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For attachment to policy No. of
 Issued to

P R E - K E E L C L A U S E S

The terms and conditions as set forth below shall supersede and nullify the clauses of the policy insofar as such clauses are inconsistent with the clauses set forth below.

1. This insurance covers only Pre-keel Materials belonging to and destined for each vessel named in the policy to which this form is attached. The said Pre-keel Materials for so much as concerns the Assured and the Underwriters are and shall be valued at the cost of materials plus the cost of labor and overhead as determined by the Assured's records, which value shall be deemed the insured value of Pre-keel Materials for the purposes of this insurance.
2. The amount insured hereunder shall be in the sum of per cent of the insured value.
3. The insured value of Pre-keel Materials insured under Pre-keel policies shall not exceed \$
4. It is understood and agreed that the insured value of Pre-keel Materials insured hereunder intended for any one vessel shall not exceed \$, and the liability of these Underwriters insuring an interest of per cent shall not exceed \$ on Pre-keel Materials intended for any one vessel.
5. It is understood and agreed that the liability hereunder on Pre-keel Materials stored in any one building shall not exceed \$ being per cent of \$
6. The Assured agrees to declare to these Underwriters 100% of the insured value of Pre-keel Materials at risk, as above defined.
7. The insured value at risk on Pre-keel Materials shall be declared to the Underwriters as follows:—
 - (A) Value at risk shall be shown as respects each individual vessel.
 - (B) Value at risk at inception of this insurance shall be declared at once.
 - (C) Value at risk at end of each calendar month thereafter shall be declared not later than 15 days immediately following.
 - (D) Values at risk as of attachment of full form insurance shall be declared not later than 15 days after the end of the month in which the attachment occurs.
8. Premiums shall be payable monthly at the rate of ¢ % per month. The premium for each month shall be figured on the average of the values at risk at the end of the two immediately preceding months, as shown by the reports for these months, provided, however, that during any month in which insurance is changed from Pre-keel insurance to full form insurance, premiums on such vessel shall be payable on the average of the value as of the end of the previous month and the value at time of attachment of full form insurance, at pro-rata daily of the monthly rate.
9. Coverage hereunder on Pre-keel Materials destined for any particular vessel insured hereunder shall automatically terminate upon keel-laying of any such vessel and this insurance shall automatically terminate upon keel-laying of the last vessel insured hereunder.

E X T E N D E D S T R I K E S C L A U S E

In consideration of an additional premium at the rate of ½ ¢ per month (included in the rate above), applied to the average values at risk as hereinbefore set forth, this insurance is extended to cover as per the following clauses:—

“This insurance also covers damage to or destruction of the property insured directly caused by Strikers, Locked out Workmen or persons taking part in labor disturbances or riots or civil commotions or caused by vandalism, sabotage or malicious mischief, but excluding Civil War, Revolution, rebellion or insurrection or civil strife arising therefrom, and warranted free from any claim for delay, detention or loss of use.

Notwithstanding the exclusions in the F.C. & S. clause in the within policy ‘Vandalism’, ‘Sabotage’ and ‘Malicious Mischief’ as used herein shall be construed to include wilful or malicious physical injury to or destruction of the described property caused by acts committed by an agent of any Government, party or faction engaged in war, hostilities or other warlike operations, provided such agent is acting secretly and not in connection with any operation of military or naval armed forces in the country where the described property is situated.”

The Underwriters have the right nevertheless to change the above rate at any time on 15 days' written notice to the Assured: hut the Assured shall have the option to cancel this endorsement as of the time when such change of rate would take effect, provided previous notice of such cancellation be given to the Underwriters. The rate may be changed as above notwithstanding Strikes, labor troubles or civil commotions, on board the vessel or elsewhere, may be threatened or actually exist either at the time when such notice is given or when it takes effect.