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We welcome you as a Policyholder of Argus Insurance Company (Europe) Limited, Malta Branch. We are a locally incorporated Branch associated with the Argus Insurance Group offering you an extensive insurance service. Please read this Policy Booklet together with your Schedule. These set out the cover you have chosen, plus any limits that apply. If you are not satisfied with the details or the policy does not cover your needs, please return the Schedule to your insurance adviser.

Argus Insurance Company (Europe) Limited has its origins on the Rock of Gibraltar, dating back to 1841, and is fully licensed to act as an Insurance Company by the Gibraltar Financial Services Commission (GFSC), Number FSC00027B. Argus Insurance Company (Europe) Limited, is a registered company in Gibraltar bearing Company number 01862 and holds its registered office at Regal House, Queensway, Gibraltar.

### **Argus Insurance Company (Europe) Limited**

may be contacted at:  
Unit G.04 West One,  
Europort Road, Gibraltar  
Telephone: (+350) 200 79520  
Fax: (+350) 200 70942

**The Malta Branch of Argus Insurance Company (Europe) Limited No. OC 1216 is registered in Malta and licensed by the Malta Financial Services Authority (MFSA) to act as a third country branch of Argus Insurance Company (Europe) Limited, registered in Gibraltar No. 01862, licensed by the Gibraltar Financial Services Commission.**

### **On receipt of your Policy**

To ensure that your Policy gives you the protection you need we recommend that you read it carefully and return it immediately if not in accordance with your requirements. The Policy Schedule specifies the Sections and sums insured you have selected; it is your evidence of insurance and may be required in the event of a claim. Remember also that even adequate insurance does not compensate completely for the worry and inconvenience that usually follow loss or accident. Please therefore take reasonable precautions. If you decide within 14 days of receipt that you do not wish to accept this Policy, return it and provided no claims have been made we will refund the premium.

### **Operation of Cover**

This Policy provides cover against loss, damage, injury and legal liability which will happen during the period of insurance for which we have accepted your premium. This Policy is a legally binding contract between you the Insured and Argus Insurance Company (Europe) Limited. The proposal made by you is the basis of and forms part of this contract. We will provide insurance within the terms of this Policy for those Sections specified in the Schedule in respect of events occurring during the period of insurance or any subsequent period for which you pay and we will agree to accept a renewal premium.



### **Alex Bonavia - Managing Director P & C**

Argus Insurance Company (Europe) Limited

**IMPORTANT:** In the event of any occurrence likely to result in a claim under this insurance please contact Your local representative at the following address:

### **Argus Insurance Company (Europe) Limited**

Trident Park, 8B Level 5, Notabile Gardens,  
Mdina Road, Central Business District Zone 2,  
Birkirkara CBD 2010, Malta  
Tel: +356 2342 2000 Fax: +356 2342 2190  
claims@argus.mt www.argus.mt

## DATA PROTECTION AND HOW WE PROCESS DATA

Processing of personal data is regulated by the General Data Protection EU 2016/679 together with other laws which relate to privacy and electronic communications. In this clause, we refer to these laws as Data Protection Law"

During the course of our engagement with you it will be necessary for you to disclose certain personal data to us in order that we provide our services to you and to enable us to discharge the services agreed, to comply with related legal and regulatory obligations for other related purposes including updating and enhancing clients records and analysis for management purposes. This will require us to obtain, use, disclose and otherwise process personal data about you and, if applicable, your organisation, its shareholders members and/or officers and employees.

For clarity, Data Protection Law contemplates various grounds which may render processing of personal data lawful, including where it is necessary for a contract, mandate by law, it is in your legitimate interest (and does not override your policy, and/or if you give us your consent. Our Privacy Notice (which can also be accessed at [www.argus.com.mt](http://www.argus.com.mt)) or provide to you in hard copy upon request, explains how we process personal data. In providing our services we act as an independent data controller and are, therefore responsible for complying with Data Protection Law in respect of any personal data we process. You are responsible for complying with Data Protection Law in respect of the personal data you process and, accordingly, where you disclose personal data to us you confirm and warrant that such disclosure is fair and lawful, that where applicable and necessary you have obtained lawful consent from others for you to pass on their personal data to us, to the Argus Group and third-parties to whom we disclose personal data (and for the Argus Group and said third-parties to share the personal data with us), and otherwise it does not contravene Data Protection Law. Noting within this document relieves you of your own direct responsibilities and liabilities under Data Protection Law Terms used in this clause bear the same meanings as are described to them in Data Protection Law. This clause does not apply to the extent that we act as a data processor for you I which case specific data protection instructions are to be signed between us.

