DUPI
UNDERWRITING
AGENCIES

DUPI
PROJECT
P&I.

OWNER'S P&I INSURANCE CONDITIONS

JULY 2026

DUPI PROJECT P&I

INDEX

Section A Risks insured 3
1. Liabilities for crew members 3
2. Liabilities for passengers 3
3. Liabilities for persons other than crew 3
4. Liabilities to other vessels 4
5. Liabilities for loss or damage to the property of third parties 4
6. Liabilities for the removal of a wreck 4
7. Liabilities in respect of cargo carried on board a vessel 5
8. Liabilities for pollution 6
9. Fines and penalties 7
10. Towage liabilities 7
11. Stowaways and refugees 7
12. Diversion expenses 7
13. Liabilities arising out of life salvage 7
14. General average 8
15. Additional contractual liabilities 8
16. Special cover for salvors 8
17. Sue and labour costs and expenses 8

Section B Risks Excluded 8

Section C General conditions of this insurance 10
1. Hull and machinery policy 10
2. Affiliated and associated companies clause 10
3. Co-insured clause 11
4. No lay-up returns 11
5. Cancellation 11
6. Premium payment clause 12
7. Law, practice and dispute resolution 12
8. Classification clause 13
9. Flag state 13
10. International safety management (ISM) code 13
11. Bail or other security 13
12. Duty of fair presentation 14
13. Remedies for breach of the duty of fair presentation 14
14. Fraudulent claims 15
15. Breach of warranty 16
16. Contracting out fo section 11 of the insurance act 2015 16

Section D Claims and recoveries 16

Insurance conditions definitions 17

Contact details 19

Section A | Risks insured

In consideration of the premium being paid as agreed hereunder, the Insurer will indemnify the Insured or the Insured's executors, administrators and/or successors for such loss and/or damage and/or costs and/or expense as the Insured in respect of the Insured Ship(s) has become liable to pay and has paid in the capacity as agreed for the liabilities, risks, events and/or happenings described herein.

1. Liabilities for crew members

I. Liability for loss of life or personal injury to or illness of any member of the crew of the Insured Ship, excluding, unless otherwise agreed by an endorsement hereon, liability under any Compensation Act to any employee of the Insured, (other than a member of the crew) or in case of death to his beneficiaries or heirs.

II. Liability for hospital, medical or other expenses necessarily and reasonably incurred in respect of loss of life, personal injury to or illness of any member of the crew of the Insured Ship. Such liability shall include burial and repatriation expenses, when necessarily and reasonably incurred by the Insured.

III. Liability for repatriation expenses of any member of the crew of the Insured Ship incurred as a result of risks covered under the Policy. Wages shall be included in such expenses when payable under a statutory obligation, during unemployment due to the wreck or loss of an Insured Ship. There shall be no recovery for liabilities in respect to repatriation under Regulation 2.5 of the Maritime Labour Convention 2006 (MLC 2006), or domestic legislation implementing the MLC 2006 including without limitation expenses that arise out of or ensue from the termination of any agreement in accordance with the terms thereof, or by mutual consent, or by sale of the said vessel(s), or by other act of the Insured.

IV. Liability for costs and expenses incurred in providing substitute crew where necessary, by reason of a loss insured under Section A Clause 1.III, above.

V. Liability to pay damage or compensation for loss of or damage to the personal effects of any member of the crew. There shall be no recovery in respect of claims for cash, negotiable instruments, credit or charge cards, precious or rare metals or stones, jewellery or other valuables or objects of a rare or precious nature.

Where liability arises under the terms of a crew contract and would not have arisen but for those terms, that liability is not covered hereunder, unless and only to the extent that those terms shall have been approved by the Insurer in writing.

2. Liabilities for passengers

I. Liability for loss of life or personal injury to or illness of any Passenger on the Insured Ship, excluding, unless otherwise agreed by an endorsement hereon, any liability that may be excluded in the passenger contract as permissible by any law.

II. Liability for hospital, medical or other expenses necessarily and reasonably incurred in respect of loss of life, personal injury to or illness of any Passenger on the Insured Ship. Such liability shall include burial and repatriation expenses, when necessarily and reasonably incurred by the Insured.

III. Liability for loss of life or personal injury to or illness of any Passenger carried by air due to a casualty to the Insured Ship. For the purpose of this clause 'casualty' means any cause that renders the Insured Ship incapable of safely proceeding to her destination or any cause that threatens the life, health or safety of the Passengers.

IV. Liability to pay damage or compensation for loss of or damage to the personal effects of any Passenger. There shall be no recovery in respect of claims for cash, negotiable instruments, credit or charge cards, accompanying automobiles or equipment, precious or rare metals or stones, jewellery or other valuables or objects of a rare or precious nature.

3. Liabilities for persons other than crew

Liability to pay damages or compensation for personal injury, illness or death of any person, other than the persons specified in Section A Clause 1 and Section A Clause 2 and hospital, medical or funeral expenses

incurred in relation to such injury, illness or death, provided always that cover under this Section A Clause 3 is limited to liabilities arising out of a negligent act or omission on board or in relation to an Insured Ship or in relation to the handling of her cargo from the time of receipt of that cargo from the shipper or pre-carrier at the port of shipment until delivery of that cargo to the consignee or onward carrier at the port of discharge.

