



兆豐產物船舶保險 - Kidnap Marine Cover (Form TAL KM 2014-01)

In consideration of the payment of the Premium(s) stated the schedule and subject to the terms limitations, conditions and exclusions set forth below, Underwriters agree to indemnify the **Assured** in respect of **Insured Losses** sustained directly because of **Insured Events** which occur during the **Period of Insurance** - all as defined in this policy. Reference to the **Schedule** of this insurance shall determine the Limits of Liability, which shall apply.

1. **INSURED LOSSES** shall be:
 - 1.1 **Ransom** which has been surrendered; in the case of marketable goods or services, Underwriters shall pay the actual cash value thereof at the time of surrender based on an independent evaluation or agreement between the parties.
 - 1.2 The loss in transit of a **Ransom** by actual destruction, disappearance or wrongful abstraction while being conveyed to those who have demanded it by a person who is authorised to do so by the **Assured** or an **Insured Person**.
 - 1.3 The fees and expenses of **Response Consultant(s)** or **Crisis Management Advisors** as agreed by the Underwriters
 - 1.4 **Additional expenses** shall be expenses necessarily incurred following and for the duration of, an **Insured Event** by the **Assured** or an **Insured Person(s)** which shall comprise:
 - (1) fees and expenses of an independent negotiator engaged by the **Assured** with the prior authorisation of Underwriters;
 - (2) fees and expenses of an independent public relations consultant and/or interpreter;
 - (3) costs of travel and accommodation incurred by the **Assured** or an **Insured Person**;
 - (4) the costs of travel of a **Kidnap** and/or **Detention** and/or **Hijack** victim and his family to the country of which the victim is a national and the travel costs of a replacement of a **Kidnap** and/or **Detention** and/or **Hijack** victim and his family to the country in which the **Kidnap** and/or **Detention** and/or **Hijack** occurred. These costs shall only apply once per **Insured Person** per **Kidnap** and/or **Detention** and/or **Hijack**;
 - (5) fees for independent psychiatric care and/or medical care and/or legal advice incurred prior to and within thirty six months following the **Insured Event** and release of the **Insured Person(s)**;
 - (6) reward paid by the **Assured** or **Insured Person** to an **Informant** for information which contributes to the resolution of the **Insured Event**;
 - (7) **Personal Financial Loss**:
 - a) 100% of a kidnapped or detained or hijacked **Insured Person's** gross salary including bonuses, commissions, costs of living adjustments, foreign tax reimbursements, pension and/or welfare contributions and allowances which were contractually due at the time the **Insured Event** occurs and for 60 consecutive days following the victims release; and
 - b) 100% of the gross salary of a relative who leaves their employment to assist in the negotiations for the release of the victim of a **kidnap**, or **detention** or **hijack Insured Person**, including bonuses, commissions, cost of living adjustments, foreign tax reimbursements, pension and/or welfare contributions and allowances, which were contractually due at the time the **Insured Event** occurs.
 - (8) 100% of the gross salary including bonuses and allowances for a temporary replacement of a kidnapped or detained or hijacked **Insured Person** for the duration of the **Kidnap** and/or **Detention** and/or **Hijack** and 30 consecutive days thereafter, up to but not exceeding the kidnapped or detained or hijacked **Insured Person's** salary at the time that the **Kidnap** or **Detention** or **Hijack** occurs;
 - (9) the costs **incurred** by the **Assured** for the salaries of employees specifically designated to assist in negotiating on an **Insured Event**. These are not to exceed the employees base rate of pay. Plus all other reasonable expenses solely and directly incurred in connection with such negotiations, provided that the **Assured** forwards an itemised account of such employees time, services and expenses;