### Basis Data Protection information

**Controller:** Argus Insurance Company (Europe) Limited, Malta Branch

**Purpose:** Management of Insurance Agreement, creation of profiles for suitable enforcement of the insurance agreement, integral and centralised management of the relation with Argus Group and delivery of information and advertising on ARGUS Group, and delivery of information and advertising on Argus Group products and services.

**Recipients:** Data may be communicated to third parties and/or data transfers may be made to third-party countries in the terms stipulated in the Additional Information.

**Rights:** You can exercise your rights of access, rectification, removal, limitations, objection and transferability, specified in the Additional Data Protection Information.

## **MARINE INSURANCE POLICY**

### **INSTITUTE TIME CLAUSES HULLS**

#### **1. Navigation**

- 1.1 The Vessel is covered subject to the provisions of this insurance at all times and has leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but it is warranted that the Vessel shall not be towed, except as is customary or to the first safe port or place when in need of assistance, or undertake towage or salvage services under a contract previously arranged by the Insured and or Owners and/or Managers and/or Charterers. This Clause 1.1 shall not exclude customary towage in connection with loading and discharging.
- 1.2 This insurance shall not be prejudiced by reason of the Insured entering into any contract with pilots or for customary towage which limits or exempts the liability of the pilots and/or tugs and/or towboats and/or their owners when the Insured or their agents accept or are compelled to accept such contracts in accordance with local law or practice.
- 1.3 The practice of engaging helicopters for the transportation of personnel, supplies and equipment to and/or from the Vessel shall not prejudice this insurance.
- 1.4 In the event of the Vessel being employed in trading operations which entail cargo loading or discharging at sea from or into another vessel (not being a harbour or inshore craft) no claim shall be recoverable under this insurance for loss of or damage to the Vessel or liability to any other vessel arising from such loading or discharging operations, including whilst approaching, lying alongside and leaving, unless previous notice has been given to the Company and any amended terms of cover and any additional premium required by them have been agreed.
- 1.5 In the event of the Vessel sailing (with or without cargo) with the intention of being (a) broken up, or (b) sold for breaking up, any claim for loss of or damage to the Vessel occurring subsequent to such sailing shall be limited to the market value of the Vessel as carp at the time when the loss or damage is sustained, unless previous notice has been given to the Company and any amendments to the terms of cover, insured value and premium required by them has been agreed. Nothing in this Clause 1.5 shall be affect claims under Clauses 8 and/or 10.

#### **2. Continuation**

Should the Vessel at the expiration of this insurance be at sea and in distress or missing, she shall, provided notice to be given to the Company prior to the expiration of this insurance, be held covered until arrival at the next port in good safety, or if in port and in distress until the Vessel is made safe, at a pro rata monthly premium.

### 3. Breach of Warranty

Held covered in case of breach of any warranty as to cargo, trade, locality, towage, salvage services or date of sailing, provided notice be given to the Company immediately after receipt of advices and any amended terms of cover and any additional premium required by them agreed.

### 4. Classification

- 4.1 It is the duty of the Insured, Owners, and Managers at the inception of and throughout the period of this insurance to ensure that
- 4.1.1 The Vessel is classified with a Classification Society agreed by the Company and that her class within that Society is maintained,
  - 4.1.2 Any recommendations requirements or restrictions imposed by the Vessel's Classification Society which relate to the Vessel's seaworthy condition are complied with by the dates required by that Society.
- 4.2 In the event of any breach of the duties set out in Clause 4.1 above, unless the Company agree to the contrary in writing, they will be discharged from liability under this insurance as from the date of the breach provided that if the Vessel is at sea at such date the Company' discharge from liability is deferred until arrival at her next port.
- 4.3 Any incident condition or damage in respect of which the Vessel's Classification Society might make recommendations as to repairs or other action to be taken by the Insured, Owners or Managers must be promptly reported to the Classification Society.
- 4.4 Should the Company wish to approach the Classification Society directly for information and/or documents, the Insured will provide the necessary authorization.

### 5. Termination

**This Clause 5 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith.**

Unless the Company agrees to the contrary in writing, this insurance shall terminate automatically at the time of

- 5.1 change of the Classification Society of the Vessel, or change, suspension, discontinuance, withdrawal or expiry of her class therein, or any of the Classification Society's periodic surveys becoming overdue unless an extension of time for such survey be agreed by the Classification Society, provided that if the Vessel is at sea such automatic termination shall be deferred until

arrival at her next port. However where such change, suspension, discontinuance, withdrawal or expiry of her class therein, or any of the Classification Society's periodic surveys becoming overdue has resulted from loss or damage covered by Clause 6 of this insurance or which would be covered by an insurance of the Vessel subject to current Institute War and Strikes Clauses Hulls - Time such automatic termination shall only operate should the Vessel sail from her next port without the prior approval of the Classification Society or in the case of a periodic survey becoming overdue without the Classification Society having agreed an extension of time for such survey,

- 5.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter on a bareboat basis, or requisition for title use of the Vessel, provided that if, Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall if required be deferred, whilst the Vessel continues her planned voyage, until arrival at final port of discharge if with cargo or at port of destination if in ballast.

