

Repair Yard Clause 2013

Instruction to include certain terms of contract for repair

With reference to Clause 3-28 of the Nordic Marine Insurance Plan of 2013 (the Plan) the following instructions are given when the ship is to be repaired:

1. Use the latest version of the Model Contract drawn up by the Norwegian Shipowners' Association and Federation of Norwegian Manufacturing Industries dated 2 December 1985.
2. Ensure that the amount to be stated in § 10 of the Model Contract which regulates the limit of liability in case of damage is stipulated to a minimum of Nkr 12 million and that the amount in § 11 which regulates liability for defects is stipulated to at least the cost of repair.
3. If the assessed insurable value of the ship (Clause 2-3 of the Plan) is less than NOK 12 million, the limit of liability of the yard in case of damage to be stated in § 10 of the Model Contract shall not be stipulated lower than the assessed insurable value.

If the abovementioned terms are not applied, the insurer shall be liable only for loss and liability as if the Contract referred to in No. 1 was in force. In the case of lower limits for liability as referred to in Nos. 2 and 3 being stipulated, the liability of the insurer shall be reduced with an amount equivalent to the difference between the limits of liability as referred to in Nos. 2 and 3 and the limits of liability agreed upon in the actual contract of repair which the parties have entered into, cf. Clause 4-15 (b) of the Plan.