are obliged to reimburse for accidental escape or discharge of oil or other substance from Your vessel, breach by You or any immigration law or regulation and any other Fine, including but not limited to smuggling by Your crew, where You satisfy the Board of the Shipowners' Club that You took such steps as appear to the Board reasonable to avoid the event giving rise to such Fine and which the Board in its discretion decides that You should recover.

Communicable disease on board your vessel

Additional expenses incurred by You as a direct result of an outbreak of communicable disease on board Your vessel, including quarantine and disinfection expense, and the net loss to You (over and above Your expenses absent the outbreak) in respect of fuel, insurance, wages, stores, provisions and port charges.

Inquiries and criminal proceedings

If the Managers agree in writing, or the Board of the Shipowners' Club in its discretion decides in Your favour, then You may recover the reasonable costs and expenses of protecting Your interests at formal inquiries into a casualty and the reasonable costs of defending criminal proceedings brought against Your Master,

crew and agents, if You have a responsibility for them.

Mitigation costs

When an event or matter arises which will or is likely to lead to a *claim* under this policy, *You* are required to take reasonable steps to mitigate the loss and minimise the amount which would be paid as a *claim* under this insurance. *We* will reimburse the reasonable costs and expenses *You* incur for this purpose.

Motor vehicles when lifted or hoisted

We cover liabilities, costs or expenses arising from lifting and/or hoisting motor vehicles to or from *Your* vessel by the vessel's own gear. The limit of cover under this section is €50,000 per *claim*.

Obstruction of waterways

We insure the financial loss *You* suffer as a direct consequence of *Your* vessel being delayed from discharging its *cargo* at the port or place agreed upon due to an obstruction of any navigable waterway or port caused by:

- an accident involving a marine installation and /or
- the grounding or sinking of another vessel and/or some or all of its *cargo* and/or
- a collision between other vessels and/or
- *pollution* by any substance from any source.

We may at *Our* discretion also reimburse *Your* loss for other events having the same effect.

Cover is effective providing the responsible Maritime Authority has prohibited the free use of the waterway for all vessels of the same type and size as *Your* vessel. This cover begins from the time and date of such prohibition and to be effective it requires that *Your* vessel has not contributed to the accident, whether directly or indirectly.

The cover *We* provide for Obstruction of Waterways is subject to limits which apply to each *incident* and to each vessel, as follows:

- A waiting period of 48 hours until a claim is payable
- A maximum of 20 days coverage or 30 days in total each policy year
- An amount payable per day and pro rata of €0.50 per entered ton for all *cargo* carrying vessels if the vessel has registered inland tonnage, or €0.50 per KW if the vessel has no registered inland tonnage.

You must give prompt notice of any event which may give rise to a *claim*.

Personal effects

Claims for loss of or damage to *personal effects*. The limit of cover is €5,000 per person, per *claim*. The limit of cover for *personal effects* of *passengers* will be in accordance with the relevant statutory limitation.

Pollution and environmental liabilities

Pollution from *Your* vessel, including the cost of clean up and reasonable measures taken to prevent an imminent risk of *pollution*. For damage or contamination to property belonging wholly or in part to *You*, *You* shall have the same rights of recovery and *We* shall have the same rights as if such property belonged wholly to different owners.

Damage to sensitive marine environments providing these occur as a result of an identifiable event.

Property on board

Loss of or damage to any equipment, fuel or other property on board the insured vessel other than *cargo*, excluding loss of, or damage to, any property which forms part of the vessel or which

is owned, leased or hired in.

SCOPIC

We also provide cover for *Your SCOPIC* liabilities when salvors choose to use *SCOPIC* with the Lloyd's Open Form (LOF).

Special Cover

We may agree to provide cover against special or additional risks. The terms of any special cover will as agreed by *Us* in writing.

Towage (not applicable to vessels pushing or being pushed):

Claims arising from customary towage of own or a third party vessel for the purpose of entering or manoeuvring or leaving port are covered on basis of any contract or indemnity entered into by you being no wider than United Kingdom, Netherlands, Scandinavian and German standard towage conditions.

Claims arising from customary towage of vessels that are habitually towed, whether under contract or not with the owner of the tow, will be viewed as if carried out on knock for knock terms.

There is no cover for *claims* arising from loss of or damage to the object being towed or *cargo* thereon.

War risks

We pay *war risks P&I claims*. The limit of *Your* cover under this *war risks* section is US\$ 500,000,000 each vessel, any one *incident*. If *You* have no other *war risks* insurance policy in place, *Your deductible* for *war risks P&I claims* under this section is the *deductible* shown on *Your* Certificate of Insurance.