However, in the event of requisition for title or use without the prior execution of a written agreement by the Insured, such automatic termination shall occur fifteen days after such requisition whether the Vessel is at sea or in port.

## 6. Perils

- 6.1 this insurance covers loss of or damage to the insured vessel caused by

- 6.1.1. perils of the seas, rivers, lakes or other navigable waters;
- 6.1.2. fire, explosion
- 6.1.3. violent theft by persons from outside the Vessel
- 6.1.4. jettison
- 6.1.5. piracy
- 6.1.6. contact with land conveyance, dock or harbour equipment or installation
- 6.1.7. earthquake, volcanic, eruption or lightning.
- 6.1.8. accidents in loading, discharging or shifting cargo or fuel.

- 6.2 This insurance covers loss of or damage to the subject-matter insured caused by

- 6.2.1 bursting of boilers breakage of shafts or any latent defect in the machinery or hull

6.2.2 negligence of Master Officers Crews or Pilots

6.2.3 negligence of repairers or charterers provided such repairers or charterers are not an Insured hereunder

6.2.4 barratry of Master Officers or Crew

6.2.5 contact with aircraft, helicopters or similar objects, or objects falling therefrom

provided that such loss or damage has not resulted from want of due diligence by the Insured, Owners, Managers or Superintendents or any of their onshore management.

6.3 Masters Officers Crews or Pilots not to be considered Owners within the Meaning of this Clause 6 should they hold shares in the Vessel.

## **7. Pollution Hazard**

This insurance covers loss of or damage to the Vessel directly caused by any governmental authority acting under the powers vested in them to prevent or mitigate a pollution hazard or damage to the environment, or threat thereof resulting directly from damage to the Vessel for which the Company are liable under this Policy, provided such act of governmental authority has not resulted from want of due diligence by the Insured, the Owners, or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat thereof. Masters, Officers, Crew or Pilots not be considered Owners within the meaning of this Clause 7 should they hold shares in the Vessel.

## **8. 3/4ths Collision Liability**

8.1 The Company agrees to indemnify the Insured for three-fourths of any sum or sums paid by the Insured to any other person or persons by reason of the Insured becoming legally liable by way of damages for

8.1.1 loss of or damage to any other vessel or property on any other vessel

8.1.2 delay to or loss of use of any such vessel or property thereon

8.1.3 general average of, salvage of, or salvage under contract of, any such vessel or property thereon,

where such payment by the Insured is in consequence of the Vessel hereby insured coming into collision with any other vessel.



8.2 The indemnity provided by this Clause 8 shall be in addition to the indemnity provided by the other terms and conditions of this insurance and shall be subject to the following provisions:

8.2.1 where the insured Vessel is in collision with another vessel and both vessels are to blame then, unless the liability of one or both vessels becomes limited by law, the indemnity under this Clause 8 shall be calculated on the principle of cross liabilities as if the respective Owners had been compelled to pay to each other such proportion of each other's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Insured in consequence of the collision,

8.2.2 in no case shall the Company' total liability under Clause 8.1 and 8.2 exceed their proportionate part of three-fourths of the insured value of the Vessel hereby insured in respect of any one collision.

8.3 The Company will also pay three-fourths of the legal costs incurred by the Insured or which the Insured may be compelled to pay in contesting liability or taking proceedings to limit liability, with prior consent of the Company.

## Exclusions

8.4 Provided always that this Clause 8 shall in no case extend to any sum which the Insured shall pay for or in respect of

8.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever

8.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels

8.4.3 the cargo or other property on, or the engagements of, the insured Vessel

8.4.4 loss of life, personal injury or illness

8.4.5 pollution or contamination, or threat thereof, of any real or personal property or thing whatsoever (except other vessels or property with which the insured Vessel is in collision or property on such other vessels) or damage to the environment, or threat thereof, save that this exclusion shall not extend to any sum which the Insured shall pay for or in respect of salvage remuneration in which the skill and the efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 been taken into account.

## 9. Sistership

Should the vessel hereby insured come into collision with or receive salvage services from another vessel belonging wholly or in part to the same owners or under the same management, the Insured shall have the same rights under this insurance as they would have were the other vessel entirely the property of owners not interested in the Vessel hereby insured; but in such cases liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Company and the Insured.