4. Liabilities to other vessels

I. Liability for loss of damage to or interference with rights in relation to any other vessel, craft, cargo or other property on such other vessel or craft, caused by collision with the Insured Ship, only insofar as such liability exceeds the Agreed Insured Hull Value of the Insured Ship and its appurtenances immediately prior to such collision; or for such other proportion as may have been agreed in writing in advance by the Insurer,

Provided always that

a. Claims under this clause shall be settled on the principle of cross-liabilities.

b. Notwithstanding the foregoing, if any one or more of the various liabilities arising from such collision has been compromised, settled or adjusted without the written consent of the Insurer, the Insurer will be relieved of liability for any and all claims hereunder.

II. Liability for loss of or damage to or interference with rights in relation to any other vessel, craft or to property on such other vessel or craft, not caused by collision, provided such liability does not arise solely by reason of a contract made by the Insured.

III. Liability for the costs and expenses incurred by the other vessel's raising, removal, lightening, destruction or mark ing of a wreck, cargo or other property consequent to the risks covered under Section A Clause 4.I or Section A Clause 4.II.

Where there would be a valid claim hereunder but for the fact that the damaged property on the other vessel belongs to the Insured, the Insurer will be liable as if such damaged property belonged to another, but only to the extent of the excess over any amount recoverable under any other insurance(s) relating to such property.

5. Liabilities for loss or damage to the property of third parties

Liability to third parties for damage to or interference with rights in relation to any dock, pier, harbour, jetty, buoy, lighthouse, breakwater, structure, beacon, cable, or to any fixed or movable object or property whatsoever, except another vessel or craft, or property on another vessel or craft.

Where there would be a valid claim hereunder but for the fact that the damaged property belongs to the Insured, the Insurer will be liable as if such damaged property belonged to another, but only to the extent of the excess over the amount recoverable under such other insurance(s) which may be in place.

6. Liabilities for the removal of a wreck

Liability for the costs or expenses of, or incidental to, the raising removal lighting destruction or marking of the wreck of an Insured Ship, cargo or any property on board when compulsory by law,

Provided always that

i. there shall be deducted from such claim for costs or expenses, the value of any salvage from or which might have been recovered from the wreck of an Insured Ship, cargo or any property on board, inuring, or which might have inured, to the benefit of the Insured

ii. the Insured does not transfer any interest in the wreck, otherwise than by abandonment, prior to the raising removing lightening destroying or marking of the wreck, or prior to the incident giving rise to liability without the written consent of the Insurer

iii. the Insured took reasonable measures to raise, remove, lighten, destroy or mark the wreck of an Insured Ship, cargo or any property on board to the satisfaction of the Insurers

iv. the raising, removal, lighting, destruction, or marking of the wreck of the Insured Ship, cargo or any property on board was contracted on terms approved by the Insurer.

7. Liabilities in respect of cargo carried on board a vessel

Liability for physical loss, physical damage, shortage and other responsibility in respect of cargo intended to be or being or having been shipped or carried on the Insured Ship arising as a result of a breach by the Insured of his obligations or duties as a carrier to properly carry, keep, and care for the cargo at sea.

All contracts of carriage entered into by the Insured shall be deemed for the purpose of this Policy subject to the Hague/Hague-Visby Rules or Hamburg Rules or equivalent domestic legislation or International Convention.

Liability hereunder will be limited to such as would exist if the Charter Party, Bill of Lading or Contract of Affreightment contained the following clause (in substitution for the clause commonly known as the New Jason Clause):
"In the event of accident, danger, damage or disaster before or after commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequences of which, the ship-owner is not responsible, by statute or contract or otherwise, the shippers, consignees or owners of the cargo shall -contribute with the ship-owner in General Average to the payment of any sacrifice, losses or expenses of a General Average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the cargo."

When cargo is carried by an Insured Ship under a Bill of Lading or similar document of title subject or made subject to the Carriage of Goods by Sea Act, April 16th 1936 and the amendments thereto, liability hereunder shall be limited to such as is imposed by said Act, and if the Insured or an Insured Ship assumes any greater liability or obligation than the minimum liabilities and obligations imposed by such Act, such greater liability or obligation will not be covered under this Policy.

There shall be no recovery in respect of liabilities costs or expenses arising from:

i. The discharge and/or delivery of cargo at a port or place other than that named in the Bill of Lading or other contract of carriage;

ii. A deviation from the contracted voyage that deprives the Insured of rights to limit liability;

iii. The discharge and/or delivery of cargo without productiom of the original Bill of Lading;

iv. The issue of an antedated or post-dated Bill of Lading for the loading of cargo on a date prior to or subsequent to the date on which cargo was actually loaded, shipped or received for shipment;

v. The issue of a Bill of Lading in which the quality and/ or condition of cargo is improperly or inadequately described with the knowledge of the or Owner of the vessel;

vi. The carriage of cargo on-deck where under-deck Bills ofLading have been issued or the nature and/ or value of the cargo or shippers instructions proscribe on-deck carriage;

vii. The failure of the vessel to arrive or its late arrival at a port or place either to load or discharge cargo and/ or its failure to load or to load a full and complete cargo;

viii. The lien or sale of cargo or other property for any purpose;

ix. Inherent defect or other vice of the cargo or delay in delivery of the cargo or loss of market or import licence in respect of such cargo;

x. Loss or damage to property or cargo owned by the Insured or Affiliated/Associated Companies;

xi. Loss of or damage to or injury or sickness arising out of the carriage of livestock or other live animals whether on or under deck of the vessel.