If *You* have purchased a *war risks P&I* policy from another insurer, *Your deductible* shall be the amount *You* can recover under *Your war risks P&I* policy with that other insurer.

Wreck removal

Wreck removal, marking or lighting costs which are compulsory by law, following the loss of *Your* vessel, including *claims* for the *extra cost and expenses* of removing *cargo* and property which is or was carried on board.

We also cover voluntary vessel wreck removal from somewhere *You* own or lease when no wreck removal order has been given. The residual value of the vessel and any property recovered shall be deducted or offset against *Your claim*.

What is not covered (exclusions)

We do not pay *claims* for or arising from the following. These exclusions override anything to the contrary provided in *Your* insurance cover.

1. Cargo. *We* do not cover:

- Any liabilities costs or expenses arising from:
 - the late arrival or non-arrival of *Your* vessel at a port or place of loading;
 - the issue of a bill of lading, waybill or other document issued with *Your* or the Master's knowledge and containing an incorrect description of the *cargo* or its quantity or condition;
 - the deliberate breach of the contract of carriage by *You* or *Your* vessel's Master;
 - the discharge of *cargo* at a port or place other than that stated in the contract of carriage;
 - delivery to a person other than as nominated by the shipper;
- any *claim* for liability which would not have been incurred or sums which would not have been payable by *You* if the *cargo* had been carried on terms no less favourable to *You* than those of the Budapest Convention on the Contract for the Carriage of Goods by Inland Waterways (CMNI) or Strasbourg Convention on the Limitation of Liability of Owners of Inland

Navigation Vessel (CLNI). Unless the contract of carriage is on terms less favourable to *You* only because the relevant terms of carriage are mandatory;

if the liabilities costs or expenses would not have arisen under a paper trading system *We* do not pay *claims* arising from *Your* use of an electronic trading system (unless *We* have approved its use in writing) when such electronic trading system is intended to replace paper documents used for the sale of goods and/or their carriage.

2. **Chartering.** This policy does not insure *You* when *You* act as a time or voyage charterer of vessels which *You* do not own and it does not insure the liabilities of *Your* charterers, unless they are a bareboat charterer who *We* have agreed to name on *Your* policy.
3. **Commercial diving or diving bells.**
4. **Contractual indemnities** or any contractual liability other than those recoverable under the 'Crew, Passengers and Others' section unless *We* have agreed otherwise in writing.
5. **Crew annuities or crew compensation under crew contracts.**
We do not pay *crew* annuities. If injured parties are entitled to receive compensation for personal injury or sickness benefits under a mandatory insurance scheme, *We* are not obliged to pay such *claims*. This exclusion applies even if *You* or the injured parties have failed to take the steps necessary to receive such entitlements. Except in so far as covered under 'Crew, Passengers and Others', above *We* do not pay *claims* for or arising out of disputes with *crew* over contractual liabilities or obligations.
We do not pay *Employment Practices liability claims*.
6. **Cyber risks.** There is no right of recovery from the Club for *claims* arising in respect of 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.

This exclusion shall not operate to exclude losses otherwise recoverable, arising under:

'What is not covered', 33.3 of *Your* policy, or, *Your* Bio-Chemical Extension Clause.
7. **Deductibles, excesses, franchises or other amount(s)** which *You* are required to bear under other policies.
8. **Delay** Costs and expenses which arise because *Your* vessel has been delayed, other than amounts recoverable under the diversion costs section of *Your* policy.
9. **Disputes** over contractual liabilities or obligations; or disputes or proceedings over obstruction or interference with *Your* vessel's operations.
10. **Disputes between named parties.** *We* do not support Members or joint Members in dispute with each other, or Co-assureds in dispute with each other or with Members or joint Members under the same policy.
11. **Environmental damage** including wash damage arising from *Your* continuing use of, or presence at, a specific location or waterway.
12. **Excursions from the vessel.** *Claims* which result from an excursion from the vessel when the claimant has entered into a separate contract for the excursion with *You* or others or, in the

absence of a separate contract, where *You* have waived any rights of recourse against any sub-contractor or other third party providing services in connection with the excursion.

13. **Fines or penalties** arising from overloading *Your* vessel, illegal fishing, carrying contraband or blockade running.
14. **Hazardous waste.** Any liabilities, losses, damages, costs arising as a consequence of the discharge or escape of any hazardous waste, previously carried on the insured vessel, from any land based dump, storage or disposal facility.
15. **Hotel or restaurant guests** or other visitors to *Your* vessel or its catering *crew* when the vessel is moored and is open to the public as a hotel, restaurant, bar or other place of entertainment, unless on a temporary basis, meaning no longer than 30 days in one location.
16. **Illegal payments** of any kind such as extortion, blackmail or bribery or any associated costs or expenses.
17. **Communicable disease on board your vessel.**

Any and all liabilities, costs and expenses related to a *communicable disease* outbreak not on board *Your* vessel except where cover is otherwise specifically set out above under any written section of 'Your Cover', or unless it is agreed by *Us* in writing.