- (10) sums payable by way of interest on loans raised specifically to meet an insured loss and in respect of amounts subsequently reimbursed hereunder, provided the loan is repaid within seven days of the **Assured** receiving reimbursement of the same from Underwriters;
- (11) Costs, fees and expenses of security measures and security guards temporarily retained solely and directly for the purpose of protecting **Insured Persons** located in the country where an **Insured Event** has occurred and on the specific recommendation of **Response Consultant(s) or Crisis Management Advisors** as agreed by the Underwriters;
- (12) costs of communication equipment, recording equipment and advertisings directly attributed as a result of an **Insured Event**;
- (13) reasonable fees and expenses of independent forensic analysts engaged by the **Assured**;
- (14) reasonable rest and rehabilitation expenses including meals and recreation incurred by the **Kidnap** and/or Detention and/or **Hijack victim** and a spouse and/or children incurred within 12 months following the release of the **Kidnap** or **Detention** or **Hijack** victim. Underwriters' liability shall not exceed that shown in the **Schedule**;
- (15) the reasonable costs of cosmetic or plastic surgery which is required to correct any permanent disfigurement sustained by a **Insured Person** solely and directly as a result of an **Insured Event**;
- (16) the reasonable costs incurred and paid to the port authorities by the **Assured** following the release of a **hijacked vessel(s)** calling at an unscheduled port directly and only as a result of an **Insured Event**. Underwriters will only cover such costs for up to, but not exceeding, 30 consecutive days after the **hijack** has ended of the said **vessel(s)**;
- (17) the cost of fuel oil (bunkering) used by the **hijacked vessel(s)** directly attributable to and only during an **Insured Event**; liability is sub limited as per item 6.4 of the **Schedule**
- (18) the reasonable cost of conveying any **ransom** to the perpetrators of the **kidnap** and/or **hijack**;
- (19) all other reasonable expenses incurred by the **Assured** or **Insured Person(s)** in negotiating the release of the victim with Underwriters' prior approval.

1.5 **Legal Liability**, shall be awards and judgements imposed upon and paid by the **Assured** as a result of an action for damages brought by or on behalf of any **Insured Person(s)** or his or their legal representative or shareholders solely and directly as a result of a **Kidnap** or **Extortion**.

However:

- (i) the **Assured** shall neither admit any liability for, not settle any claim, nor incur any costs or expenses without the prior authorisation of Underwriters;
- (ii) Underwriters shall have the right to defend any such suit against the **Assured** and may make whatever investigation and settlement of any claim or suit they deem expedient and the law allows, and the **Assured** shall co-operate fully with Underwriters in all things in connection therewith.

Defence costs incurred by Underwriters, or with their prior authorisation, are payable in addition to the limit for Legal Liability. However, if the total amount for all settlements, awards and Judgements to which such costs refer exceeds this limit, this policy shall pay only that proportion of defence costs which the limit of Legal Liability bears to the total of such awards and judgements.

1.6 **Personal Accident** which shall be the **Loss of Limb, Loss of Sight, Loss of Hearing, Loss of Speech, Loss of Extremity, Permanent Total Disablement** or **Death** sustained by the **Insured Person(s)** as the result of an **Injury** provided that such **Injury** causes his death or disablement within 36 consecutive calendar months from the date of the incident. The Sums Insured shall be those specified in 6.6 of the **Schedule**.

For the purposes of **Insured Loss 1.6 Personal Accident** an **Insured Person** shall also include bodyguards and vehicle operators whilst employed by the Assured or an existing **Insured Person** during an **Insured Event**. The Sum Insured for such Bodyguards and Vehicle Operators shall be 20% of the:



- (1) Capital Sum Insured limit per **Insured Person**
- (2) In the aggregate limit

specified in 6.6 of the **Schedule** and shall be payable in addition to the In the Aggregate limit specified therein.

