

PROTECTION AND INDEMNITY CLAUSES

1 Assured
2
3 Address
4
5 Loss, if any, payable to
6
7 From the day of 19 Beginning and ending
8 Until the day of 19 at noon Standard Time
at place of insuance.
9 Amount hereby insured \$ Rate % Premium \$
10 In consideration of the premium and subject to the warranties, terms and conditions herein mentioned, this Com-
11 pany hereby undertakes to pay up the amount hereby insured and in conformity with lines 5 and 6 hereof,
12 such sums as the assured, as owner of the
13 shall have become legally liable to pay and shall have paid on account of:
14 Loss of life of, or injury to, or illness of, any person;
15 Hospital, medical, or other expenses necessarily and reasonably included in respect of loss of life of, in-
16 jury to, or illness of any member of the crew of the vessel named herein;
17 Loss of, or damage to, or expense in connection with any fixed or movable object or property of whatever
18 nature;
19 Costs or expenses of, or incidental to, the removal of the wreck of the vessel named herein when such
20 removal is compulsory by law; provided, however, that there shall be deducted from such claim the value
21 of any salvage recovered from the wreck by the assured;
22 Fines and penalties, including expenses reasonably incurred in attempting to obtain the remission or mitiga-
23 tion of same, for the violation of any of the laws of the United States, or of any state thereof, or of any
24 foreign country; provided, however, that this Company shall not be liable to indemnify the assured against
25 any such fines or penalties resulting directly or indirectly from the failure, neglect, or default of the as-
26 sured or his managing officers or managing agents to exercise the highest degree of diligence to prevent a
27 violation of any such laws;
28 Costs and expenses, incurred with this Company's approval, of investigating and/or defending any claim
29 or suit against the assured arising out of a liability or an alleged liability of the assured covered by this
30 policy.
31 Notwithstanding the foregoing this Company will not pay for:
32 The first \$ of claims covered by lines 14, 15, 16, 28, 29 and 30 nor for the first \$
33 of claims covered by any other parts of this policy, but, in no event shall the deductible exceed \$
34 each occurrence. (For the purpose of this clause, each occurrence shall be treated separately, but a series
35 of claims hereunder arising from the same occurrence shall be treated as due to that occurrence.)
36 Loss of, or damage sustained by the vessel named herein or her tackle, apparel, furniture, boats, fittings,
37 equipment, stores, fuel, provisions or appurtenances;
38 Loss resulting from cancellation of charters, non-collectibility of freight, bad debts, insolvency of agents
39 or others, salvage, general average, detention, loss of use or demurrage of the vessel named herein;
40 Any loss, damage, expense or claim with respect to any vessel or craft in tow of the vessel named herein
41 and/or cargo thereon; provided this exclusion shall not apply to salvage services rendered in an emergency
42 to a ship or vessel in distress, nor to loss of life and/or injury to, or illness of any person;
43 Any claim for loss of, damage to, or expense in respect of cargo on board the vessel named herein;
44 Any claim arising directly or indirectly under the Longshoremen's and Harbor Workers' Compensation
45 Act or any workmen's compensation act of any state or nation;
46 Any liability assumed by the assured beyond that imposed by law; provided however that if by agree-
47 ment, or otherwise, the assured's legal liability is lessened, then this Company shall receive the benefit of
48 such lessened liability.
49 Any loss, damage or expense sustained by reason of any taking of the vessel by requisition or other-
50 wise, civil war, revolution, rebellion, or insurrection, or civil strife arising therefrom, capture, seizure,
51 arrest, restraint or detainment, or the consequences thereof or of any attempt thereat; or sustained in con-
52 sequence of military, naval or air action by force of arms; or sustained or caused by mines or torpedoes or
53 other missiles or engines of war, whether of enemy or friendly origin: or sustained or caused by any weapon
54 of war employing atomic fission or atomic fusion or radioactive material: or sustained in consequence of
55 placing the vessel in jeopardy as an act or measure of war taken in the actual process of a military engage-
56 ment, including embarking or disembarking troops or material of war in the immediate zone of such engage-
57 ment: and any such loss, damage and expense shall be excluded from this policy without regard to whether
58 the assured's liability in respect thereof is based on negligence or otherwise, and whether in time of peace
59 or war.
60 Any loss, damage, expense or claim collectible under the
61 form of policy, whether or not the vessel named herein is actually covered by such insurance and regardless
62 of the amount thereof.