Additional expenses incurred in trading to a port at which the Member knew or ought to have known that such expenses were likely to be incurred.

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

In the event that the World Health Organization ('WHO') has determined an outbreak of a *communicable disease* to be a Public Health Emergency of International Concern (a 'declared *communicable disease*'), *You* are not insured for any loss, damage, liability, cost or expense directly arising from any transmission or alleged transmission of the declared *communicable disease*.

1. This exclusion will not apply to any liability where the liability directly arises from an identified instance of a transmission of a declared *communicable disease* and where *You* prove that identified instance of a transmission took place before the date of determination by the WHO of the declared *communicable disease*.

2. However even if the requirements of paragraph 1 are met, no coverage will be provided for any:

A. liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for the declared *communicable disease* whether the measures are preventative or remedial;

B. liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of the declared *communicable disease*;

C. loss, damage, liability, cost or expense caused by or arising out of fear of or the threat of the declared *communicable disease*.

3. This exclusion shall not extend *Your* cover to any liability which would not have been covered under this policy had this exclusion not been included.

Cover in any event is excluded for *claims* in excess of US\$ 10 million arising from any one *incident*.

All other terms, conditions and limitations of the insurance remain the same.

18. **Kidnap and ransom** demands or payments.
19. **Motor vehicles.** *Claims* arising from the use of mechanically powered vehicles whilst ashore which would be recoverable under a fully comprehensive motor vehicle policy.
20. **Nuclear risks** or *claims* arising from radioactivity other than liabilities, costs and expenses arising out of the carriage of *cargo* which is 'excepted matter' (as defined in the Nuclear Installations Act 1965 of the United Kingdom or any regulations made under that Act).
21. **Other insurances.** If *You* are insured under an insurance policy from which a *claim* can be recovered for any of the sections of cover detailed above, this policy will not pay such *claims*, regardless of whether the other policy includes a provision similar to this. Examples of other insurance *claims* *We* would not pay include but are not limited to those which fall under policies for Aviation risks, Builders risks, General Liabilities, Hull and Machinery, Motor Vehicles, Public or Products liability, Professional Indemnity and/or *War risks*.

We do not cover liabilities for hull and machinery risks for which *You* would have insurance cover under a separate policy or policies, were *You* to be *fully insured* for such risks.
22. **Own property.** Loss of or damage to owned or leased property of *Yours* including *Your* vessel.
23. **Personal effects** of *crew*, *passengers* or others which are cash, precious metals or stones or other objects of a rare or precious nature.
24. **Salvage services** to *Your* vessel or demands for general average payments and any related disputes other than *claims* for *unrecoverable general average contributions* or the *vessel's proportion of general average* or amounts recoverable under the 'SCOPIC' section of *Your* policy.
25. **Sanctions.** *We* do not pay *claims* which would expose EUROPE, the Shipowners' Club or its Managers to any sanction, prohibition or adverse action in any form whatsoever by any State, international or supranational organisation or competent authority, nor do *We* provide cover to or for the benefit of, or pay *claims* to or for the benefit of, any person or entity *designated* nor in relation to any vessel *designated* by any State, international or supranational organisation or competent authority. Furthermore, *We* are not liable to pay any *claim* to *You*, in full or in part, if *We* are unable to make a recovery from *Our* reinsurers in respect of that *claim*, due to sanction restrictions placed on one or all of *Our* reinsurers.
26. **Ship repair activities.** There is no cover for liabilities arising out of *Your* activities as a ship repairer or ship builder.
27. **Special Cover.** If *We* agree to provide special cover in writing then *You* are not entitled to recover any *claim* from *Us* for any part of *Your* liability that is not recovered by *Us* from *Our* Reinsurers.
28. **Specialist operations.** The performance of *specialist operations* including, but not limited to, dredging, blasting, pile driving, well-intervention, cable or pipe laying, construction, installation or maintenance work, core sampling, depositing of spoil, to the extent that such liabilities and expenses arise from: *claims* brought by any party for whose benefit the work has been performed, or by any third party in respect of the specialist nature of the operations; or the failure to perform such *specialist operations* by *You* or the fitness for purpose and

quality of the *Your* work, products or services, including any defect in *Your* work, products or services; or any loss of or damage to the contract works.

