



Oak Maritime Fleet

OWNERS SPECIAL CLAUSES

1. a) One deductible to be applied to all damage sustained as a result of groundings or touching or touching bottom during one voyage, inward and outward, river or inland waterway.
 - b) One deductible to be applied to all damage sustained by contacts with lock walls in the St. Lawrence Seaway and Great Lakes, Panama Canal or Kiel Canal during one voyage inward and outward and during berthing / unberthing operations.
 - c) Whilst on passage, if ice damage is sustained when entering and leaving a port, such damage sustained thereby shall only be subject to one deductible, providing the ice condition also prevailed whilst the vessel was in port.
 - d) All damage sustained by contact with lightening vessels whilst employed in loading (or discharging) one cargo at any one port shall be subject to one deductible. In the event that the vessel is employed at a port as a lightening vessel, all damage sustained by contacts with any one mother vessel whilst employed in loading (or discharging) one cargo from the mother vessel shall also be subject to one deductible.
2. For claim purpose: -
 - air freight on spare parts.
 - the cost of temporary repairs, and
 - excess cost of overtime one repairs,
 - the cost of drydocking with cargo on board, and
 - the cost of discharging, storing and reloading cargo necessary for damage repairs.which are not allowable in General Average shall be deemed to be form part of the reasonable cost or repairs to the extent that such items would have been incurred by a prudent uninsured owner.
 3. Any increase in cost or repairs by deferment deemed to be part of the reasonable cost of repairs providing the repairs are carried out by the next special survey.
 4. Underwriters' liability of unrepaired damage will be the estimated cost of repairs at the first reasonable opportunity including estimated drydock dues and services, tank cleaning, superintendence and removal, if necessary.
 5. Subject to the terms and conditions of this policy, cargo's proportion of General Average and/or Charterers, and/or other contributions (including Salvage, if any) not exceeding US\$500,000 shall be recoverable hereunder, provided claim or contribution from all cargo has been waived by the Assured. Adjusters' charges not deemed to be part of US\$500,000 referred to above. Deductible shall not apply to General Average Claims.



6. All vessels are deemed to be insured for their sound contributory values.

7. Affiliated Companies Clause

In respect of the vessel insured hereunder, this policy also covers the Assured and Affiliated companies of the assured be they owners subsidiaries or inter-related companies and as bareboat charterers and/or charterers and/or sub-charterers and/or operators and/or in whatever capacity, and shall so continue to cover notwithstanding the provisions of this policy with respect to change of ownership or management. Provided, however, that in the event of any claim being made by any affiliated, subsidiary or inter-related company under this clause it shall be not entitled to recover in respect of any liability to which it would be subject if it were the owner of the vessel, nor to a greater extent than an owner would be entitled in such event to recover. These insurers waive any right of subrogation against any subsidiary affiliated or inter-related company of the Assured, excepting to the extent that any such company is insured against the liability asserted. However, should the vessel be sold to or transferred to or chartered on a bareboat basis to others than the Assured or the affiliated companies of the Assured, or be requisitioned on a bareboat basis, the provisions of this policy with respect to change of ownership or management shall govern.

Notwithstanding foregoing reference to the word(s) "Assured" (Line 67) "Assured Owners and Managers" (Line 69 and 70) in the Institute Time Clause Hulls 1.10.83 and "Assured Owners and Managers" (Lines 12 and 13) in the Institute Additional Perils Clause - Hulls 1.10.83 shall be deemed to include only the specified name assureds in the policy and does not exceed to include those companies which are assureds solely by reason of the above Affiliated Companies Clause which formed part of this policy.

8. Lease Equipment Clause

This insurance is extended to cover equipment and apparatus, not owned by the assured but installed for use on the insured vessel and for which the assured has assumed liability, whether such equipment or apparatus be in the nature of aids to navigation or communication or otherwise but in no event shall the liability of the Underwriters exceed the contractual liability of the assured for such equipment or apparatus or liability to which underwriter would be subject, if the property were fully owned by the assured, whichever shall be the least. All such equipment or apparatus installed on the vessel but not owned by the assured shall be included on the agreed valuation of the hull etc. unless its function is directly related to the propulsion of the vessel in which event such equipment and apparatus shall be included in the agreed valuation of machinery.



9. Radio and Aids Navigation Clause

Radio apparatus and equipment, echo sounders, navigating equipment and other apparatus or equipment used for the purpose of communication or as aids to navigation or safety devices, portable cargo containers (such as refrigerated boxes, etc.) when permanently installed in the insured vessel, tanks cleaning equipment, also equipment consisting of projection machines, sound apparatus and motion picture film shall be covered by this policy and included within the agreed valuation of the Hull, even when not owned by the assured, provided the assured has assumed liability therefore; but the liability of underwriters (either as to amount or as to the risks covered) shall not exceed that assured's liability to which underwriters would be subject if the property were fully owned by the assured whichever shall be the least.