Through or combined bills of lading
Liability for physical loss, physical damage, shortage and other responsibility in respect of cargo being carried by means of transport other than by the Insured Ship under through or combined bills of lading agreed in writing by the Insurer and additional premium being paid by the Insured.

Ad valorem bills of lading
Unless and only to the extent that a special cover has been agreed in writing by the Insurer, there shall be no recovery in respect of any payments to cargo claimants of amounts exceeding whichever is the higher of USD2,500 per unit, piece or package or the limitation per unit, piece or package specified in the standard terms of carriage in respect of shipments of goods carried under an Ad Valorem Bill of Lading, Waybill or other document containing or evidencing the contract of carriage in which the value of the relevant unit, piece of package has been stated to be in excess of USD2,500 or such sums as may be deemed the equivalent amount under domestic legislation or International Convention.

Rare and valuable specie cargo
Unless and to the extent that special cover has been agreed in writing by the Insurer there shall be no recovery in respect of claims relating to the carriage of specie, bullion or rare items of a precious nature including bank notes or other forms of currency, bonds or other negotiable instruments.

Reefer cargo
It is warranted reefer vessel machinery is Classed and Class maintained, and all parts of a refrigerated vessels machinery will remain in Class during the policy period.

Disposal of cargo
Liability for reasonable expenses incurred at the port of discharge or the place where the voyage is abandoned in connection with necessarily discharging/disposing of damaged cargo or the failure of the person entitled to delivery of the cargo to collect/remove it from the custody of the Insured Ship.

Provided always that all rights of recourse available to recover sums from any third party has been exercised, and the claimed expenses are greater than the net proceeds of sale of the cargo and exceed those which would have been incurred had the voyage loading discharge and all associated operations proceeded as intended.

Paperless trading clause
There shall be no recovery from the Insurer in respect of any liability, cost or expense whatsoever or howsoever arising, whether directly or indirectly, out of or in consequence of:

i. the Insured's participation in or use of any system or contractual arrangement the predominant purpose of which is to replace paper-based documentation in shipping and/or international trade with electronic messages, including, without limitation, the Bolero system (any such system or arrangement being referred to in this clause as a 'paperless system'), or

ii. a document which is created or transmitted under a paperless system which document contains or evidences a contract of carriage, or

iii. the carriage of goods pursuant to such a contract of carriage,

save to the extent that the Insurer in its sole discretion may determine that such liability, cost or expense would have arisen and would have been covered by the Insurer if the Insured had not participated in or used a paperless system and any contract of carriage had been contained in or evidenced by a paper document.

For the purpose of this clause a 'document' shall mean anything in which information of any description is recorded, including, but not limited to, computer or other electronically generated information.

8. Liabilities for pollution

Liability for claims and incidental expenses in relation to:

I. damages or compensation payable for pollution or the threat thereof, including costs and expenses incurred by the Insured in performing any measures reasonably taken to avoid, minimise or clean up pollution and any losses or damage incurred as a result of such measures.

II. any measures reasonably taken to comply with the order of any Government or Authority to avoid, minimise or clean up pollution, unless such liabilities and incidental expenses are, or would but for this Policy, be recoverable under other policies in respect of an Insured Ship.

III. a salvage agreement to compensate salvors for work done or measures taken to prevent or reduce pollution or the threat thereof.

Under this clause, there shall be no recovery for liability for pollution or contamination arising out of waste dumping or incineration carried out from or on a vessel named herein.

9. Fines and penalties

Liability for fines and penalties, including expenses necessarily and reasonably incurred in avoiding or mitigating the same. Provided, however the Insurer shall not be liable to indemnify the Insured against any such fines or penalties resulting directly or indirectly from the failure, neglect, or default of Insured or his managing officers or agents to exercise due diligence in preventing the same or to ensure compliance with such regulations as may become applicable in respect of the seaworthiness of vessels or safety of life, property and the environment.

10. Towage liabilities

I. Legal liability arising out of customary towage of an Insured Ship, excluding the costs of the contracted service,

a. for the purpose of entering or leaving port or manoeuvring within the port during the ordinary course of trading, or

b. which is habitually towed or pushed in the ordinary course of trading from port to port or place to place.

II. Legal liability arising under a contract for towage of anInsured Ship other than customary towage

Provided always that the Insurers have agreed in writing that legal liability arising under a contract for towage of an Insured Ship other than customary towage is covered by the Policy.

III. Legal liability arising under the terms of a contract for towage by the Insured Ship

Provided always that

a. the Insurers have agreed in writing that the legal liability arising under a contract for towage of another ship entered by the Insured Ship is covered by the policy, or

b. the Insurers at their sole discretion decide with regard to all the circumstances that the legal liability or part thereof is covered by the Policy.

11. Stowaways and refugees

Subject to a limit of liability of USD 50,000 each single voyage and subject always to the combined single limit, cover is provided for liabilities and expenses incurred by the Insured in discharging his obligations towards or making necessary arrangements for deserters, stowaways, refugees or persons saved at sea, including rescue expenses, but only if and to the extent that the Insured is legally liable for the expenses or they are incurred with the agreement of the Insurer.