## 10. General Average and Salvage

- 10.1 This insurance covers the Vessel's proportion of salvage, salvage charges and/or general average, reduced in respect of any under-insurance, but in case of general average sacrifice of the Vessel the Insured may recover in respect of the whole loss without first enforcing their right of contribution from other parties.
- 10.2 Adjustment to be according to the law and practice obtaining at the place where the adventure ends, as if the contract of affreightment contained no special terms upon the subject; but where the contract of affreightment so provides the adjustment shall be according to the York-Antwerp Rules.
- 10.3 Then the Vessel sails in ballast, not under charter, the provisions of the York-Antwerp Rules, 1994 (excluding rules XI (d), XX and XXI) shall be applicable, and the voyage for this purpose shall be deemed to continue from the port or place of departure until arrival of the Vessel at the first port or place thereafter other than a port or place of refuge or a port or place of call for bunkering only. If at any such intermediate port or place there is an abandonment of the adventure originally contemplated the voyage shall thereupon be deemed to be terminated.
- 10.4 No claim under this Clause 10 shall in any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a perils insured against.
- 10.5 No claim under this Clause 10 shall in any case be allowed for in respect of
  - 10.5.1 special compensation payable to a salvor under Article 14 of the International Convention on Salvage, 1989 or under any other provision in any statute, rule, law or contract which is similar in substance
  - 10.5.2 expenses or liabilities incurred in respect of damage to the environment, or the threat of such damage, or as a consequence of the escape or release of pollutants substances from the Vessel, or the threat of such escape or release.

10.6 Clause 10.5 shall not however exclude any sum which the Insured shall pay to salvors for or in respect of salvage remuneration in which the skill and efforts of the salvors in preventing or minimising damage to the environment as is referred to in Article 13 paragraph 1(b) of the International Convention on Salvage, 1989 have been taken into account.

## **11. Duty of Insured (Sue and Labour)**

- 11.1 In case of any loss or misfortune it is the duty of the Insured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 11.2 Subject to the provisions below and to Clause 12 the Company will contribute to charges properly and reasonably incurred by the Insured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 11.5), special compensation and expenses referred to in Clause 10.5 and collision defence or attack costs are not recoverable under this Clause 11.
- 11.3 Measures taken by the Insured or the Company with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party
- 11.4 When expenses are incurred pursuant to Clause 11 the liability under this insurance shall not exceed the proportion of such expenses that the amount insured hereunder bears to the value of the Vessel as stated herein, or to the sound value of the Vessel at the time of the occurrence giving rise to the expenditure if the sound value exceeds that value. Where the Company have admitted a claim for total loss and property insured by this insurance is saved, the foregoing provisions shall not apply unless the expenses of suing and labouing exceed the value of such property saved and then shall apply only to the amount of expenses which is in excess of such value.
- 11.5 When a claim for total loss of the Vessel is admitted under this insurance and expenses have been reasonably incurred in saving or attempting to save the Vessel and other property and there are no proceeds, or the expenses exceed the proceeds, then this insurance shall bear its pro rata share of such proportion of the expenses, or of the expenses in excess of the proceeds, as the case may be, as may reasonably be incurred in respect of the Vessel, excluding all special compensation and expenses as referred to in Clause 10.5; but if the Vessel be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under insurance.
- 11.6 The sum recoverable under this Clause 11 shall be in addition to the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance in respect of the Vessel.

## 12. Deductible

- 12.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 8, 10 and 11) exceeds the amount stated for this purpose in the Schedule to the Policy, in which case this sum shall be deducted. This Clause 12.1 shall not apply to a claim for total or constructive total loss of the Vessel or, in the event of such a claim, to any associated claim under Clause 11 arising from the same accident or occurrence.
- 12.2 Claims for damage by heavy water occurring during a single sea passage between two successive ports shall be treated as being due to one accident. In the case of such heavy weather extending over a period not wholly covered by this insurance the deductible to be applied to the claim recoverable hereunder shall be the proportion of the above deductible that the number of days of such heavy weather falling within the period of this insurance bears to the number of days of heavy weather during the single sea passage. The expression "heavy weather" in this Clause 12.2 shall be deemed to include contact with floating ice.
- 12.3 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Company in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.
- 12.4 Interest comprised in recoveries shall be apportioned between the Insured and the Company, taking into account the sums paid by the Company and the dates when such payments were made notwithstanding that by the addition of interest the Company may receive a larger sum than they have paid.

## 13. Notice of Claims and Tenders

- 13.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice must be given to the Company promptly after the date on which the Insured, Owners or Managers become or should have become aware of the loss of or damage and prior to survey so that a surveyor may be appointed if the Company so desire.
- If notice is given to the Company within twelve months of that date unless the Company agrees to the contrary in writing, the Company will be automatically discharged from liability for any claim under this insurance in respect of or arising out of such accident or the loss or damage.
- 13.2 The Company shall be entitled to decide the port to which the Vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with the Company' requirements being refunded to the Insured) and shall have a right of veto concerning place of repair or repairing firm.

