

## Conditions for Hull-Interest Insurance in addition to the Norwegian Marine Insurance Plan of 1964

This insurance shall not be subject to the Insurance Contracts Act of 16 June 1989 No. 69, with the exception of Section 7-8 of the Act. The insurance contract shall be subject to the agreed insurance conditions, the Norwegian Insurance Plan of 1964 (the Plan) and the Insurance Contracts Act of 1930 with the insurance practice which has been developed in connection with these provisions.

### I. Amendments to Provisions of the Plan.

#### 1. Nuclear peril exclusion.

This insurance does not cover loss directly or indirectly caused by or arising from the release of any kind of atomic/nuclear energy from any kind of source (nuclear peril). If a nuclear peril has contributed to a loss, the whole loss shall be deemed to be caused by such peril. The Assured has the burden of proving that the loss is not caused by a nuclear peril.

#### 2. Measures by state authorities.

To § 15 (a) and (b) of the Plan:  
The insurance shall comprise loss of the ship resulting from measures taken by state authorities for the purpose of averting or minimizing pollution damage, but not where the risk of such damage is caused by war perils (§ 16 of the Plan).

#### 3. Loss through measures relating to other interests.

Where measures taken to avert or minimize a loss which would have been recoverable from another Insurer, have struck an interest covered under the insurance, the insurer shall be subrogated to the Assured's claim against the other Insurer. § 96 of the Plan shall have equivalent application.

#### 4. Sum insured in foreign currency.

Where, in the insurance conditions, amounts have been stipulated in NOK or another currency, the conversion to the currency of the policy shall, unless otherwise agreed, be based on the latest official bank rate of exchange for sale effective prior to the attachment of the insurance.

#### 5. Interest.

- To the first sentence of the first paragraph of § 86 of the Plan:  
The Assured can claim interest as from the expiry of one month from the day on which notification of the casualty was sent to the insurer.
- To the third paragraph of § 86 and the first sentence of the third paragraph of § 90 of the Plan:  
The rate of interest shall be 8 % p.a.
- To the third paragraph of § 112 of the Plan:  
The rate of interest shall be determined in accordance with the rule of the first paragraph of § 3 of the Interest Act of 17 December 1976.

#### 6. Information from the Classification Society, flag state and port authorities.

To § 30 of the Plan:  
The Insurer (Rating Leader and/or Claims Leader) has the authority to obtain directly from the Classification Society, flag state authorities and port authorities, any information which the Insurer may deem necessary, provided that the assured is notified beforehand.

#### 7. Venue.

To § 88 of the Plan:  
The Insurer cannot be sued in the courts of the venue mentioned in article 29 of the Civil Procedures Act of 13 August 1915, but only in the courts of venue mentioned in articles 17 and 21 of said Act.

#### 8. Termination of the insurance.

To § 133 of the Plan:

The insurance automatically terminates

- if the ship is transferred to a new owner by sale or in any other manner,
- if there is a change in the technical, maritime or commercial management of the ship.

If more than half of the stocks or shares in the company that owns the ship are transferred to a single new owner during the period of insurance, the Insurer is to be informed as soon as possible and at the latest 14 days after the Person effecting the insurance or the Assured became aware of or ought to have become aware of the transfer. In the event of such a transfer the Insurer may terminate the insurance by giving 14 days notice. In the event of a breach of the duty to give notice and provided that the Insurer has not otherwise become aware of the transfer of the stocks or shares, then a deduction of 25 % of the sum insured – but not more than NOK 1 000 000, or the equivalent in another currency – is to be made in the settlement of any subsequent claim.

#### 9. Loss of class or transfer to another classification society.

In lieu of § 31, second paragraph, of the Plan the following shall apply:

At the commencement of the insurance period the vessel must be classed by a classification society approved by the Insurer, unless otherwise agreed.

The insurance shall terminate if the vessel loses its class or is transferred to another classification society, unless the Insurer explicitly agrees to uphold the insurance. If the vessel loses class while at sea, the insurance cover shall not lapse until the vessel has reached the nearest port.

The vessel's class shall be regarded as lost if the Assured or someone on his behalf requests that the class be cancelled, or if the classification society suspends or withdraws the class by other causes than an occurred casualty. The vessel shall within fixed time limits be subject to periodic surveys set by the classification society. If this is not done and a casualty occurs, § 49, first paragraph, first sentence, and second paragraph, of the Plan shall apply correspondingly.

#### 10. Time limit for notification of casualty.

Instead of § 107 of the Plan the following shall apply:

The Assured forfeits his right to claim compensation if he has failed to notify the Insurer of the casualty within six months of the Assured, the master or the chief engineer of the vessel becoming aware of it, or the Assured ought to have become aware of it.

The right to claim compensation for anything other than hull damage under the light ship water line will under any circumstances be forfeited if the casualty is not reported within 24 months of its occurrence.

#### 11. Extension of time limit on account of hindrance on the part of the Assured.

The Insurer cannot invoke §§ 107 and 108 of the Plan if the Assured proves that he has not been able to notify the Insurer of the claim or prevent the statute of limitations from running because of Norwegian or foreign law, or

some other insurmountable obstacle not attributable to him, and that he has exercised his right as soon as this became possible for him.