12. Diversion expenses

Expenses incurred as a result of diversion or delay of an Insured Ship (over and above the expenses that would have been incurred but for the diversion or delay) solely for the following purposes:

I. Securing necessary treatment ashore of sick or injured persons aboard the Insured Ship.

II. Awaiting a substitute for a sick or injured seaman who has been landed ashore for treatment.

13. Liabilities arising out of life salvage

Sums legally due to third parties by reason of the fact that they have saved or attempted to save the life of any person on or from an Insured Ship but only if and to the extent that such payments are not recoverable under the Hull and Machinery Policy of an Insured Ship or from cargo owners or underwriters.

14.General average

Liability for, or loss of, cargo's proportion of General Average, including special charges, in so far as the Insured cannot recover the same from any other source solely by reason of a breach of the contract of carriage; subject however, to the exclusions of Section A Clause 6 and provided that if the Charter Party, Bill of Lading, or Contract of Affreightment does not contain the New Jason Clause the Insurer's liability hereunder shall be limited to the extent as would have existed if such clause were contained therein.

15.Additional contractual liabilities

Liabilities, costs and expenses insofar as such liabilities, costs and expenses would be covered under the other paragraphs of Section A, but which arise under the terms of a contract as an assumed liability or indemnity agreed by the Insured

Provided always that

i. the terms of any contract shall have been approved by the Insurer in writing and the Insured shall have undertaken to pay such additional premium as may be required by the Insurer

ii. cover under this paragraph shall be limited to such sum and to such of the liabilities, costs and expenses covered under Section A and not otherwise excluded in this Policy as may be agreed from time to time between the Insured and the Insurer and endorsed thereon.

16.Special cover for salvors

Liabilities, fines, costs and expenses which an Insured being a professional salvor, may suffer arising out of salvage operations performed, to be performed or attempted by the Insured and which arise out of the operation of and in respect of the Insured's interest in an Insured Ship where their vessel is a salvage tug or other vessel intended to be used in salvage operations, but only where such cover has been first agreed in writing with the Insurer and on such terms as the Insurers may think fit.

Provided always that liabilities, costs and expenses relate to the risks specified in the other paragraphs of Section A.

17.Sue and labour costs and expenses

I. Costs, charges and expenses reasonably incurred and paid by the Insured in defending any liabilities insured against hereunder in respect of the Insured Ship, subject to the agreed deductibles applicable and subject further to the conditions and limitations hereinafter provided.

II. Costs and expenses reasonably incurred by the Insured in seeking to avert or minimise liabilities or expenses recoverable under the Policy subject to such expenses being incurred with the Insurers' prior written approval where reasonably practicable, or to the extent that the Insurers decide that the Insured should recover under the Policy subject to deductibles.

III. Costs and costs orders incurred by the Insured, or which the Insured may become compelled to pay, in contesting liabilities covered under the Policy with the Insurers' prior written approval.

IV. Formal inquiry expenses incurred by the Insured investigating facts and circumstances of the Insured Ship with the Insurers' prior written approval.

V. Legal liabilities and extra expenses incurred as a direct consequence of an outbreak of an infectious disease, including quarantine and disinfection expenses arising therefrom, on an Insured Ship or ashore as to fuel, insurance, wages, stores, provisions and port charges.

Section B | Risks Excluded

Notwithstanding anything to the contrary contained herein it is hereby understood and agreed that cover hereunder shall in no instance apply to:

I. Any loss, damage, liability or expense sustained directly or indirectly by reason of

a. war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power

b. confiscation or expropriation

c. capture, seizure, arrest, restraint or detainment, or the consequence thereof or any attempt thereat

d. any terrorist or any person acting maliciously or from a political motive, whether or not in the course of a riot or civil disturbance

e. strikers, locked-out workmen, or persons taking part in labour disturbance, riots or civil commotions

f. derelict mines, torpedoes, bombs or other derelict weapons of war

II. Any loss damage liability or expense arising from:

a. the cancellation of any charter, bad debts, fraud of agents, insolvency, loss of freight, hire or demurrage, or as a result of the breach of any undertaking to load any cargo, or

b. contraband, blockade running, unlawful trade, illegal fishing breach of routing regulations

c. entering into or trading in waters where the Insured Ship is restricted, limited or prohibited by any sanction, international convention, United Nations resolution or sanction, treaty, or law.

III. Any liability imposed on the Insured as punitive or exemplary damages, howsoever described.

IV. Any claim for illness, personal injury or death, or loss of, damage to, or loss of use of property directly or indirectly caused by asbestos and/or lead, or any claim arising by reason of or in connection with:

a. Occupational Disease suffered by any person.

b. Cumulative Injury suffered by any person.

c. Death of any person caused by or contributed to by Occupational Disease or Cumulative Injury.

V. Any claim relating to loss damage liability or expense incurred by the Insured during the course of performing specialist operations unless otherwise agreed in writing. For the purpose of this clause 'specialist operations' include dredging, well-stimulation, cable or pipe laying, construction, installation work, drilling or core sampling to the extent that such loss, damage, liability or expense arises as a consequence of:

a. claims brought by any party for whose benefit the work has been performed, or by any third party (whether connected with any party for whose benefit the work has been performed or not) in respect of the specialist nature of the operations; or

b. the failure to perform such operations by the Insured, or the fitness for purpose and quality of the Insured's work, products or services including any defect in the Insured's work products or services; or

c. any loss of or damage to the contract work

Provided that this exclusion shall not apply to any claim in respect of:

a. loss of life, injury or illness of any person on board anInsured Ship

b. wreck removal of an Insured Ship, as defined in Section A Clause 6

c. pollution emanating from the Insured Ship, or the threat thereof.