13.3 The Company may also take tenders or may require further tenders to be taken for the repair of the Vessel. Where such a tender has been taken and a tender is accepted with the approval of the Company, an allowance shall be made at a rate of 30% per annum on the insured value for the time lost between the despatch of the invitations to tender required by the Company and the acceptance of a tender to the extent that such time is lost solely as result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Company' approval.

Due credit shall be given against the allowance as above for any amounts recovered in respect of fuel and stores and wages and maintenance of the Master Officers and Crew or any member thereof, including amounts allowed in general average, and for any amounts recovered from third parties in respect of damages for detention and/or loss of profit and/or running expenses, for the period covered by the tender allowance or any part thereof.

Where a part of the cost of the repair of damage other than a fixed deductible is not recoverable from the Company the allowance shall be reduced by a similar proportion.

13.4 In the event of failure by the Insured to comply with conditions of Clauses 13.2 and/or 13.3 a deduction of 15% shall be made from the amount of the ascertained claim.

## **14. New for Old**

Claims payable without deductions new for old.

## **15. Bottom Treatment**

In no case shall a claim be allowed in respect of scraping gritblasting and/or other surfacepreparation or painting of the Vessel's bottom except that

15.1 gritblasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" premier thereto,

15.2 gritblasting and/or other surface preparation of:

the butts or area of plating immediately adjacent to any renewed or refitted plating damaged during the course of welding and/or repairs,

areas of plating damaged during the course of fairing, either in place or ashore,

15.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 15.1 and 15.2 above,

shall be allowed as part of reasonable costs of repairs in respect of bottom plating damaged by an insured peril.

## 16. Wages and Maintenance

No claim shall be allowed, other than in general average, for wages and maintenance of the Master Officers and Crew or any member thereof, except when incurred solely for the necessary removal of the Vessel from one port to another for the repair of damage covered by the Company, or for trial trips for such repairs, and then only for such wages and maintenance as are incurred whilst the Vessel is underway.

## 17. Agency Commission

In no case shall any sum be allowed under this insurance either by way or remuneration of the Insured for time and trouble taken to obtain and supply information or documents or in respect of the commission or charges of any manager, agent, managing or agency company or the like, appointed by or on behalf of the Insured to perform such services.

## 18. Unrepaired Damage

18.1 measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the Vessel at the time this insurance arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.

18.2 In no case shall the Company be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered the insurance or extension thereof).

18.3 The Company shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

## 19. Constructive Total Loss

19.1 In ascertaining whether the Vessel is a constructive total loss the insured value shall be taken as the repaired value and nothing in respect of the damaged or breakup value of the Vessel or wreck shall be taken into account.

19.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the Vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

## 20. Freight Waiver

In the event of total or constructive total loss no claim shall be made by the Company for freight whether notice of abandonment has been given or not.

## 21. Assignment

No assignment of or interest in this insurance or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Company unless a dated notice of such assignment or interest signed by the Insured, and by the Assignor in the case of subsequent assignment, is endorsed on the Policy and the Policy with such endorsement is produced before payment of any claim or return of premium thereunder.

## 22. Disbursements Warranty

22.1 Additional insurances as follows are permitted:

- 22.1.1 Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery. A sum not exceeding 25% of the value stated herein.
- 22.1.2 Freight, Chartered Freight or Anticipated Freight, insured for time. A sum not exceeding 25% of the value as stated herein less any sum Insured, however described under 22.1.1.
- 22.1.3 Freight or Hire, under contracts for voyage. A sum not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the sum permitted for insurance shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as freight or hire is advanced or earned by the gross amount so advanced or earned.
- 22.1.4 Anticipated Freight if the Vessel sails in ballast and not under Charter. A sum not exceeding the anticipated gross freight on next cargo passage, such sum to be reasonably estimated on the basis of the current rate of freight at time of insurance plus the charges of insurance. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured.
- 22.1.5 Time Charter Hire or Charter Hire for Series of Voyages. A sum not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any sum insured under 22.1.2 to be taken into account and only the excess thereof may be insured, which excess shall be reduced as the hire is advanced or earned under the charter by 50% of the gross amount so advanced or earned but the sum insured need not be reduced while the total of the Sums Insured under 22.1.2 and 22.1.5 does not exceed 50% of the gross hire still to be earned under the charter. An insurance under this Section may begin on the signing of the charter.