2. **DEFINITIONS**

- 2.1 **Insured Event** shall be a **Kidnap** or **Extortion** or **Cyber Extortion** or **Hijack** or a series of connected acts thereof. If it is evident from the demand(s) or the making of such demand(s) that **Kidnaps** and/or **Extortions** and/or **Cyber Extortions** and/or **Hijacks** are or were carried out in furtherance of one another, they shall be deemed to be connected and to constitute a single **Insured Event**. Nevertheless, there shall be no liability hereunder in respect of a series of **Kidnaps** or **Extortions** or **Cyber Extortions** or **Hijacks** the first of which began before the Period of Insurance.
- 2.2 **Kidnap** shall be the actual or alleged taking captive, in the **Territory** and/or **Trading Area** as specified in the **Schedule**, and holding captive of one or more **Insured Persons** by persons who then demand specifically from the **Assured** or an **Insured Person** a **Ransom** as a condition of the release of such captive(s).
- 2.3 **Extortion** shall be the making of illegal threats specifically to the **Assured** or to an **Insured Person** to:
- (1) kill, injure or abduct an **Insured Person(s)**; or
 - (2) cause physical damage to or loss of vessels identified in the **schedule**;
 - (3) Introduce a Computer Virus
- by persons who then demand a **Ransom** as a condition of not carrying out such threats.
- 2.4 **Cyber Extortion** shall be the making of illegal threats to the **Assured** that the Assured's internet system will or has suffered distribution denial of service attacks (DDoS), by persons who demand a **Ransom** from the **Assured** as a condition of not carrying out such threats.
- 2.5 **Hijack** shall be the illegal taking by force for a period in excess of six consecutive hours of an **Insured Person** whilst travelling on the **Insured Vessel** identified in the **schedule** in the **Trading Area** as specified in the **Schedule**.
- 2.6 **Ransom** shall be cash and/or marketable goods or services surrendered or to be surrendered by or on behalf of the **Assured** or **Insured Person(s)** to meet a **Kidnap** or **Extortion** demand.
- 2.7 **Assured** shall be as specified in the **Schedule item 1**.
- 2.8 **Insured Person** shall be those specified in the **Schedule**, being
- (1) the crew of the **Assureds** Vessel(s) and any supernumeraries and any persons legally onboard such vessel(s) with the permission of the **Assured** and/or the vessels Master and in addition;
 - (2) any person who is directly involved in the handling or negotiating of an **Insured Event**
- 2.9 **Insured Vessel**; as identified in the **Schedule item 3**
- 2.10 **Informant** shall be a person providing information not otherwise available and solely in return for monetary payment by the **Assured**.
- 2.11 **Trading Area** shall be Worldwide as per the Hull War, Strikes Terrorism and Related Perils Endorsement JW2005/001A dated 20th June 2005 and JWC Hull War, Strikes, Terrorism as per JWLA Hull War, Strikes, terrorism and Related Perils Listed Areas or as amended and/or updated or as specified specifically in the **Schedule**.
- 2.12 **Computer System** a computer and all input, output, processing, storage and communication facilities and equipment which are connected to such a device and which the operating system or application software used by the **Assured** are under their direct operational control. Off-line media libraries are deemed to be part of said **Computer System**.



- 2.13 **Computer Virus** a set of unauthorised instructions, programmatic or otherwise, that propagate themselves through the Assureds computer system and/or networks, which instructions were designed to modify, alter, destroy, delete, contaminate or degrade the integrity, quality, or performance of data, computer application software, computer network, or computer operating system and related software.
- 2.14 **Injury** shall be identifiable physical injury occasioned by visible, violent and external means sustained during **Kidnap** or **Detention** or **Hijack** and /or attempted **Kidnap** or **Detention** or **Hijack**.
- 2.15 **Loss of Limb** shall be the loss by separation or total and irrecoverable use of a hand at or above the wrist or a foot at or above the ankle.
- 2.16 **Loss of Sight** shall be loss of sight of one or both eyes which is certified as being entire and irrevocable by a qualified medical practitioner specialising in ophthalmology and approved by Underwriters.
- 2.17 **Loss of Hearing** shall be the loss of hearing in one or both ears which is certified as being total and irrevocable by a qualified medical practitioner
- 2.18 **Loss of Speech** shall be the certified as being total and irrevocable by a qualified medical practitioner
- 2.19 **Permanent Total Disablement** shall be disablement which necessarily and continuously disables an **Insured Person** from attending to every aspect of his normal business or occupation for a period of 12 consecutive calendar months and, at the end of such period is certified by two qualified medical practitioners approved by Underwriters as being beyond hope of improvement. If the **Insured Person** has no business or occupation the disablement must confine him immediately and continuously to the house and disable him from attending to his normal duties.
- 2.20 **Loss of Extremity** shall be the permanent physical separation or total and irrecoverable use of a digit or part thereof or an ear, nose or genital organ or part thereof by deliberate mutilation.
- 2.21 **Response Consultants** and **Crisis Management Advisors** as applicable shall be as named in the **Schedule** of this insurance, item 7
- 2.22 Words in the Masculine gender shall include the Feminine