This exclusion shall not apply to liabilities, costs and expenses incurred by *You* in respect of:

- i. loss of life, injury or illness of *crew* and other personnel on board *Your* vessel, and or,
- ii. the wreck removal of *Your* vessel, or
- iii. oil *pollution* emanating from the insured vessel or the threat thereof,

but only to the extent that such liabilities, costs and expenses are otherwise covered by *Us* in accordance with this policy and *Your* certificate of insurance.

29. **Surveys & management audits.** Subject always to the Insurance Act 2015, unless the Board of the Shipowners' Club in its discretion otherwise decides, *We* do not pay *claims* arising after *You* have failed to comply with any of *Your* obligations under general condition 'Surveys and Management Audits'. In no case do *We* pay *claims* which arise out of defects identified during a survey and/or management audit.
30. **Time bar.** *We* do not pay a *claim* if *You* have not told *Us* of any event or matter which could give rise to that *claim* within one year of *Your* first knowing about it (or in *Our* view when *You* should have known of it); or if *You* do not submit to *Us* for reimbursement a *claim* within a year of having *Yourself* settled it.

We do not pay a *claim* if *You* have not told *Us* in writing of that *claim*, within three years of the event or matter that gave rise to it.
31. **United States jurisdiction.** There is no cover for any contract *You* have entered into if it is subject to U.S. jurisdiction or *Your* Principal or Sub-contractor is a U.S. entity. Punitive damages or exemplary damages however described, imposed by a court in the United States of America are also excluded.
32. **Unlawful/unsafe/imprudent or unduly hazardous activities** including carrying contraband, blockade running, illegal fishing, or being employed in an unlawful or prohibited activity or trade, *Your* infringement of any law, rule or regulation or permitting any activity on board or in connection with *Your* vessel which is unsafe, imprudent, or unduly hazardous.
33. **War risks**
There is no cover for any *claims* arising from *war risks* when the liabilities costs or expenses arise directly or indirectly from any of the following:
 - 33.1 any chemical, biological, bio-chemical or electromagnetic weapon; or
 - 33.2 the use or operation, as a means of inflicting harm, of any computer virus
 - 33.3 Exclusion 33.2 shall not operate to exclude losses (which would otherwise be covered under the terms of this policy) 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; or
 - 33.4 the outbreak of war (whether declared or not) between any of the following countries: the United Kingdom, the United States of America, France, the Russian Federation, the Peoples Republic of China; or

33.5 *incidents* caused by, or contributing to, or arising out of, any event, accident or occurrence within specific ports, places, zones or areas, as *We* have notified to *You* either at the commencement of, or during the period of, *Your* policy. *We* may change, vary, extend, add to or otherwise alter these specified ports, places, zones and areas upon twenty four hours notice given by *Us* to *You*; or

33.6 requisition for title or use.

34. **Wilful misconduct** being an intentional act or deliberate omission done by *You* with knowledge that it will probably result in loss, or done with a reckless disregard for the probable consequences.
35. **Wrecks** which occur because the vessel has been abandoned or has been allowed to become dilapidated through *Your* lack of activity or neglect.

General conditions

Assignment and subrogation

You cannot assign *Your* policy to any other person other than with *Our* prior written approval.

However, if *We* are insuring *You* as a private individual, in the event of *Your* death, cover will automatically continue for the benefit of a family member inheriting the vessel or *Your* executors for a period not exceeding 60 days.

If *We* make a payment to *You* or any joint Member or Co-Assured under this policy, or under any security *We* have given, and *You*, the joint Member and Co-Assured have any rights to *claim* against a third party that are connected to the payment *We* make, then *We* will be subrogated to all of those rights to the extent of *Our* payment, including any interest and costs. *You* and the joint Member and Co-Assured agree to take any steps that *We* reasonably require to this end.

Claims

If a *claim* is made against *You*, *You* must follow the *claims* handling procedure set out at the end of this document. If *You* fail to do so *Your* ability to *claim* may be affected.

Classification, certifying authority and flag state

Your vessel must comply with all statutory requirements of its flag State and governing regulations, as applicable, and maintain and comply with all requirements of the classification society or certifying authority that it had at the time *We* agreed to insure it. Subject to the provisions of the Insurance Act 2015, *We* will not pay any *claims* arising during such time as *You* have failed to comply with this general condition, even if *Your* failure to comply has not increased the risk of any loss.

Complaints

We take all complaints seriously. If *You* are dissatisfied with *Our* handling of *Your claim* or any other aspect of *Your* insurance or the service *We* provide, please contact *Us*. *Our* complaints handling policy is detailed on the following website www.europandi.eu

Cooperation with authorities in relation to breaches of sanctions and financial crime

Where *We* are compelled at law to do so and/or that failure to assist would likely result in being so compelled, *We* may provide such cooperation and information as *We* see fit to any inquiry, investigation or proceedings conducted by a competent authority, regulator, or government in relation to activities of any person, including *You*, in so far as such activities relate to a breach (either known or reasonably suspected) of any laws relating to sanctions, financial crime, terrorist financing, money laundering,

bribery, corruption or tax evasion.