- 22.1.6 Premiums. A sum not exceeding the actual premiums of all interests insured for a period not exceeding 12 months (excluding premiums insured under the foregoing sections, but including, if required, the premium or estimated calls on any Club or War etc. Risk Insurance) reducing pro rata monthly.
- 22.1.7 Returns of Premium. A sum not exceeding the actual returns which are allowable under any insurance but which would not be recoverable thereunder in the event of a total loss of the Vessel whether by insured perils or otherwise.
- 22.1.8 Insurance irrespective of amount against:  
Any risks excluded by Clauses 24, 25, 26 and 27 below.
- 22.2 Warranted that no insurance on any interests enumerated in the foregoing 22.1.1 to 22.1.7 in excess of the amounts permitted therein and no other insurance which includes total loss of the Vessel P.P.I., F.I.A., or subject to any other like term, is or shall be effected to operate during the currency of this insurance by or for the account of the Insured, Owners, Managers or Mortgagees. Provided always that a breach of warranty shall not afford the Company any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 23. Returns for lay-up and cancellation

### 23.1 To return as follows:

- 23.1.1 pro-rata monthly net for each uncommenced month if this insurance be cancelled Agreement,
- 23.1.2 for each period of 30 consecutive days the vessel may be laid up in a port or in a lay up area provided such port or lay-up area is approved by the Company.
- 23.1.3 The Vessel shall not be considered to be under repair when work is undertaken in respect of ordinary wear and tear of the Vessel and/or following recommendations. In the Vessel's Classification Society survey, but any repairs following loss of or damage to the vessel or involving structural alternations, whether covered by this insurance or otherwise shall be considered as under repair.
- 23.1.4 If the Vessel is under repair during part only of a period for which a return is claimable, the return shall be calculated pro-rata to the number of days under 23.1.2(a) and (b) respectively



## 23.2 Provided Always That

- 23.2.1 a total loss of the Vessel, whether by insured perils, or otherwise has not occurred during the period covered by this insurance or any extension hereof.
- 23.2.2 in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters, or in a port or lay-up area not approved by the Company.
- 23.2.3 loading or discharging operations or the presence of cargo on board shall not debar returns but no return shall be allowed for any period during which the vessel is being used for the storage of cargo or for lightening purposes.
- 23.2.4 in the event of any amendment of the annual rate, the above rates of returns shall be adjusted accordingly.
- 23.2.5 in the event of any return recoverable under this Clause 23 being based on 30 consecutive days which falls on successive insurances effected for the same Insured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 23.1.2 (a) and/or (b) above for the number of days which come within the period of this insurance and to which a return is actually applicable. Such overlapping period shall run, at the option of the Insured, either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days as provided under 23.1.2(a) or (b) above.

## 24. War Exclusion

In no case shall this insurance cover loss damage liability or expense caused by:

- 24.1 war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, of any hostile act by or against a belligerent power;
- 24.2 capture seizure arrest restraint or detention (barratry and piracy excepted) and the consequences thereof or attempt threat;
- 24.3 derelict mines torpedoes bombs or other derelict weapons of war.

## 25. Strikes and Political Acts Exclusion

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- 25.1 strikers, locked out workers or persons taking part in labour disturbances, riots or civil commotion
- 25.2 any terrorist or person acting from a political motive.

## **26. Malicious Acts Exclusion**

In no case shall this insurance cover loss damage liability or expense arising from

26.1 the detonation of an explosive

26.2 any weapons of war

Caused by any persons acting maliciously or from a political motive.

## **27. Extended Radioactive Contamination Exclusion**

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

27.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

27.2 the radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

27.3 any weapon or device employing atomic or nuclear fission and/ or fission or other like reaction or radioactive force or matter

27.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

## **28. Chemical, Biological, Bio-Chemical, Electromagnetic Weapons**

This Clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contribution to by or arising from

28.1 any chemical, biological, bio-chemical or electromagnetic weapon

28.2 the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electrical system.

For the purpose of this clause, an Information Technology Device shall mean any computer system, hardware, software, programme, code, data, process, virus, information repository, microchip, integrated circuit or similar device in or connected with computer equipment or non-computer equipment, whether the property of a direct insured or not.

## 29. Cyber

- 29.1 This policy excludes all loss, damage, liability, claim cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
- 29.1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System.
  - 29.1.2 any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.
- 29.2 Any other Cyber Loss regardless of any other cause or event contributing concurrently shall not be recoverable and nor shall any amount pertaining to the value of such Data, be recoverable or be considered as physical loss or damage for the purposes of this exclusion.

## Definitions

**Cyber Loss** means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

**Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

**Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

## 30. Sanctions Clause

The Company shall not be deemed to provide cover and shall not be liable to pay any claim or pay any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union.

## 31. COMMUNICABLE DISEASE EXCLUSION

- 31.1 This policy excludes all actual or alleged loss of any kind, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense, loss of value, loss of use, or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of,

contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of a Communicable Disease.

