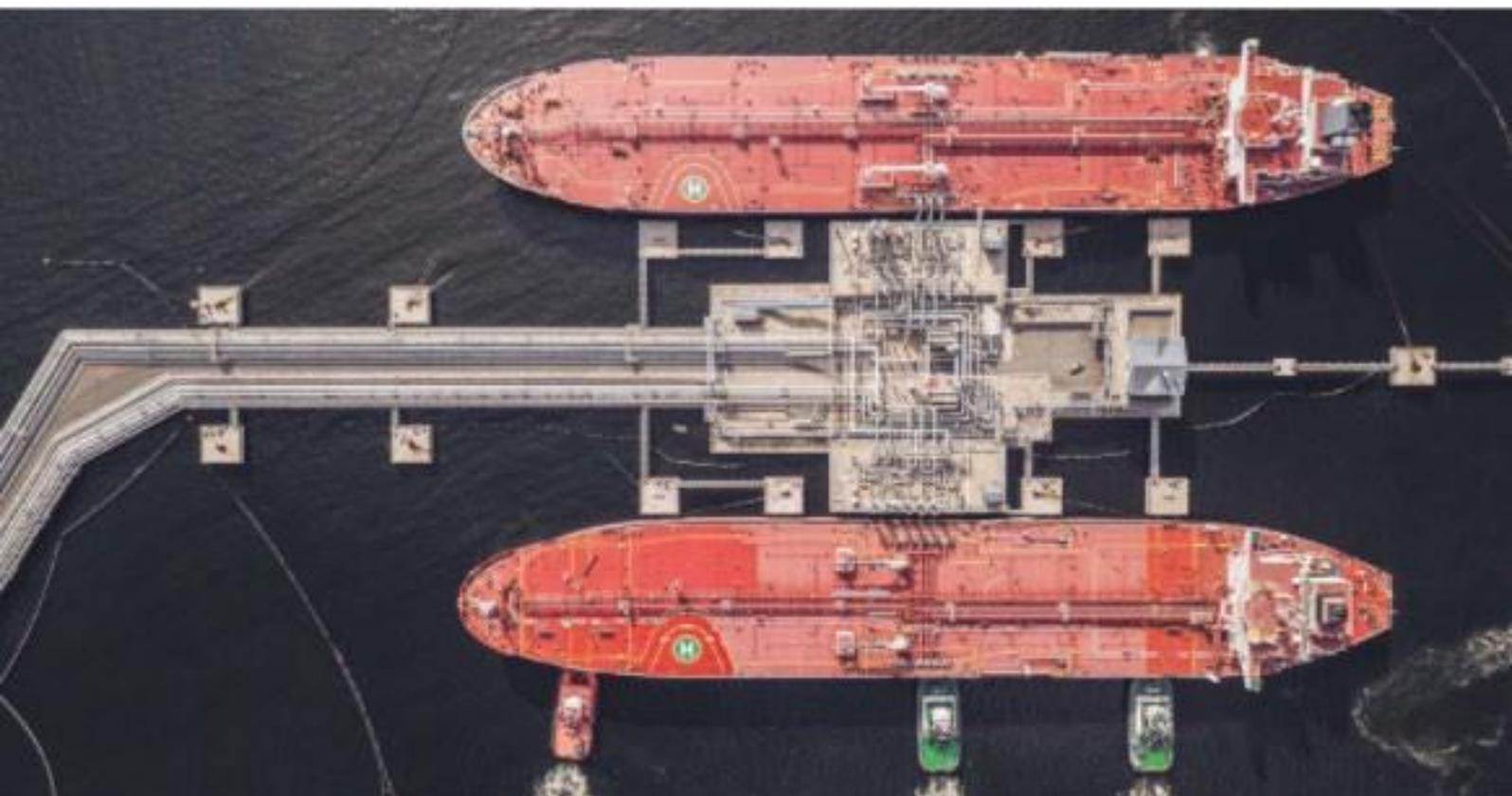

STEAMSHIP MUTUAL CHARTERERS' & TRADERS' COVER



**A summary of the cover available
and why it is needed**



STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (Registered in England and Wales – Registration number 105461. PRA and FCA registration number 202548) MANAGERS: STEAMSHIP P&I MANAGEMENT LLP

SPIM is an appointed representative of Steamship Insurance Management Services Limited which is authorised and regulated by the Financial Conduct Authority

(Registered in England and Wales – Registration Number OC376859. FCA registration number 597046) AQUATICAL HOUSE 39 BELL LANE LONDON E1 7LU

Tel: +44 20 7247 5490 Website: www.steamshipmutual.com



Comprehensive Cover. Exceptional service

Steamship Mutual

Steamship Mutual has also provided third party liability insurance (P&I cover) to charterers and traders for many years, and this business makes up over one third of the Club's business. We provide cover to some of the largest charterers and traders in the world, as well as to smaller operators, and provide cover for a wide variety of ships, in a wide variety of trades.

For both our shipowner and charterer Members Steamship Mutual's ethos has been and remains to provide pro-active service and assistance to each Member from dedicated underwriting and claims teams, backed by our global network of correspondents, experts, surveyors and lawyers.