Deductibles

Your entitlement to make a *claim* is subject to the *deductible* that appears on *Your* certificate of insurance. If a single *incident* gives rise to a number of *claims* with different *deductibles* then the total of all *claims* will be subject to the highest *deductible* that applies to any one of the *claims*.

Discretionary claims

The Board of the Shipowners' Club has discretion to pay a *claim* in whole or in part for any liabilities or expenses which are not covered under this policy or any contract that *We* have with *You*, so long as they are related to owning and operating *Your* vessel.

Dispute resolution

If any dispute arises out of or in connection with this Policy or any contract with *Us*, then such dispute will, in the first instance be referred to the Board of The Shipowners' Club for adjudication. If the Board of the Shipowners' Club decides to waive its right to adjudicate, or if it finds against *You*, then the dispute will be referred to arbitration in London, one arbitrator to be appointed by *Us*, one by *You*, and a third to be appointed by the arbitrators. The reference to arbitration and the arbitration proceedings themselves will be subject to the provisions of the Arbitration Act 1996 and any statutory modification or re-enactment thereof.

Fair presentation

You have a duty to make a fair presentation of the risk, by disclosing all material matters which *You* know or ought to know or, failing that, by giving *Us* sufficient information to put *Us*, as a prudent insurer, on notice that *We* need to make further enquiries in order to reveal material circumstances. If *You* fail to do so *Your* ability to recover a *claim* from *Us* may be prejudiced.

Governing law

You and *We* agree that *Your* policy and Certificate of Insurance are governed by and will be construed in accordance with English law. In particular, it is subject to and incorporates the provisions of the Marine Insurance Act 1906 and the Insurance Act 2015 and all amendments thereto except to the extent that such Act or modification may have been excluded by this policy or any contract of insurance between *Us* and any insured party. It is not intended that rights should be acquired by any third party by reason of the Contracts (Rights of Third Parties) Act 1999 or any similar legislation in any jurisdiction.

Joint Member and co-Assureds

If *We* issue a Certificate of Insurance in the name of more than one person or company, those additional parties will be known as Joint Members. Joint Members are bound by all the terms and conditions of *Your* policy and Certificate of Insurance and each of them are individually responsible for paying all premium and any other sums due to *Us* under *Your* policy and are bound by all of the terms and conditions of *Your* policy and *Your* Certificate of Insurance. If *We* make payment to, or on behalf of, any joint Members for any amount due under *Your* policy, *We* will make no further payment to any person, including *You*, in relation to the amount that was due.

If there is a failure by any Joint Member to comply with the 'Fair presentation' section of *Your* policy or if the conduct of any Joint Member or Co-Assured would entitle *Us* to decline a *claim*, then *We* will treat such failure and/or conduct as extending to all Insureds. If more than one person is named on the Certificate of Insurance *We* will treat an act, omission, statement or a *claim* by any one of those persons as an act omission, statement or *claim* by all of them.

We direct all correspondence to *You* and *You* receive it on behalf of all Insureds.

If We issue a Certificate of Insurance naming a Co-Assured then We agree to extend cover to that named Co-Assured, but only if: the named Co-Assured is held responsible for a *claim* which is properly *Your* responsibility and for which *You* would have been able to recover from *Us* under this policy, had that *claim* been made and enforced against *You*. If *You* have a contract with a named Co-Assured, *Your* responsibility means *Your* responsibility as agreed in that contract.

If We make a payment to, or on behalf of, a named Co-Assured for a *claim* then, in relation to that *claim*, We will not make payment to any other person, including *You*, and We agree to waive *Our* rights of subrogation, if any, against the named Co-Assured.

Lay-up

If *Your* vessel has been laid-up for six months or more outside its usual seasonal trading pattern, *You* must give *Us* notice that the vessel will be reactivated no less than seven days before the vessel leaves its place of lay-up. When We receive notice from *You* We may appoint a surveyor, at *Your* cost, to inspect the vessel on *Our* behalf and *You* must provide *Your* full cooperation to this end. *You* must comply with any recommendations that We make following such an inspection. We do not pay any *claims* arising after *You* have failed to comply with any requirement of this general condition, until *You* have complied with all requirements of it, subject always to the provisions of the Insurance Act 2015. In no case do We pay *claims* which arise out of defects identified during such an inspection.

We do not return premium for periods of lay-up. Premium is on the basis of cancelling returns only.