31.2 For the purposes of this exclusion, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense, loss of value, loss of use, or any other amount, includes, but is not limited to, any cost to contain, suppress, clean-up, detoxify, disinfect, decontaminate, remove, repair, replace, recall, inspect, assess, monitor or test:

31.2.1 for a Communicable Disease; or

31.2.2 any property insured hereunder that is affected or is feared to have been affected by such Communicable Disease.

31.3 As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

31.3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

31.3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

31.3.3 the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage, and

31.3.4 the disease, substance or agent can cause or threaten damage to, deterioration of, loss of value of, marketability of, denial of access to, or loss or use of property insured hereunder.

31.3.5 be it any epidemic or pandemic disease declared by the World Health Organisation or any other competent authority as a public health emergency of international concern.

This exclusion shall prevail and shall override anything contained in the Policy inconsistent herewith and will apply regardless of any otherwise covered cause, event or peril contributing concurrently or in any other sequence to the loss.

## CLAIMS

### 1. Options to the Company to Reinstate or Replace

We may at our option reinstate or replace any part of the insured property damaged or destroyed instead of paying the amount of the loss or damage in money, or may join with other insurers in so doing. Reinstatement will be effected as nearly as reasonably practicable to be deemed sufficient notwithstanding that the former appearance and condition of the property may not be precisely restored. If we elect to reinstate or replace you will furnish to us when required all such plans, specifications and information as may be necessary or expedient for the purpose.

## 2. Sue and Labour Clause

The Policy covers sue and labour charges that are expenses reasonably and properly incurred by you in the defence, safeguard and recovery of your Vessel provided that such charges are incurred to minimise a loss recoverable under the Policy.

## 3. Abandonment

You agree that no act by you or us in recovering, saving or preserving the property insured shall be considered the waiver of acceptance of abandonment.

## 4. Other Insurances

We shall not pay for any loss or damage or provide indemnity if at the time when the loss or damage occurs the vessel, her boats, the trailer, the personal property or the liability of the insured person is or would but for this insurance be covered by any other insurance. If, however, the Insured value of the property covered by this Policy or the indemnity provided by this Policy is greater than the insured value or indemnity provided by such other insurance we shall, subject to warranties and other terms of the policy, pay the difference.

## 5. Canopies and Side Screens

Canopies and side screens are classed as protective covers in relation to the Clause 10.4 and 12.2.1.

## 6. Outboard Motors

In the event of loss or damage to outboard motors the maximum amount payable shall be the second-hand market value of the outboard motor at the time of loss or damage.

## 7. Court Procedural Rules

In the event of a court action involving a third party the Insured shall:

- (i) within seven days sign and return to us or constructively comment upon any statement of truth that we, or our representative may require you to sign;
- (ii) search for and provide all documents that we, or our representative may require from you in relation to any claim under this Policy and within seven days sign and return to us any statement of disclosure that we, or our representative may request or comment constructively thereupon.

## 8. Repairs

We shall have the absolute right in our discretion to decide where the insured property is to be repaired.

## 9. Claims Control

- (a) We shall have the absolute right in our discretion and at our expense:
  - (i) to commence or take control over and conduct the defence of any claim against or prosecution of an Insured Person arising out of an occurrence which might give rise to a claim under the Policy;
  - (ii) to commence or take over and conduct any claim brought in the name of an Insured Person to recover sums which might be payable under the Policy;
  - (iii) to commence or take over and conduct the representation of an Insured Person at any inquest, inquiry or similar proceeding which might give rise to a claim under the Policy.
- (b) The Insured Person shall give us such assistance as we may reasonably request for the purpose of exercising our rights.
- (c) The Insured Person must pass onto us as soon as possible unanswered communications from third parties relating to any matter which might give rise to a claim under this Policy.
- (d) The Insured Person must not without our prior written consent:
  - (i) admit liability;
  - (ii) make any offer to settle, or compromise or pay any claim by a third party which might give rise to a claim under this Policy.

## 10. Cancellation

### Insured's Cancellation Rights

The Insured has a statutory right to cancel the policy within 14 days from the day of purchase of the contract or the day on which the policy documentation is received, whichever is later.

If the Insured wishes to cancel, and the insurance cover has not yet started, the Insured will be entitled to a full refund of the premium paid.

Or if the insurance cover has already started, the Insured will be entitled to a refund of the premium paid, with a deduction for the time for which the Insured has been covered.