3 CONDITIONS

- 3.1 When an **Insured Event** has occurred or is believed to have occurred, the **Assured** shall as a condition precedent to liability;
- (1) inform **Underwriters and Response Consultant(s) or Crisis Management Advisors** and provide whatever information is required as soon as is practicable and inform or allow **Response Consultant(s) or Crisis Management Advisors** to inform the appropriate authorities responsible for law enforcement in the country where an **Insured Event** has occurred of the **Ransom** demand as soon as is practicable having regards to the personal safety of the Victim;
 - (2) before agreeing to the payment of any **Ransom**, make every reasonable effort to:-
 - (a) determine that the **Insured Event** has actually occurred and is not a hoax;
 - (b) ensure that a senior official of the **Assured** agrees to the payment of the **Ransom**;
 - (3) when requesting the reimbursement hereunder of a **Ransom**, be able to demonstrate that such **Ransom** had been surrendered under duress.
- 3.2 The **Assured** and **Insured Person(s)** must at all times act prudently to restrict the knowledge of the existence of this insurance as far as possible.
- 3.3 The **Assured** and **Insured Person(s)** must at all times act prudently and do all things reasonably practicable to avoid or diminish any insured losses.
- 3.4 In the event of any payment under this Policy, Underwriters shall be subrogated to the extent of such payment to all the **Assureds'** rights of recovery and the **Assured** shall execute all papers required and shall do everything necessary to enable Underwriters to bring suit in the names of the **Assured**.



- 3.5 Underwriters' liability hereunder shall in all cases be limited to the amount shown in the Schedule. Specifically, but without limiting the generality of the foregoing, Underwriters' liability shall not be increased because:
- (1) the **Assured** may comprise or include more than one legal entity. If more than one legal entity is named in this policy, only the first-named shall have any right to make, adjust, receive or enforce payment of any claim;
 - (2) of renewal of this policy. Underwriters' liability shall not be cumulative from one Period of Insurance to another;
 - (3) of any other reason whatsoever.
- 3.6 No assignment of the **Assureds** interest hereunder shall be binding on Underwriters.
- 3.7 Notice to any agent or knowledge possessed by any agent or by any other person shall not affect a waiver or a change in any part of this Policy, or prevent Underwriters from asserting any right under this policy, nor shall the terms of this Policy be waived or changed except by endorsement to form part of this Policy.
- 3.8 Failure by Underwriters to exercise or enforce any right in this insurance as contained herein does not mean Underwriters rights are waived. Underwriters may exercise or enforce their rights at any time.
- 3.9 Under Section 1.6 **Personal Accident** the following conditions apply:
- (1) any **Insured Person** who suffers an incident which causes or may cause disablement within the meaning of this policy must place himself under the care of a qualified medical practitioner approved by Underwriters as early as possible after the incident.
 - (2) Underwriters will not be liable to pay compensation unless the medical advisers appointed by Underwriters shall be allowed as often as is thought necessary to examine the **Insured Person**.
- 3.10 This insurance may be cancelled by Underwriters only as a result of non-payment of premium by the **Assured**. In such an event, Underwriters shall mail written notice of not less than 30 days of the effective date of cancellation, except Additional Premiums for Transits where cancellation shall be immediate and earned premium shall be calculated on a pro rata basis.
- 3.11 Law and jurisdiction as specified in Item 8 of the **Schedule**. This Policy of Insurance is to be governed by and construed in accordance with English Law unless otherwise agreed.