VI. Any claim arising out of waste incineration or disposal operations carried out by the Insured.

VII. Any claim for loss of life or personal injury arising in respect of divers during diving operations.

VIII. Any claim arising from directly or indirectly caused by or associated with Human T-Cell Lymphotropic Virus type III (HIVL III) or Lymphadenopathy Associated Virus (LAV) or the mutant derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any syndrome or condition of a similar kind howsoever it may be named.

IX. In no case shall the Policy 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.

X. In no case shall this Policy cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from

a. 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.

b. 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 B Clause X.a shall not operate to exclude losses (which would otherwise be covered) arising from 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.

XI. U.S. Oil Pollution Exclusion Clause. Excluding any loss, damage, cost, liability, expense, fine, penalty or punitive damage resulting from or arising under the U.S. Oil Pollution Act of 1990 and/or Comprehensive Environmental Response Compensation and Liability Act of 1980 and/or Federal Water Pollution Control Act and/or any other similar Federal and/or State Law, Act and/or Regulation or amendment thereof.

Section C | General conditions of this insurance

1. Hull and machinery policy

Unless otherwise agreed in writing by the Insurer it is a condition of this Policy that the Insured has in effect throughout the duration of this Policy a Hull and Machinery cover for the Agreed Hull Value of the vessel and on terms and conditions no less wide than the Institute Hull Form(s) - 1.10.83 or 1.11.95 (including the four-fourths Running Down Clause), and the Institute War and Strikes Clauses 1.11.95 (CL 281).

2. Affiliated and associated companies clause

Should any claim in respect of an Insured named in this Policy be made or enforced through an affiliated, associated or subsidiary company of such Insured, the Insurer shall, if so requested by the Insured, indemnify such company against any loss which as a consequence thereof such company shall have incurred in that capacity, nothing herein contained shall be construed as extending to any amount which would not have been recoverable from the Insurer, by the Insured, had such claim been made or enforced against him.

Once the Insurer has made such indemnification it shall not be under any further liability and shall not make any further payment to any person or company whatsoever, including the Insured, in respect of that claim.

3. Co-insured clause

It is understood and agreed that, where required by written contract, the Insured may be granted the privilege of including hereunder other parties as additional Insured(s).

Notwithstanding the fact that such parties as advised are herein named in their capacity as co-insured in this Policy, this cover will only extend insofar as they may be found liable to pay in the first instance for liabilities which are properly the responsibility of the Insured which, if the Insured has entered into a contract with the co-insured, means those liabilities which are to be borne by the Insured under such contract. Nothing herein contained shall be construed as extending cover in respect of any amount which would not have been recoverable hereunder by the Insured had such claim been made or enforced against him. Once indemnification hereunder has been made there shall be no further liability hereunder to make any further payment to any person or company whatsoever, including the Insured, in respect of that claim.

4. No lay-up returns

Unless otherwise agreed by the Insurer in advance, this Policy provides for Cancelling Returns Only.

5. Cancellation

I. This Policy may be cancelled by the Insurer or the Insured upon fifteen (15) days written or telegraphic notice being given. The Insurer may send notice to the Insured's Broker of Record at the time and such notice shall be deemed valid notice for all purposes hereunder from the date of sending.

II. This Policy shall terminate automatically without noticein the event that the Insured, being an individual:

a. dies

b. becomes bankrupt

c. is subject of a receiving order, schedule, arrangement or composition with his creditors

d. ceases to be able to manage or administer his business and/or affairs by reason of mental illness or physical ill health

This Policy shall terminate automatically without notice in the event that the Insured, being a corporation:

a. is the subject of a compulsory winding up order or resolution for its voluntary winding up

b. is dissolved, except in the event of a reorganisation, or if it is taken over by or merges with a third party

c. is declared bankrupt or subject of the appointment of a Receiver, Administrator or manager in respect of all or part of its business

d. applies for a moratorium, becomes subject to a statutory debt rescheduling arrangement, or initiates any proceedings to achieve legal protection from its creditors

The Insured (or in the case of an individual Insured who dies, his personal representative) shall notify the Insurer in writing forthwith on the occurrence of an event referred to in this Section C Clause 5.

III. Unless the Insurer agrees in writing to maintain or reinstate cover in respect of the vessel, on the same or on varied or restricted terms, cover in respect of any Insured Ship shall cease without notice on the occurrence of any of the following:

a. sale of the Insured Ship

b. divestment or assignment by the Insured of part or all of his interest in the Insured Ship whether by bill of sale or other formal document or agreement, or in any other way whatsoever, or if the control and possession of that Insured Ship is transferred whether by demise charter or otherwise

c. change of manager, operators or Flag state in respect of the Insured Ship

d. mortgage or pledge or other hypothecation of the Insured Ship without a satisfactory undertaking or guarantee being given to the Insurers to pay all premiums due or to become due in respect of the Insured Ship

e. relinquishing of possession or control of the Insured Ship by the Insured or foreclosure by a mortgagee bank in respect of the Insured Ship

f. total loss of the Insured Ship whether actual; constructive, on tender by the Insured of notice of abandonment to the Insured Ship's Hull and Machinery insurers; compromised or agreed with the Insured Ship's Hull and Machinery insurers,

g. in circumstances where the Insurer concludes that the Insured Ship is a total loss and notifies the Insured in writing accordingly

h. if the Insured Ship is missing for a period that exceeds ten days from the date she was last heard of, or upon her being posted at Lloyd's as missing, whichever shall be the earlier.

i. change of the classification society of the Insured Ship

j. if for any reason the Insured Ship ceases to comply with the requirements of official government authorities.