Premium

Your insurance premium will be fixed annually and no further premium will be payable, unless *You* ask *Us* to extend *Your* insurance cover or the material facts upon which We base the cover change. *You* must pay *Your* premium in such instalments and on such dates as We have specified.

Reinsurance

We have the right to agree contracts of reinsurance relating to *Your* insured vessel(s) with insurers of *Our* choice, on terms as agreed between *Us* and those other insurers.

Security

Where We consider it appropriate and necessary We may provide letters of undertaking, bonds or bank guarantees on *Your* behalf, as security for covered *claims*, providing *You* have paid *Your* premium and any *claims* deductible which is due to *Us*.

Severability clause

In the event that a court or tribunal finds any part of this policy to be unenforceable, invalid or to be in conflict with any mandatorily applicable statute or law, or public policy, such part shall be severed and such a finding shall not affect the enforceability, validity or legality of the remainder of the policy, which shall remain in full force and effect.

Shared ownership

If the master or any *crew* member is also the owner or part-owner of an insured vessel, the liability shall, in relation to *claims* arising from the act or omissions of such person in his capacity as master or *crew* member, be assessed as if such master or *crew* member was not the owner or part-owner. This shall not apply where the *claim* arises from the privity or *wilful misconduct* of an insured party or the owner or part-owner.

Surveys & management audits

We may at any time appoint a surveyor, at *Our* cost, to inspect *Your* vessel. We may also wish to perform a management audit of *Your* shore side operation. *You* must provide full co operation as may be required for such inspection or audit, and comply with all

recommendations as the Managers may make as a result of it.

Surveys & management audits: follow-ups

We may arrange a follow up survey, at *Your* cost, to check that *You* have complied with all recommendations identified in an inspection or audit.

Termination and Cancellation

Termination by notice

Either *We* or *You* may terminate this policy by notice at noon GMT on the renewal date of any year by giving not less than 30 days written notice.

We may terminate the entirety of cover under *Your* policy by notice for each and every vessel insured, in the following circumstances:

- should any of *Your* insured vessels be used, in *Our* opinion, for a prohibited or unlawful activity or trade; or
- should any of *Your* insured vessels or their activities, in *Our* opinion, expose EUROP&I, the Shipowners' Club or its Managers to *sanctions risks*; or
- upon 30 days written notice given by *Us* to *You*; or

We may terminate cover for *war risks* by notice for each and every vessel insured upon written notice by *Us* to *You* to discontinue *war risks* cover, with cancellation becoming effective on no less than the expiry of 7 days from midnight on the day on which We issue notice of cancellation.

The effect of *Your* policy being terminated by notice also extends to Joint Members and Co-Assureds. Subject to the 'Automatic termination' and 'Cancellation' provisions of this policy, the effect of *Your* policy terminating by notice is that *You* will remain liable for premium under *Your* policy and for any other sums due to *Us* except that *You* will be entitled to a daily pro rata return of premium for sums paid, if any, from the date of termination until the expiration of *Your* policy. Likewise, subject to the above Exclusion 23 'Sanctions', We pay *claims* for events that arose prior to the date of termination but We will not pay *claims* arising from events after the date of termination.

Automatic termination

Your policy for any of *Your* vessel(s) will be automatically terminated for that vessel upon the date shown on *Your* Certificate of Insurance or upon the happening of any of the following events: the sale or transfer of *Your* vessel; a change of beneficial owner(s); a change of management of *Your* vessel; upon the mortgage of *Your* vessel; *Your* vessel becoming an actual or constructive total loss; an *insolvency event*; *Your* vessel no longer being classed with the classification society or certifying authority that it was at the time We agreed to insure it; should any of *Your* vessels, their activities, or any named insureds expose EUROP&I, the Shipowners' Club or its Managers to *sanctions risks*; should *You* or *Your* insured vessel be *designated* by any State, international or supranational organisation or competent authority.

Your insurance for all vessel(s) will automatically terminate upon the happening of any of the following: an *Insolvency event*; if *You* are an individual, upon *Your* death or upon *You* becoming incapable by reason of mental disorder of managing or administering *Your* property and affairs.

The insurance which We provide to *You* for *war risks* will automatically terminate upon the happening of either of the following:

- should war break out between any of the following countries;

the United Kingdom, the United States of America, France, the Russian Federation and the People's Republic of China;

- should *Your* vessel be requisitioned either for title or use.

The effect of *Your* policy being automatically terminated is the same as for termination by notice except that *We* do not pay *claims* for events arising after the date of automatic termination, other than *claims* arising from *Your* vessel becoming an actual or constructive total loss thereby triggering automatic termination.