10. Towage Contact Clause

Where in accordance with established local practice the Assured, the Charterer or the Agent enters into pilotage or towage contracts under which the Assured, the Charterer or the agent of the Assured assumes liability for any damages resulting from collision the Vessel insured with another ship or vessel, including the towing vessel, and agrees to indemnify the pilot or the towboat and/or owners, charterers, operators, managers, agents and /or pilots against loss or liability for any such damage, it is agreed the amounts paid by the Assured, Charterer or the agent of the Assured pursuant to such agreement, in respect of such damage caused by collision between the Vessel insured with any other ship or vessel, shall be deemed payments "by way of damages to any other person or persons" and to have been paid "in consequence of the insured vessel being at fault" within the meaning of the Collision Clause in this policy to the extent that such payments would have been covered under the said Collision Clause if the insured vessel had been responsible for damage in the absence of any agreement. Provided always that in no event shall the aggregate amount of liability of Underwriters under the Collision Clause, including this endorsement, be greater than the amount of any statutory limitation of liability to which the Assured's is entitled, or would be entitled if the Assured's liability under any indemnity agreement referred to in this endorsement were included among the liabilities subject to such statutory limitation.

11. General Average

"San Francisco" may be substituted for "New York" in the General Average Clause in respect to vessels operating to or from ports located on the Pacific Coast of North America at the Assured's option.



12. Bottom Painting Compensation Clause

When in consequence of damage by perils insured against, the vessel's bottom has to be scrapped and painted, the cost of such scraping and painting shall be paid in full without any deduction on account of the vessel having become due for ordinary painting at any time subsequent to the accident.

13. Condemnation Clause

The Assured may recover for a total loss where the ship is condemnable. The Ship is condemnable where the total damage caused by casualties is so extensive that the cost of repairing her will amount at least 80% of the insured value or of her value in repaired condition, at assureds option.

The value of the ship in repaired condition is to be ascertained on the basis of the market values obtaining at the time when the assured submits his request to condemnation.

14. Deletion of Institute Time Clause – Hull (1.10.83) Clause 1, 2, 16 & 17.

15. It is agreed that where Repairers / Technicians are employed effecting repairs during a vessel's voyage, the relative insurances covering the vessel shall not be prejudiced by failure to obtain from repairers a hold harmless agreement or alternatively that the shipowners are required to provide a hold harmless agreement

16. Helicopter Clause

It is understood and agreed that the practice of using Helicopters for the transfer of pilots, stores and the like will not prejudice this insurance.

17. Passenger Equipment Clause

This insurance is extended to include bunkers and/or spare bunkers, bar stores, equipment for 'passengers' amusement, saloon and passenger cabin fittings, equipment, furnishings and decorations as well as all other stores and supplies including stocks in vessel's shops, provided the same are owned by the Assured.



18. Additional Insurance

For the purposes of this policy, "gross freight of hire" in section 21.1.3 of the Disbursements Warranty shall include uncollected freight even through agreed prepaid or to be paid, ship or goods lost or not lost; and withstanding the provisions of the Disbursements Warranty, privilege is granted to insured P.P.I. the Premiums permitted by Section 21.1.6 of the Disbursements Warranty.

Notwithstanding the provisions of the Disbursements Warranty, privilege is granted to insure Loss of Earnings Policy Policy Proof of Interest – Full Interest Admitted without limit as to the effect that no claim is to attach thereto for Total Loss.

19. Permission for Hot Work Clause

It is noted and agreed that owners have permission for hot work to be undertaken to tankers, without prior advice to Underwriters.

20. Owners are to have option to place separately amounts as may be required in respect of Time Charter Hire and/or Charter Hire for a single voyage and/or series of voyages and/or Freight and/or Loss of Hire and/or Loss of Earnings and/or Disbursements

21. It is agreed that the Assured is entitled to elect a place dry-docking or repair for the purpose of carrying out repairs for which Underwriters are liable and that the cost of effecting repairs there is deemed to be part of the reasonable cost of repairs.

22. Exit Clause

In the event that any company, club or Lloyds Syndicate participating hereon has an adverse change to its insurance rating such that it falls below the level of Standard & Poor's BBB, or A.M. Best's B+, the Assured may elect to issue cancellation to that Underwriter at the next quarter date with pro-rata premium being returned accordingly.