The Insured shall notify the Insurer in writing forthwith on the occurrence of any circumstance or event referred to in this Clause.

Where cover ceases pursuant to this Section C Clause 5 the Insurer shall be liable only in respect of any claim arising prior to the time when cover ceases. However, where cover ceases by virtue of total loss of the Insured Ship, the Insurer shall also be liable in respect of any claims which arise directly by reason of the casualty giving rise to the Insured Ship becoming a total loss. In the event of the Insured Ship being a total loss, the premium is deemed earned, payable in full and no return will be due.

6. Premium payment clause

The Insured undertakes that premium will be paid in full to the Insurers within 30 days of inception of this Policy (or, in respect of instalment premiums, when due).

If the premium due under this Policy has not been so paid to the Insurers by the 30th day from the inception of this Policy (and, in respect of instalment premiums, by the date they are due) the Insurers shall have the right to cancel this Policy by notifying the Insured. In the event of cancellation, premium is due to the Insurers on a pro rata basis for the period that the Insurers are on risk but the full Policy premium shall be payable to the Insurers in the event of a loss damage cost or expense prior to the date of termination which gives rise to a valid claim under this Policy.

It is agreed that the Insurers shall give not less than 15 days prior notice of cancellation to the Insured. If premium due is paid in full to the Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the leading underwriter (and agreement parties if appropriate) are authorised to exercise rights under this Section C Clause 6 on their own behalf and on behalf of all the Insurers participating in this contract.
If any provision of this Section C Clause 6 is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this Section C Clause 6 which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to the Insurers will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

7. Law, practice and dispute resolution

This Policy shall be governed by and construed in accordance with English law and practice. Any dispute arising out of this Policy shall be subject to the exclusive jurisdiction of the High Court of Justice in England.

8. Classification clause

The Insured warrants that any Insured Ship is at the time of inception of this policy classed with a Classification Society approved by the Insurer, and shall remain so classed throughout the policy period.

The Insured further warrants that it shall:

i. comply with the Rules of that Classification Society, and comply with any recommendation or requirement issued by it in accordance with those Rules within any period or by any date stated by that Classification Society for compliance.

ii. notify and secure the Insurer's approval in writing of any intended change of Classification Society in respect of any Insured Ship, stating in full all outstanding requirements, recommendations and restrictions to which the Insured Ship is subject.

iii. notify the Classification Society as soon as practicable of any event or circumstance which may affect Class the Insured Ship, including but not limited to any event or circumstance which might cause the Classification Society to impose a requirement or make a recommendation under its Rules.

It is a condition precedent to liability under this Policy that the Insured:

iv. discloses to the Insurer all information and documents that the Insurer may require relating to the Class of the vessel, including but not limited to information and documents relating to any requirements or recommendations imposed, any special survey or dry-docking of the Insured Ship, and the granting of any extensions by the Classification Society under its Rules.

v. authorises a nominated representative of the Insurer, if so required, to inspect and copy the Class records of the Insured Ship and provide such representative copies of any other information or documents that the Classification Society may hold.

9. Flag state

The Insured warrants that any Insured Ship complies at the time of inception of this Policy with all requirements of the Insured Ship's Flag State including those relating to:

i. the construction, condition, manning and equipping of the Insured Ship.

ii. the maintenance of valid statutory certificates issued by or on behalf of the Insured Ship's Flag State.

It is a condition precedent to liability under this Policy that any Insured Ship has complied with such requirements throughout the policy period. In the event of a failure by the Insured to comply with any warranty provided for under this Section C Clause 9 in respect of any Insured Ship, the remedies provided for under the Insurance Act 2015 shall apply.

10.International safety management (ISM) code

Where the requirements of SOLAS requires an Insured named hereunder to be ISM Compliant it is a warranty under this Policy that the Insured and any Insured Ship is ISM compliant and remains so throughout the duration of the agreed policy period.

In the event of any claim arising hereunder, the Insurer will require production of a copy of the Safety Management Certificate (SMC) and the Document of Compliance (DOC) and the Designated Person will be required to produce a statement confirming that all aspects of the Code for which he has specific responsibility have been carried out in accordance with the provisions of the Code.

11.Bail or other security

The Insurer shall be under no obligation to provide bail or other security to obtain the release of, or prevent arrest or attachment of an Insured Ship or other property. Where the Insurer agrees to provide such bail or other security it may do so on such terms as it may consider necessary or appropriate. Such terms will include:

i. the provision of collateral by the Insured in the terms specified by the Insurer and

ii. entitlement by the Insurer to a commission of 1% on the amount of any bail or other security provided where a risk or claim is only partly insured or uninsured and

iii. entitlement by the Insurer to all the costs and expenses incurred in securing and/or defending bail provided on behalf of the Insured or any other insurer.

