

RISK DETAIL

TYPE:	Maritime Lien Insurance
FORM:	MAR 91 - Slip Policy
ASSURED:	Members, as may be declared, of the FD&D Class of the North of England P&I Association Ltd.
VESSELS:	As declared by Members of the North of England P&I Association Ltd.
PERIOD:	Open cover to accept declarations attaching during the period from noon on the 20th February 2007 G.M.T. until noon on the 20th February, 2008 as made by the North of England P&I Association Ltd. Each declaration to run for a 12 month period as defined.
INTEREST:	Maritime Lien - A maritime lien is defined as including any claims being asserted against a declared vessel including but not limited to statutory rights of action in rem which it is alleged by the claimant give a right against a vessel which continues notwithstanding a change of ownership.
LIMIT:	USD1,000,000 any one ship
DEDUCTIBLE:	USD5,000 any one ship
ORDER HEREON:	100% of 100%
CONDITIONS:	<p>This insurance is to indemnify the Assured for financial losses incurred by them arising directly from a maritime lien claim being made on a declared vessel as a result of disputes, debts, etc., which originated prior to the Assured taking delivery of the vessel, and which were beyond the Assured's control.</p> <p>The North of England P&I Association will handle all claims (and recoveries) hereunder as FD&D disputes within the scope of the Association's FD&D class, keeping Underwriters advised.</p> <p>It is a condition precedent to Underwriters liability under this insurance that the settlement of a claim by the Assured with a third party shall be approved by Underwriters or be the subject of a final judgement of the court or tribunal seized of the claim.</p> <p>Excluding claims for legal costs incurred by the Assured falling within the scope of the Assured's defence entry with the North of England P&I Association Limited, but including claims for legal costs incurred by the Assured at Underwriters' request and which would otherwise fall within the scope of the Assured's defence entry with the North of England P&I Association Limited but for the exercise of discretion by the Directors of the Association against the Assured.</p> <p>Excluding loss of hire or running expenses of the vessel or liabilities of the Assured for business interruption.</p>

Underwriters will be under no obligation to post bail or security of any kind.

Excluding claims in respect of any maritime lien, encumbrance or cause of action known to the Assured on or before the date of delivery or discovered during the Writ Search by Ince's &/or their correspondents &/or Garlicke & Bousfield &/or their correspondents &/or Norton White &/or their correspondents.

Declared vessels to attach from time of delivery to the Assured.

Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause CL 370 (10.11.2003)

Institute Cyber Attack Exclusion Clause CL 380 (10.11.2003)

Brokers Cancellation Clause 538HD00073

**EXPRESS
WARRANTIES:**

Vessel to have purchased FD&D cover with the North of England P&I Association Limited, and such cover to continue for the entire period of this insurance.

Unless otherwise agreed by Underwriters in writing, it is a condition of this insurance that not more than one week prior to the planned delivery date a "Writ Search" is to be conducted by Ince & Co., &/or their correspondents in London, Singapore, Hong Kong, by Garlicke & Bousfield &/or their correspondents in Durban and Cape Town, and by Norton White &/or their correspondents in Australia and New Zealand for three years prior to the planned delivery date, subject to the actual delivery occurring within 30 days after the "Writ Search" was completed, and that no lien, encumbrance or cause of action is discovered during such search.

Vessels to have been purchased on terms including a "maritime lien warranty" clause such as clause 9 of Norwegian Sale Form 1987 set out below:-

"The Sellers warrant that the vessel, at the time of delivery, is free from all encumbrances and maritime liens or any other debts whatsoever. Should any claims which have been incurred prior to the time of delivery be made against the vessel, the Sellers hereby undertake to indemnify the Buyers against all consequences of such claims".

**SUE AND
LABOUR:**

Following notice of any actual or potential loss hereunder it is the duty of the Assured(s) to notify the North of England P&I Association Limited immediately and to take all practical and reasonable remedial actions for the purpose of averting or minimising the claim hereunder, in respect of which Underwriters hereunder will at their discretion reimburse the Assured(s) for all necessary costs and expenses in pursuance of this duty.

SEVERAL

LIABILITY:

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.
(LSW 1001 Insurance)

PREMIUM:

USD7,500 per vessel declared with all declarations to be made quarterly in arrears. No return of premium to be made in the event of any vessels entry with the North of England being cancelled or terminated.

Alternatively

At Assured's option if the limit hereon is reduced to USD500,000 any one ship then the premium is amended to USD4,500 per vessel declared. Option to be exercised upon order being given.