After any statutory cooling-off period the Insured will continue to have the right to cancel the policy and will be entitled to return of the premium on a pro-rata basis, provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance. The amount of any premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

## **Insurer's Cancellation Rights**

Argus may cancel this Policy by giving the Insured thirty (30) days' notice in writing sent to the Insured's last known address. Provided no claim has been made or incident has arisen which is likely to give rise to a claim during the current Period of Insurance the Insured may be entitled to a proportionate return of the premium in respect of the unexpired Period of Insurance. The amount of premium to be refunded under this condition will be reduced by all unpaid premiums or unpaid premium instalments due.

If the premium for the Policy is paid by instalments, please refer to the instalment agreement for details of the cancellation period that will apply.

## **WARRANTIES**

### **1. General Nature of a Warranty**

A warranty is a promise by you that:

- (a) some particular thing shall or shall not be done; or
- (b) some condition shall be fulfilled; or
- (c) a particular state of affairs does or does not exist.

### **2. Strict compliance**

A warranty must be strictly complied with and if it is not insurance cover ceases as from the date of the breach of warranty

### **3. Alterations or deletions of warranties**

If you give prior notice in writing that you wish to alter or delete a warranty we may, in our discretion, and upon payment of any additional premium required, agree in writing to such alteration or deletion.

### **4. Sea Worthiness**

You warrant that you will maintain and keep the vessel her boats and equipment in a proper state of repair and seaworthiness and the trailer in a proper state of repair and roadworthy and at all times you will exercise all due care and diligence in safeguarding the vessel, her sails, boat and equipment.

### **5. Crew**

You warrant that you at all times exercise all due care and diligence in the use of steady, sober and competent crew and will, together with your crew, comply with all statutory enactments, byelaws and regulations and rules of local authorities.

## 6. Gas

You warrant that all bottled gas equipment complies with all the relevant local regulations and used in accordance with the manufacturers' instructions.

## 7. Automatic bilge pump

You warrant that all an automatic bilge pump is fitted and maintained in working order and is in operation whilst vessel is left on its mooring unattended.

## DEFINITIONS

### **In commission**

The period when the vessel is fitted out, ready for sea and available for the owner's immediate use.

### **Laid up out of commission**

The period when the vessel is dismantled, not fitted out nor available for immediate use. During the laid up period the vessel must not be used for any purpose whatsoever other than dismantling, fitting out or customary overhauling. During this period she must not be used as a house boat that is used by the owner or any other person with the permission of the owner for living on board.

### **Actual and Constructive Total Loss**

- (a) An actual total loss arises when the vessel is wholly destroyed, where you are irretrievably deprived thereof.
- (b) A constructive total loss under the policy arises when the vessel is reasonably abandoned on account of its actual loss as defined appearing to be unavoidable or where the vessel could only be preserved from such actual total loss with an expenditure which, if incurred, would exceed the sum insured.

In ascertaining whether the vessel is a constructive total loss the insured value shall be taken as the repaired value and nothing in respect of the damaged or breakup value of the vessel or wreck shall be taken into account.

### **Maltese Law**

In the absence of a written agreement to the contrary, this Policy shall for all effects and purposes be deemed to be a Maltese contract and shall be governed by and according to Maltese Law and subject to the exclusive jurisdiction of the Maltese Courts.



## **Maltese Jurisdiction Clause**

Applicable if Territorial limits on Schedule are 'Maltese Territorial Waters not exceeding 40 miles offshore'.

The Company will pay only in respect of judgements, order or awards that are delivered by or obtained from a court within Malta or in arbitration in Malta under the Maltese statutory provisions. The Company will not pay in respect of any judgement, order or award obtained in Malta for the enforcement of a judgement or arbitration award obtained elsewhere or to costs and expenses of litigation recovered by any claimant from the insured or any other persons entitled to indemnity under this Policy which costs and expenses of litigation are not incurred in Malta.

## **Complaints Procedure**

Our aim is at all times to provide a first class standard of service. However, there may be occasions when you feel that this objective has not been achieved. Should you have any query or complaint regarding this insurance please write to the Complaints Officer at Argus Insurance Company (Europe) Limited, Trident Park, 8B Level 5, Notabile Gardens, Mdina Road, Central Business District Zone 2, Birkirkara CBD 2010. Email: [claims@argus.mt](mailto:claims@argus.mt) Tel: +356 2342 200. If you are dissatisfied with the response you receive you should write to the Office of the Arbiter for Financial Services, N/S in Regional Road, Msida MSD 1920, Malta. Freephone: 80 072 366 Telephone: (+356) 21 249 245 Email on: [complaint.info@financialarbiter.org.mt](mailto:complaint.info@financialarbiter.org.mt)



**Argus Insurance Company (Europe) Limited**

Trident Park, 8B Level 5, Notabile Gardens,  
Mdina Road, Central Business District Zone 2, Birkirkara CBD 2010, Malta  
Tel: +356 2342 2000 Fax: +356 2342 2190 claims@argus.mt www.argus.mt

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