The Insurer will in no circumstances provide cash deposits by way of bail or other security.

12.Duty of fair presentation

I. Before this insurance contract is entered into, the Insured must make a fair presentation of the risk to the Insurers, in accordance with Section 3 of the Insurance Act 2015. In summary, the Insured must:

a. Disclose to the Insurers every material circumstance which the Insured knows or ought to know. Failing that, the Insured must give the Insurers sufficient information to put a prudent underwriter on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent underwriter as to whether to accept the risk, or the terms of the insurance (including premium);

b. Make the disclosure in Section C Clause 12.I in a reasonably clear and accessible way; and

c. Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.

II. For the purposes of Section C Clause 12.I, the Insured is expected to know the following:

If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.

a. If the Insured is not an individual, what is known to anybody who is part of the Insured's senior management; or anybody who is responsible for arranging the Insured's insurance.

b. Whether the Insured is an individual or not, what should reasonably have been revealed by a reasonable search of information available to the Insured. The information may be held within the Insured's organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the Policy). If the Insured is insuring subsidiaries, affiliates or other parties, the Insurers expect that the Insured will have included them in its enquiries, and that the Insured will inform the Insurers if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

13.Remedies for breach of the duty of fair presentation

I. If, prior to entering into the Policy, the Insured shall breach the duty of fair presentation, the remedies available to the Insurers are set out below.

a. If the Insured's breach of the duty of fair presentation is deliberate or reckless:

(i) The Insurers may avoid the Policy, and refuse to pay all claims; and,

(ii) The Insurers need not return any of the premiums paid.

b. If the Insured's breach of the duty of fair presentation is not deliberate or reckless, the Insurers' remedy shall depend upon what the Insurers would have done if the Insured had complied with the duty of fair presentation:

(i) If the Insurers would not have entered into the Policy at all, the Insurers may avoid the Policy and refuse all claims, but must return the premiums paid.

(ii) If the Insurers would have entered into the Policy, but on different terms (other than terms relating to the premium), the Policy is to be treated as if it had been entered into on those different terms from the outset, if the Insurers so require.

(iii) In addition, if the Insurers would have entered into the Policy, but would have charged a higher premium, the Insurers may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the Insurers shall pay only X% of what they would otherwise have been required to pay, where X = (premium actually charged/higher premium) x 100.

II. If, prior to entering into a variation to this Policy, the Insured shall breach the duty of fair presentation, the remedies available to the Insurers are set out below.

a. If the Insured's breach of the duty of fair presentation is deliberate or reckless:

(i) The Insurers may by notice to the Insured treat the Policy as having been terminated from the time when the variation was concluded; and,

(ii) The Insurers need not return any of the premiums paid.

b. If the Insured's breach of the duty of fair presentation is not deliberate or reckless, the Insurers' remedy shall depend upon what the Insurers would have done if the Insured had complied with the duty of fair presentation:

(i) If the Insurers would not have agreed to the variation at all, the Insurers may treat the Policy as if the variation was never made, but must in that event return any extra premium paid.

(ii) If the Insurers would have agreed to the variation to the Policy, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if the Insurers so require.

(iii) If the Insurers would have increased the premium by more or at all, then the Insurers may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Insurers shall pay only X% of what they would otherwise have been required to pay, where X = (premium actually charged/higher premium) x 100.

(iv) If the Insurers would not have reduced the premium as much as it did or at all, then the Insurers may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the Insurers shall pay only X% of what they would otherwise have been required to pay, where X = (premium actually charged/ reduced total premium) x 100.

Nothing in Section C Clause 13 is intended to vary the position under the Insurance Act 2015.

14.Fraudulent claims

I. If the Insured makes a fraudulent claim under this Policy, the Insurers:

a. Are not liable to pay the claim; and

b. May recover from the Insured any sums paid by the Insurers to the Insured in respect of the claim; and

c. May by notice to the Insured treat the Policy as having been terminated with effect from the time of thefraudulent act.

II. If the Insurers exercise their right under Section C Clause 14.I.c:

a. The Insurers shall not be liable to the Insured in respect of any Occurrence after the time of the fraudulent act; and,

b. The Insurers need not return any of the premiums paid.

Nothing in Section C Clause 14 is intended to vary the position under the Insurance Act 2015.

15.Breach of warranty

If the Insured breaches a warranty in the Policy, the Insurers' liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied. The Insurers shall have no liability to the Insured for any loss, damage, costs or expenses suffered due to a breach of warranty that is not capable of being remedied. The Insurers will have no liability to the Insured for any loss, damage, cost or expense which occurs, or which is attributable to an Occurrence or event, during the period when the Insurers' liability is suspended.

Nothing in Section C Clause 15 is intended to vary the position under the Insurance Act 2015.

16.Contracting out of section 11 of the Insurance Act 2015

Section 11 of the Insurance Act 2015 shall not apply to any clause in the Policy. Where the Policy contains any clause which, if complied with, would tend to reduce the risk of loss, damage, costs or expenses of a particular kind or at a particular location or time, and such clause is not complied with, the Insurers may rely upon such non-compliance to exclude, limit or discharge liability, even if non-compliance with the clause could not have increased the risk of the loss, damage, cost or expense from the Occurrence.

