

## **Notice of cancellation automatic termination of cover and war and nuclear exclusion clause - Hulls etc.**

2008-01-04

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

### **1. Cancellation**

Cover hereunder in respect of the risks of war, etc. may be cancelled by the Underwriters giving 7 days' notice (such cancellation becoming effective on the expiry of 7 days from midnight of the day on which notice of cancellation is issued to the Assured). The Underwriters agree however that they may reinstate cover subject to agreement between the Underwriters and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

### **2. Automatic Termination of Cover**

Whether or not such notice of cancellation has been given cover hereunder in respect of the risks of war, etc. shall TERMINATE AUTOMATICALLY:

- 2.1** upon the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;
- 2.2** in respect of any vessel, in connection with which cover is granted hereunder, in the event of such vessel being requisitioned either for title or use.

### **3. Five Powers War and Nuclear Exclusions**

This insurance excludes:

- 3.1** loss damage liability or expense arising from
  - 3.1.1** the outbreak of war (whether there be a declaration of war or not) between any of the following: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China;
  - 3.1.2** requisition either for title or use.
- 3.2** in no case shall Underwriters hereon be liable for liabilities, costs and expenses directly or indirectly caused by or contributed to by or arising from:
  - a) ionising radiations from, or the radioactive, toxic, explosive or other hazardous or contaminating properties of:
    - (i) any nuclear fuel or any nuclear waste or the combustion of nuclear fuel, or
    - (ii) any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; or
  - (b) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, other than liabilities, costs and expenses arising out of carriage of "excepted matter", (as defined in the Nuclear Installations Act 1965 of the United Kingdom or any regulations made thereunder), as cargo in an Insured vessel.

#### **4. Law and Practice**

This clause is subject to English law and practice.

Cover in respect of the risks of war, etc. shall not become effective if, subsequent to acceptance by the Underwriters and prior to the intended time of attachment of risk, there has occurred any event which would have automatically terminated cover under the provisions of this clause.

## Bio-Chem Clause

- 1.1 Subject to the terms and conditions and exclusions set out herein, cover is extended to include the liability of the Member:**
- (a) to pay damages, compensation or expenses in consequence of the personal injury to or illness or death of any seaman (including diversion expenses, repatriation and substitute expense and shipwreck unemployment indemnity),
  - (b) for the legal costs and expenses incurred solely for the purpose of avoiding or minimising any liability or risk insured by an Association (other than under the Omnibus Rule)
- 1.2 where such liability would be recoverable under either**
- (a) cover provided by the Club for such liabilities, costs, losses and expenses as would be covered under the Rules but for the exclusion of war risks in Rule 11:5, or
  - (b) any other policy of insurance providing equivalent cover,
- 1.3 save only for the operation of an exclusion of liabilities, costs, losses and expenses directly or indirectly caused by or contributed to by or arising from**
- (a) any chemical, biological, biochemical or electromagnetic weapon
  - (b) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system,
- 1.4 other than liabilities, costs, losses and expenses arising from**
- (i) explosives or the methods of the detonation or attachment thereof
  - (ii) the use of the entered ship or its cargo as a means for inflicting harm, unless such cargo is a chemical or bio-chemical weapon
  - (iii) 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.
- 2. Excluded Areas**
- 2.1 Unless and to the extent the Directors may in their discretion otherwise decide, there shall be no recovery in respect of any liabilities, costs, losses and expenses directly or indirectly caused by or contributed to by or arising out of any event, accident or occurrence within the ports, places, zones or areas or during such period.
- 2.2 At any time or times before, or at the commencement of, or during the Policy Year, the Club may by notice to the Member change, vary, extend, add to or otherwise alter the ports, places, countries, zones and periods specified in Clause 2.1 from a date and time specified by the Club not being less than 24 hours from midnight on the day the notice is given to the Member.
- 3. Cancellation**
- Cover hereunder may by notice to the Member be cancelled by the Club from a date and time specified by the Club, not being less than 24 hours from midnight on the day notice of cancellation is given to the Member.

**4. Limit of Liability**

- 4.1 Subject to Clause 4.2 the limit of the liability of the Club under this extension of cover in respect of all claims shall be in the aggregate USD 30 million each ship any one accident or occurrence or series thereof arising from any one event.
- 4.2 In the event that there is more than one entry by any person for Bio-Chem cover as provided herein in respect of the same ship with the Club and/or any other insurer which participates in the Pooling Agreement or General Excess Loss Reinsurance Contract, the aggregate recovery in respect of all liabilities, costs, losses and expenses arising under such entries shall not exceed the amount stipulated in Clause 4.1 and the liability of the Club under each such entry shall be limited to such proportion of that amount as the claims arising under that entry bear to the aggregate of all such claims recoverable from the Club and any such other insurer.

**5. Deductible**

The deductible shall be USD 50,000.

**6. Law and Practice**

This clause is subject to English law and practice.