Cancellation

If *You* fail to pay premium in such instalments and on such dates as are agreed by *Us*, *We* may serve notice in writing requiring *You* to make payment by a specified date. If *You* fail to make payment in full on or before the specified date *We* shall immediately cancel *Your* insurance. If *We* cancel *Your* insurance *You* must pay all premium due up to the date of cancellation. *We* will not pay *claims* for events arising on or after the date of cancellation.

We will not pay *claims* for events arising before the date of cancellation if premium was owing at the time the event arose and remained unpaid at the date of cancellation.

Claims handling procedure

If *You* are involved in an *incident* which could give rise to a *claim* *You* should contact:

DUPI Underwriting Agencies B.V.
Blaak 16, 6th Floor, 3011 Rotterdam
P.O.Box 23085, 3001 KB Rotterdam
The Netherlands

T +31 10 440 5555
E info@europandi.eu
W www.europandi.eu

Immediate advice and local assistance is also available from the Shipowners' Club's network of correspondents who are listed at: www.shipownersclub.com/correspondents

It is important that *You* contact EUROP&I promptly, so that they can assist *You*. The earlier they are involved the better. *You* are required to act prudently and as if *You* are uninsured until such time as they have taken over the handling and management of the *incident*.

When reporting a *claim* it will help them if *You* include *Your* vessel's name, the *incident* date, the nature of the *incident*, the location of *Your* vessel and location of the *incident* (if different). If an injury or collision is involved *You* may be required to notify the appropriate authorities.

We have the right to handle, settle or compromise *claims* or proceedings as *We* see fit. *We* may appoint lawyers, surveyors or other persons when *We* consider these are necessary. They may report to *Us* and provide documents or information to *Us*, without prior referral of these matters to *You*.

When it is possible for a vessel owner to limit their liability at law, that sum becomes the maximum amount recoverable under this policy and will apply regardless of whether *We* insure *You* as the owner of the vessel or in some other capacity. *You* must not admit liability for any *claim* and *You* must not settle a *claim* without *Our* prior approval. *You* must also preserve any rights *You* may have to limit *Your* liability and any rights *You* may have against any third party. *You* must also promptly notify *Us* of every event or matter which is likely to give rise to a *claim*, provide *Us* with any relevant information or documents and permit *Us* access to any persons employed by *You* who *We* consider likely to

have knowledge of the event or matter. If *You* admit liability, settle fail to preserve *Your* limitation rights, or take any action that encourages or results in a *claim* being made against *You*, or fail to promptly notify or provide information or access to *Your* employees, *Your claim* may be rejected or reduced. If *We* pay the claimant, *You* or *Your* nominated broker, manager, agent or some other person whom *You* nominate, *Our* liability shall be fully discharged.

Data Protection

We process personal information about *You* to provide *You* with insurance that benefits *You* and meets *Our* legal and regulatory requirements. For more information about how *We* process *Your* personal information, including our full privacy notice that sets out *Your* rights in relation to the information *We* hold about *You*, please visit *our* website (www.shipownersclub.com/data-protection/) or contact the Club's Data Protection Officer.

Definitions

Please note that the use of italic text in this policy indicates that the word or phrase is defined in the clauses. Words in the singular shall include the plural and vice versa.

Cargo means materials or goods of any kind transported for reward, other than *passengers'* effects and vehicles.

Casualty means an *incident* affecting the physical condition of *Your* vessel so as to render it incapable of safe navigation to its intended destination, or which creates a threat to the life, health or safety of *Your crew*, *passengers* or others. Engine breakdown is not a *casualty* for the purpose of this policy.

Claims means liability *claims* made against *You* as a result of owning or operating the vessel named on *Your* Certificate of Insurance.

Communicable disease means any disease, known or unknown, which can be transmitted by means of any substance or agent from any organism to another organism where:

- A. the substance or agent includes but is not limited to a virus, bacterium, parasite or other organism or any variation or mutation of any of the foregoing, whether deemed living or not, and
- B. the method of transmission, whether direct or indirect, includes but is not limited to human touch or contact, airborne transmission, bodily fluid transmission, transmission to or from or via any solid object or surface or liquid or gas, and
- C. the disease, substance or agent may, acting alone or in conjunction with other co-morbidities, conditions, genetic susceptibilities, or with the human immune system, cause death, illness or bodily harm or temporarily or permanently impair human physical or mental health or adversely affect the value of or safe use of property of any kind.

Crew means any person engaged or employed in any capacity in connection with *Your* vessel, whether on board or proceeding to or from *Your* vessel or on vessel's business. *Crew* does not mean vessel brokers or vessel agents or those supplying services to *Your* vessel.

Deductible means the initial amount *You* have to pay *Yourself* before the insurance policy will respond.