63 Warranted that in the event of any occurrence which could result in a claim under this policy the assured
64 promptly will notify this Company upon receiving notice thereof and forward to this Company as soon
65 as practicable all communications, processes, pleadings or other legal papers or documents relating to such oc-
66 currence.

67 Whenever required by this Company, the assured shall aid in securing information and evidence and in obtaining
68 witnesses and shall cooperate with this Company in the defense of any claim or suit or in the appeal from any
69 judgment.

70 This Company shall have the option of naming the attorneys who shall represent the assured in the prosecution
71 or defense of any litigation or negotiations between the assured and third parties concerning any claim covered
72 by this policy, and shall have the direction of such litigation or negotiations. If the assured shall fail or refuse
73 to settle any claim as authorized by this Company, the liability of this Company shall be limited to the
74 amount for which settlement could have been made. The assured shall at the option of this Company permit this Company
75 to conduct, with an attorney of this Company's selection, at this Company's cost and expense
76 and under its exclusive control, a proceeding in the assured's name to limit the assured's liability to the extent,
77 and in the manner provided by the present and any future statutes relative to the limitation of a shipowner's
78 liability.

79 Liability hereunder in respect of loss, damage, costs, fees, expenses or claims arising out of or in consequence of
80 any one occurrence is limited to the amount hereby insured. (For the purpose of this clause each occurrence
81 shall be treated separately, but a series of claims hereunder arising from the same occurrence shall be treated
82 as due to that occurrence.)

83 The assured shall not make any admission of liability, either before or after any occurrence which could
84 result in a claim for which this Company may be liable. The assured shall not interfere in any negotia-
85 tions of this Company, for settlement of any legal proceedings in respect of any occurrence for which this
86 Company may be liable under this policy; provided, however, that in respect of any occurrence likely to give rise
87 to a claim under this policy, the assured is obligated to and shall take such steps to protect his and/or the
88 Company's interests as would reasonably be taken in the absence of this or similar insurance.

89 Upon making payment under this policy this Company shall be vested with all of the assured's rights of recovery
90 against any person, corporation, vessel or interest and the assured shall execute and deliver such instruments
91 and papers as this Company shall require and do whatever else is necessary to secure such rights.

92 No action shall lie against this Company for the recovery of any loss sustained by the assured unless such
93 action is brought within one year after the entry of any final judgment or decree in any litigation against the
94 assured, or in the event of a claim without the entry of such final judgment or decree, unless such action is
95 brought within one year from the date of the payment of such claim.

96 No claim or demand against this Company under this policy shall be assigned or transferred, and no person
97 shall acquire any right against this Company by virtue of this insurance without the express consent of this
98 Company.

99 It is expressly understood and agreed if and when the assured has any interest other than as a shipowner in
100 the vessel named herein, in no event shall this Company be liable hereunder to any greater extent than if the
101 assured were the sole owner and entitled to petition for limitation of liability in accordance with, present and
102 future law.

103 Where the assured is, irrespective of this policy, covered or protected against any loss or claim which would
104 otherwise have been paid by this Company, under this policy, there shall be no contribution or participation by
105 this Company on the basis of excess, contributing deficiency, concurrent, or double insurance or otherwise.

106 The navigation limits in the policy covering the hull, machinery, etc. of the vessel named herein are considered
107 incorporated herein.

108 This insurance shall be void in case the vessel named herein, or any part thereof, shall be sold, transferred or
109 mortgaged, or if there be any change of management or charter of the vessel, or if this policy be assigned or
110 pledged, without the previous consent in writing of this Company.

111 Either party may cancel this policy by giving ten days' notice in writing; if at the option of this Company
112 pro rata rates, if at the request of the assured short rates, will be charged – and arrival.