4 EXCLUSIONS

Underwriters are not liable in respect of any losses caused by, or arising from or attributable to any of the following:-

- 4.1 Off Premises Robbery Exclusion: the deliberate surrender of a **Ransom** in any face to face encounter involving the use or threat of force or violence unless surrendered by a person who is in possession of such **Ransom** at the time of such surrender for the sole purpose of conveying it to pay a previously communicated **Ransom** demand;
- 4.2 On Premises Robbery Exclusion: the surrender of a **Ransom** either at the **Kidnap** location of one or more **Insured Persons** or where the **Extortion** demand is first made, unless brought to such location after receipt of the **Ransom** demand for the sole purpose of paying such **Ransom** demand;
- 4.3 in respect of **Kidnap** or **Extortion**, or **Hijack** only, a fraudulent, or criminal act of the **Assured**, a director or officer of the **Assured**, or an **Insured Person** or **Insured Person** or agent thereof, whether acting alone or in collusion with others;
- 4.4 the **Assured** or any **Insured Person(s)** taking part in the operations of any governmental or private police, guard, security or armed forces;
- 4.5 the actual threatened malicious use of pathogenic or poisonous biological or chemical materials;
- 4.6 nuclear reaction, nuclear radiation or radioactive contamination;
- 4.7 the surrender of the vessel and/or cargo, goods and cash being transported by any vessel(s) insured hereunder for use as a **Ransom**;



- 4.8 legal advice that has been obtained without the knowledge and/or consent of Underwriters.
- 4.9 Any claims in respect of physical loss or damage to the property of the **Assured** that are or but for the existence of this insurance would be covered under any other insurance(s), specifically but not limited to any coverage under Hull and Machinery, P & I, F D & D (freight, demurrage and defence) and war Risks insurance(s)
- 4.10 Terrorism Act 2000: In respect of the UK legislation on Terrorism under the Terrorism Act 2000 and the UN Security Council Resolution 2133 (January 2014), it is agreed that any restriction on the payment of **Ransoms** (Item 1.1) shall not exclude indemnification for the other perils defined within the policy, notwithstanding insurers complying with the below Sanction Limitation and Exclusion Clause.

5 **WARRANTY**

- (a) The **Assured** warrants that throughout the currency of this insurance they are not in breach of ISM/ISO and that Class Certification is in force at all times for the Vessel(s) identified in the schedule. Failure to comply with this warranty shall terminate this insurance.
- (b) The Underwriters waive all rights of subrogation against the **Assured's** Hull and Machinery insurers and/or Marine War risks policies for any vessel owned, managed or operated, chartered or leased by the **Assured**.
- (c) Sanction Limitation and Exclusion Clause; No Insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.



NAVIGATION LIMITATIONS FOR HULL WAR, STRIKES, TERRORISM AND RELATED PERILS ENDORSEMENT (JW2005/001A) updated by Underwriters

1. NAVIGATION PROVISIONS

Unless and to the extent otherwise agreed by the Underwriters in accordance with Clause 2, the vessel or craft insured hereunder shall not enter sail for or deviate towards the territorial waters of any of the Countries or places, or any other waters described in the current List of Areas of Perceived Enhanced Risk (listed areas) as may be published from time to time in London by the Joint War Committee.

2. BREACH OF NAVIGATION PROVISIONS

- (a) If the Insured wishes to secure continuation of coverage under this insurance for a voyage which would otherwise breach Clause 1, it shall give notice to Underwriters and shall only undertake such voyage if it agrees with the Underwriters any amended terms of cover and any additional premium which may be required by the Underwriters
- (b) In the event of any breach of any of the provisions of Clause 1, the Underwriters shall not be liable for any loss, damage, liability or expense arising out of or resulting from an accident or occurrence otherwise covered under this insurance during the period of breach, unless notice of such breach is given to the Underwriters as soon as practicable and any amended terms of cover and any additional premium required by them are agreed.
- (c) Continuation of coverage under this insurance is conditional upon notice to the Underwriters being given prior to the vessel or craft entering the listed areas.