Designated means listed and subject to asset blocking or freezing such that persons are prohibited from dealing with them.

Employment Practices liability claims means *claims* for wrongful or unfair termination, sexual harassment, discrimination

or any other employment-related conduct.

Extra costs and expenses means costs and expenses over and above those which would ordinarily be incurred had the *incident* not taken place.

Fines include civil penalties, penal damages and other impositions similar in nature to *fin*es, but not punitive damages.

Fully insured means insured at a value which, in *Our* opinion, represents its full market value, disregarding any charter or other engagement to which the vessel may be committed.

Incident means an accident or occurrence relating to the operation or use of *Your* vessel. A series of *incidents* which have the same cause will be treated as one *incident*.

Insolvency event If *You* are an individual, *Insolvency event* means any of the following: a receiving order is made against *You*; *You* become bankrupt; *You* make any composition or arrangement with *Your* creditors generally.

If *You* are a company, *Insolvency event* means any of the following: the passing of any resolution for voluntary winding up; an order being made for compulsory winding up (other than for the purpose of company or group reorganisation); the dissolution of the company; the appointment of a receiver or manager of all or part of the company's business; upon commencement by the company of proceedings under any bankruptcy or insolvency laws to seek protection from its creditors or to reorganise its affairs.

Nuclear risks means any loss, damage or expense due to or arising out of, directly or indirectly, nuclear reaction, radiation or radioactive contamination regardless of how it was caused.

Passenger means any person carried or intended to be or having been carried on *Your* vessel under a contract of carriage for reward.

Personal Effects means items which *Your crew, passengers* or others bring on to *Your* vessel and which are unconnected to the operation of *Your* vessel.

Pollution means the accidental discharge or escape of oil or other substances from *Your* vessel.

Sanctions risks means the risk of violating, or to being or becoming subject to any sanction, prohibition, or adverse action in any form whatsoever by any State, international or supranational organisation or competent authority.

SCOPIC means Special Compensation P&I Club Clause.

Specialist Operations means dredging, blasting, pile driving, well-stimulation, cable or pipe laying, construction, installation or maintenance work, core sampling, depositing of spoil, professional oil spill response or professional oil spill response training (but excluding fire-fighting), waste incineration or waste disposal operations and other operations of a specialist nature.

Unrecoverable general average contributions means the proportion of general average expenditure, special charges or salvage which *You* are or would be entitled to *claim* from cargo or from some other party to the marine adventure and which is not legally recoverable by reason only of a breach of the contract of carriage and which shall be deemed to have been adjusted in accordance with the York/Antwerp Rules 1974, 1994 or 2004.

Your right of recovery from *Us* is limited accordingly.

Vessel's proportion of general average means the vessel's *proportion of general average*, special charges or salvage which are not recoverable under *Your* Hull and Machinery policies solely

by reason of *Your* vessel sound value having been assessed for contribution to general average, special charges or salvage at a value in excess of the amount for which it should have been insured if it had been insured at a value which, in *Our* opinion, represents its full market value, disregarding any charter or other engagement to which the vessel may be committed.

War risks means costs or expenses (regardless of whether partially caused by neglect by *You* or *Your* servants or agents) when the *incident* giving rise to the liability or expense was caused by the following: war, civil war, revolution, rebellion, insurrection or resultant civil strife arising therefrom or any hostile act by or against a belligerent power, or any act of terrorism; capture, seizure, arrest, restraint or detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat; mines, torpedoes, bombs, rockets, shells, explosives or similar weapons of war.

We or Our or Us means EUROP&I as agents for the Shipowners' Mutual Protection and Indemnity Association (Luxembourg), the Shipowners' Club.

You or Your means the person or company named as the Member on the Certificate of Insurance.

Optional additional cover

If *You* require additional cover for any of the following, please contact *Us*:

- Hotel and/or Restaurant vessels
- Liability arising under indemnities and contracts
- Timely delivery of cargo
- Legal Costs Cover (for certain types of dispute)
- *Specialist Operations* including dredging risks

EUROP&I

Schouwburgplein 30
3012 CL Rotterdam
The Netherlands

T +31 10 440 5555
F +31 10 440 5515
E info@europandi.eu
W www.europandi.eu

▪ The Shipowners' Club
White Chapel Building, 2nd Floor
10 Whitechapel High Street
London
E1 8QS

T +44 207 488 0911
F +44 207 480 5806
E info@shipownersclub.com
W www.shipownersclub.com

The Shipowners' Mutual Protection and Indemnity Association (Luxembourg) | 16, Rue Notre-Dame | L-2240 Luxembourg | Incorporated in Luxembourg | RC Luxembourg B14228

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