Section D | Claims and recoveries

Claim notification procedures and rights of the Insurer and Insured in relation to the handling of claims

I. In the event of any occurrence which may result in loss, damage and/or expense for which the Insured is or may become liable, the Insured will give prompt notice thereof and forward to the Insurer as soon as practicable after receipt thereof, all communications, processes, pleadings and other legal papers or documents relating to such occurrence.

II. The Insured shall not make any admission of liability, either before or after any occurrence which may result in a claim for which the Insurer may be liable. The Insured shall not interfere in any negotiations of the Insurer, for settlement of any legal proceedings in respect of any occurrences for which the Insurer may be liable under this Policy, provided, however, that in respect of any occurrences likely to give rise to a claim under this Policy, the Insured is obliged to and shall take such steps to protect his (and/or the Insurer's) interests as would reasonably be taken in the absence of this or similar insurance. If the Insured shall fail or refuse to settle any claim as authorised by the Insurer, the liability of the Insurer to the Insured shall be limited to the amount for which settlement could have been made.

III. Whenever required by the Insurer, the Insured shall assist in the securing of information and evidence and in obtaining witnesses and shall co-operate with the Insurer in the defence of any claim or suit or procedure or in the appeal from any judgement in respect of any occurrence as hereinbefore provided.

IV. The Insurer shall have the right at its sole discretion to control or direct the conduct of any claim or legal or other proceedings relating to any liability, loss, damage, costs or expenses which might fall within the scope of this Policy.

V. The Insurer shall not be liable for the cost or expense of prosecuting or defending any claim or suit unless the same shall have been incurred with its written consent or where the Insurer shall be satisfied that such approval could not have been obtained under all the circumstances without unreasonable delay, or that such costs and charges were reasonably and properly incurred, such costs or expenses being subject to the applicable deductible. The cost and expense of prosecuting any claim in which the Insurer shall have an interest by subrogation or otherwise, shall be divided between the Insured and

the Insurer, proportionately to the amounts which they would be entitled to receive respectively, if the suit should have been successful.

VI. The Insurer shall be liable for the excess where the amount of any deductible under this Policy is exceeded by

a. the cost of investigating and/or successfully defending any claim or suit against the Insured based on a liability or an alleged liability of the Insured covered by this Policy , or

b. the amount paid by the Insured either under a judgement or an agreed settlement based on the liability covered herein including all costs, expenses of defence and taxable disbursements.

VII. The Insurer shall be subrogated to all rights which the Insured may have against any other person or entity, in respect of any payment made under this Policy, to the extent of such payment. The Insured shall, upon the request of the Insurer, execute all documents necessary to secure to the Insurer such rights.

VIII. The Insurer shall be entitled to take credit for any profit accruing to the Insured by reason of any negligence or wrongful act of the Insured's servants or agents up to the measure of their loss, or to recover for its own account from third parties any damage that may be provable by reason of such negligence or wrongful act.

IX. Where the Insured is, irrespective of this Policy , covered or protected by another insurer against any loss or claim which would otherwise have been paid under this Policy, there shall be no contribution by the Insurer on the basis of double insurance or otherwise.

X. No claim or demand against the Insurer under this Policy shall be assigned or transferred, and no person, excepting a legally appointed Receiver of the property of the Insured, shall acquire any rights hereunder nor shall an Insured cause there to be any other assignment or transfer of cover or liability to any other party whatsoever.

XI. No claim for recovery or indemnity may be made against the Insurer by the Insured

a. unless such claim is made against the Insurer within one year after the final judgement or decree is entered in any litigation against the Insured or

b. in case the claim against the Insured arises without the entry of a final judgement or decree, such claim is brought within one year from the date of payment.

XII. The Insurer shall not be liable for any claim not presented with proper proof of loss after the expiration six (6) months from the date of payment thereof.

Notwithstanding anything else to the contrary contained in this Policy, it is hereby agreed that the Insurer hereunder is not liable for any loss, damage, injury, expense, cost or claim whatsoever which otherwise would be recoverable under this Policy, unless notice of such loss, damage, injury, expense, cost or claim or circumstances which have not but may give rise to a claim against the Insured is given in writing within 36 months from the expiry date of this Policy.

If the aforesaid 36 month period relating to written notification to the Insurer is invalidated during the period of this Policy by any law to which the Insured is subject, then such period shall be deemed to be amended to the minimum period permitted by such law.

This Policy is one of indemnity and this principle may only be varied at the sole discretion of and on terms to be decided by the Insurer.

Insurance conditions definitions

Insured

The natural or legal person that is named as an Insured in the Policy. A reference herein to the Insured includes a singular reference to an Affiliated and Associated Company.

Insured Ship
A vessel (including hull, machinery, fuel, stores, supplies and equipment or other property on board and containers) owned, managed or operated by the Insured and accepted by Insurers in accordance with the terms of the Policy.

Insurer
Underwriting Members of Lloyds, pursuant to the Binding Authority Agreement stated in the Policy.

Passenger
Any person carried or intended to be or having been carried on board the Insured Ship by virtue of a passenger contract.

Policy
The insurance terms and conditions including headings and introductory wordings contained in the DUPI PROJECTP&I Owner's P&I Insurance Conditions October 2016 to the extent in force together with the terms and conditions in the certificate issued by or on behalf of the Insurer as evidence of insurance together with any slip or other document under which Insurers have agreed terms of insurance and any amendment, declaration or endorsement thereto.

DUPI PROJECT P&I

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