3. REVISIONS TO LIST OF AREAS OF PERCEIVED ENHANCED RISK

- (a) In the event that revisions to the List of Areas of Perceived Enhanced Risk are published by the Joint War Committee, these revisions shall not take effect for the purposes of Clause 1 and Clause 2 hereof unless the Underwriters shall have given 7 days notice of cancellation to the Insured for amendment of the listed areas.
- (b) If a vessel or craft remains in the territorial waters of a Country or place after such Country or place has been added to the listed areas under Clause 3(a), the Underwriters shall not be liable for any loss, damage, liability or expense arising out of or resulting from an accident or occurrence otherwise covered under this insurance after expiry of that 7 day period unless notice is given to the Underwriters before the end of that 7 day period and any amended terms of cover and any additional premium required by them are agreed before the expiry of this period.



兆豐產物保險股份有限公司
Chung Kuo Insurance Company, Limited

106.07.23 兆產備字第 1065100161 號

客戶申訴及 24 小時服務專線: 0800-053-588

Endorsements Effective Inception and Forming Part of the Policy:

TAL KM LoH – Loss of Hire Extension

Premium:

Effected Through:

Law and Jurisdiction of the Policy:

Law:

Jurisdiction:



What to do in a crisis?

In the event of an incident that may be covered under the terms of the policy, please contact Security Exchange 24-hour Crisis Line immediately, you will then be contacted by an experienced crisis consultant.

Please quote policy reference when calling.

Security Exchange 24-hour Crisis Line

Miami +1 305 384 4825

London +44 20 3284 8844

Sydney +61 2807 30186

After contacting the **Security Exchange Crisis Line** a crisis consultant will contact you, from our panel of consultants who are available 24 hours a day, 7 days a week on a priority basis:

Callers will speak directly to or receive an immediate call back from an experienced consultant.

In the event of an incident which may be covered under this policy, and whether or not **Security Exchange** are contacted, one of the following Insurer representatives are to be notified in order to be in compliance with the notice requirements of this policy:

Worldwide	Business Telephone	Mobile Number
Neil Evans	+44 (0) 207 550 3688	+44 (0) 7506 798 906
Tom Howard	+44 (0) 207 550 3677	+44 (0)7943 510 718
Paul Cunningham	+44 (0) 207 550 3680	+44 (0) 7786 431 520



How to make a claim

Please provide immediate verbal notice and formal written notice of loss to:

Paul Cunningham
Claims Team
Talbot Underwriting
60 Threadneedle Street
London
EC2R 8HP

Tel: + 44 (0) 207 550 3680
E:mail: paul.cunningham@talbotuw.com

PLEASE NOTE:

NOTIFICATION OF A CLAIM TO SECURITY EXCHANGE DOES NOT CONSTITUTE NOTIFICATION UNDER THE POLICY.

THE ROLE OF CRISIS CONSULTANTS IS LIMITED TO PROVIDING IMMEDIATE ASSISTANCE AND GUIDANCE TO THE ASSURED IN THE EVENT OF AN ACTUAL OR THREATENED INSURED EVENT.

CONSULTANTS DO NOT HAVE THE AUTHORITY ON BEHALF OF UNDERWRITERS TO DEAL WITH MATTERS OF POLICY COVERAGE OR THE APPLICATION OF POLICY TERMS AND CONDITIONS.

Questions and Complaints

If you have a question or a complaint, please speak to your insurance agent using the details below. If you are not satisfied with the way your complaint has been handled, you may refer the matter to the Complaints Department at Lloyd's. The contact details are:

Policyholder & Market Assistance
Lloyd's Market Services, One Lime Street,
London EC3M 7HA
Telephone: +44 (0) 207 327 5693
Fax: +44 (0) 207 327 5225
Email: Complaints@Lloyd's.com

Complaints that cannot be resolved by the Complaints Department at Lloyd's may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaint process. This complaint procedure is without prejudice to your right to take legal proceedings. Underwriters are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations.