**12. Fraud etc. in connection with the settlement of claims.**  
Instead of § 83, second paragraph of the Plan the following shall apply:

If the Assured has fraudulently or dishonestly neglected his duties under § 83, first paragraph, of the Plan, the Insurer's liability will lapse.

**II. The trading area.**

The trading area under the insurance comprises all waters with the following limitations:

**A. The Northern hemisphere.**

**1. European arctic waters.**

The waters north of 72° N.Lat. and the waters of East Greenland and Jan Mayen.

However, this limitation shall not apply to voyages to Longyearbyen and Sveagruven at Svalbard, provided that the ship passes 72° N.Lat. not earlier than 15 May and departs from the said places not later than 31 October.

**2. Euro-Asiatic arctic waters.**

The waters north of the Euro-Asiatic continent east of 35° E.Long.

**3. East-Asiatic waters and the Bering Sea.**

East-Asiatic waters north of 46° N.Lat. to 170° E.Long. and the Bering Sea, including voyages to the Aleutian Islands.

However, this limitation shall not apply to passages of these waters on voyages between places within the trading area, with respect to the Bering Sea passages through Unimak Pass and west of Buldir Island, provided that the ship is equipped with modern aids to navigate in these waters.

**4. North- and Northeast-American waters and West-Greenland waters.**

The waters north of 60° N.Lat. and waters approachable only by the passing of this latitude. On voyages to St. Lawrence Seaway and the North-American Lakes, see part IV, section B, point 4.

**B. The Southern hemisphere.**

The waters south of 50° S.Lat. and the waters of Kerguelen, Crozet Islands and Prince Edward Islands.

However, this limitation shall not apply to voyages to Patagonia, Chile and the Falkland Islands or to passages through the waters south of 50° S.Lat. on voyages between places north of this latitude.

**III. Ship proceeding beyond trading limits.<sup>1)</sup>**

The Leading Underwriter may give advance dispensation for voyages outside the trading area on conditions stipulated by Sjøassurandørenes Fellesutvalg. If the stipulated conditions are not accepted by the Person effecting the insurance, the insurance shall become inoperative when the limit of the trading area is transgressed by a wilful act of the ship's master. If, prior to the expiry of the period of the insurance, the ship again comes within the limits of the trading area, the insurance shall again become operative.

If, in other cases, the limits of the trading area have been transgressed, without the Person effecting the insurance having notified the Insurer that he wants the insurance to become inoperative, the insurance shall not become inoperative even if the Assured has consented to the transgression; additional premium and other possible conditions shall be determined by Sjøassurandørenes Fellesutvalg.

These provisions shall prevail over the rules of the first paragraph of § 35, § 36, the first paragraph of § 37 and § 39 of the Plan.

**IV. Additional premiums for trading within the trading area.**

**A. Additional premiums chargeable by the Insurer.**

For voyages in areas during periods specified below the Insurer has the right to charge additional premiums. Unless otherwise agreed, additional premium is chargeable every time the master has wilfully taken the ship into one of the areas described in section B; the second paragraph of § 35 of the Plan shall, however, be applicable.

The rates of additional premiums (the premium) are expressed as a percentage of the hull valuation (%).

Of the total additional premium computed for trading in the respective areas, a part corresponding to the proportion between the sum insured and the hull valuation, is due to the insurer. If the insurance is inception or terminated while the ship is in such area, the part due to the Insurer shall be computed pro rata temporis.

**B. Areas and periods.**

**1. The Baltic.**

- a) The Gulf of Bothnia north of the line Umeå-Vasa during the period 15 December-15 April: Premium 0.15 %.
- b) The Gulf of Finland east of 25° 45' E.Long. during the period 8 January-15 April: Premium 0.1 %.

**2. Labrador.**

The waters from Cape St. Charles to 60° N.Lat., all year: Premium 0.25 %.

**3. Gulf of St. Lawrence and St. Lawrence River.**

- a) The waters inside the lines drawn between Port Mulgrave-Port Hawkesbury (Strait of Canso), Cape North-Cape Ray (Cabot Strait), Cape Bauld-Cape St. Charles (Strait of Belle Isle) and Baie Comeau-Matane (St. Lawrence River) during the period 21 December-4 April: Premium 0.0625 %.
- b) The waters from the line Baie Comeau-Matane up to and including Montreal harbour during the periods  
6 December-15 January: Premium 0.0625 %.  
15 January -15 March: Premium 0.075 %.  
16 March - 4 April: Premium 0.0625 %.
- c) For voyages where premium is payable pursuant to b) no premium is payable according to a).

**4. St. Lawrence Seaway and the North-American Lakes.**

St. Lawrence Seaway and the North-American Lakes are excluded from the trading area during the period the passage of the channels is not permitted by the Authorities. The time limit for salvage attempts, see the second paragraph of § 162 of the Plan, shall in all cases be extended to 12 months.

**C. The basis for calculation of the premium.<sup>1)</sup>**

The rates are not applicable to local trade or offshore activities within the area in question or if the ship has not been equipped with gyro compass and radar. In such cases the premium shall be determined by Sjøassurandørenes Fellesutvalg. The same applies if the ship has been strengthened against ice in accordance with the rules of a recognized classification society.

<sup>1)</sup> To III and IV, C:

Sjøassurandørenes Fellesutvalg (the Committee) may delegate its power to another body.

**V. Return of Premium.**

No return of premium for stay in port (§ 122 of the Plan).