The maximum level of compensation you can receive from the scheme for a claim against an insurer depends on the type of insurance policy, as described here. FSCS may arrange to transfer your policy to another insurer, provide a new policy or if these actions are not possible, provide compensation. Further information about the scheme is available from the Financial Services Compensation Scheme (7th Floor Lloyd's Chambers, Portsoken Street, London E1 8BN) and on their website: www.fscs.org.uk



LOSS OF HIRE ENDORSEMENT

In consideration of payment of the Premium(s) stated the **schedule** and subject to the terms limitations, conditions and exclusions set forth below, it is noted and agreed that, underwriters liability shall be extended to include loss of hire provided underwriters have received the required premium stated in the **schedule** prior to the Insured Event.

1. INSURED LOSSES

1.1 Underwriters agree to indemnify the **Assured** up to the Limit of Liability stated in the attached schedule in respect of the following loss sustained by the **Assured** solely and directly as a result of a **Hijack** occurring during the period of insurance, subject to the following terms, conditions, exclusions and definitions: For the **Hire** contractually due from the Charterer or the vessel to the **Assured** for the period of the **Hijack** of the **Vessel** or **Vessels** named in the schedule, up to but not exceeding the Daily Indemnity amount and the indemnity period specified in the schedule.

2. DEFINITIONS:

2.1 **Hire** shall be either:

- (1) the actual daily rate of **Charterparty** hire contained in a Charterparty; or
- (2) the potential time Charter equivalent rate applicable as prior agreed by Underwriters in writing in advance in each case as recorded in the Schedule as the Daily Indemnity.

2.2 **Hijack** shall be the illegal taking by force, in the **Trading Area** and holding of the **Insured Vessel(s)** named in the **Schedule** by persons who demand specifically from assets of the **Assured** a **Ransom** as a condition of the release of such **Insured Vessel(s)**.

2.3 **Charterparty** shall be the contract for **hire** made between the **Assured** and the **Charterer**.

2.4 **Daily Indemnity** shall be the maximum indemnification per day as specified in the **schedule**.

3. CONDITIONS

3.1 The Investigating Accountants shall determine the amount payable under this Extension, taking into account any savings or recoveries or offsetting of losses which have been made or which the **Assured** could reasonably have been made or which the Assured could reasonably have been expected to make, and the ability of the **Assured** to resume the contractual voyage.

3.2 In the event of an **insured loss**, claims for payments by underwriters shall be made as soon as practicable and shall be accompanied by a computation of loss, prepared by the recognised firm of accountants using standard accountancy procedures, which sets out in detail how the loss has been calculated and what assumptions have been made. The **Assured** shall produce any documentary evidence, books of accounts, bills, invoices and other vouchers which the Investigating Accountants may require and shall afford them every assistance in their investigations including reasonable access to the Assured's premises.

4. EXCLUSIONS

In addition to any exclusions stated in the policy wording underwriters shall not be liable in respect of any **Hire**:

- 4.1 Caused by or arising from or attributable to any loss sustained after the release of the **Assured's Vessel** or **Vessels** or the expiry of the indemnity period specified in the **schedule**, whichever first occurs. Specifically, but without limiting the generality of the foregoing, underwriters shall not be liable in such case, whether such loss is attributed to loss of market share or otherwise.
- 4.2 Unless the **hijack** of the **Assured's Vessel** or **Vessels** continues beyond the franchise period stated in the **schedule**. If such **hijack** continues beyond the excess period, the underwriters shall, subject to the terms and conditions of this policy, indemnify the **Assured** from the point the excess period expires and for the duration of the period of indemnity as set out in the attached **schedule**.



SCHEDULE

Effective date

Hire Indemnity period

Maximum # consecutive days

Limit of Liability

Daily Indemnity per Insured Event; per twenty-four hour period up to but not exceeding

In the aggregate for all **Insured Events** during the Period of Insurance

Excess period

Nil consecutive days

Investigating accountants

KPMG

Additional Premium or Rate on Line per transit

% of Maximum Sum Insured