We appreciate that a charterer might have difficulties in dealing with accidents or incidents: while the shipowner is able to communicate directly with the Master and crew, and obtain first-hand information about the nature and extent of any problem, a charterer is often left "in the dark" and receives limited information. Our claims staff have extensive experience of dealing with all types of problems, for owners and for charterers, and can apply their expertise to assist charterers in assessing a situation, even with limited information, and in dealing with claims against charterers, as well as possible recourse action against counterparties. Our access to a worldwide network also allows us to gather further and better information to assist our charterer Members.

We have experience in dealing with all kinds of ships and cargoes, and in providing service to the largest charterers, commodity traders and container lines, as well as smaller operators. We can tailor our cover to provide insurance cover to suit any charterer or trader's requirements, while providing our pro-active service from a dedicated team.

Charterers' liability Cover

P&I and **DTH** cover for Charterers and Traders is provided under the Club's Charterers' Terms which are on our website at <http://www.steamshipmutual.com/rules-and-covers/chartered-entry.html>

FD&D cover is provided on the standard Class II terms also provided to shipowners, but on a fixed premium rather than a mutual basis: <http://www.steamshipmutual.com/rules-and-covers>

Optional extensions and special covers can be tailored to meet specific needs.

War and terrorism risks are covered and there is no separate sublimit applicable in relation to these risks.

Examples of exposure and summary of cover available

The following is a summary of the cover the Club can provide. It is not intended to be exhaustive and cover is always subject to the Charterers' Terms and any specific terms agreed with the Member.

Charterers are covered for liability towards a shipowner, under the usual charterparty terms, but are also covered for direct liability towards cargo owners, authorities, or other third parties who make claims directly against the charterer.

P&I RISKS

- Cargo liabilities (see clause 21 xiii)

Claims for loss or shortage of, or damage to cargo are the most common sort of claims handled by Steamship under charterer's P&I covers.

A charterer's exposure to cargo claims will depend on the trade they operate in, and on the terms of their charterparties.

In bulk trades, both dry and wet, it is common for the shipowner to be identified as the carrier of the cargo, and bills of lading or contracts of carriage are usually made between the shipowner and the cargo owner.

However, if the shipowner faces a claim for cargo loss or damage, he may have rights of indemnity against the charterer, for example under the terms of the Inter Club Agreement which is commonly incorporated into NYPE time charters.

(Example: On completion of discharge of a grain cargo, the Master advises charterers that the ship is being threatened with arrest by the local receiver, who alleges a shortage of 400 tonnes of cargo. Under the terms of the Inter Club Agreement commonly incorporated into time charters made on NYPE form, the shipowner and charterer are bound to apportion shortage claims 50-50 between themselves, unless there is irrefutable evidence that the shortage is caused by one of the two parties, or their servants – with stevedores being legally considered as charterer's servants. The Club can investigate the shortage claim, negotiate with the shipowners or their P&I Club, and cover the charterer's liability. Under the terms of the Inter Club Agreement, the shipowner might also be entitled to demand security from the charterer for any cargo claim that the shipowner faces at the discharge port, and the Club can usually provide security on behalf of the charterer).

In other trades, it is common for a charterer to be identified as the contracting cargo carrier. For example, the boxtime charterparty form used in container trades provides for charterers to issue their own bills of lading, and requires charterers to be responsible for, and handle, any cargo claims (with some rights of recourse against the shipowners).

(Example: a cargo owner presents a claim to a container line for damage to cargo that has been carried onboard a chartered ship. The club can assist in assessing the nature and extent of any damage, and its cause, and in covering the cargo claim, while assisting with any recourse action against the shipowner).

In some jurisdictions, a claimant is entitled by local law to commence proceedings against both the shipowner and charterer, regardless of who is identified as the carrier of the cargo, and in some cases a charterer might be seen as a "deep pocket", being easier to claim against, or having assets in the jurisdiction that can easily be threatened.

The Club's claims staff have extensive experience of handling claims in almost every jurisdiction in the world. They are supported in their work by a wide network of correspondents in every maritime country, and by lawyers and experts.

Club cover also extends to costs and losses incurred in disposal of damaged cargo, and of cargo that is abandoned by receivers.

(Example: During discharge of a sugar cargo, stevedores operating the ship's cranes and grabs accidentally puncture the ship's steel plating, causing water to enter the hold and flood the sugar cargo. As well as covering the cargo owner's claim for the damaged / lost sugar, and the shipowner's claim for damage to the ship under DTH cover- see below, the Club can assist in trying to find a salvage buyer for the wet sugar, or finding a means of disposing of it. Additional costs incurred by the charterers in handling and discharging or disposing of the damaged cargo

will be covered by the Club)

The cover can be extended to cover through transport risks, when a cargo is being forwarded by road, rail or other ships or barges, or being transhipped, before or after the main sea carriage.

(Example: if the damage to cargo in a container in the example above, is found to have been caused during road haulage from a factory to the loading port, or during storage before loading, then the charterer's liability can still be covered, under a through transport cover, while the Club can also assist in an indemnity claim against the road haulage operator or other sub-contractor)

When considering an entry, the Club will discuss with Members the extent of their exposure to cargo claims. Members' exposure will depend on their specific trade. For example, traders are likely to own the cargo they carry and to have separate cargo insurance in place. In these circumstances claims in respect of cargo will be excluded, although cover will be available for their exposure to cargo claims following sale of the cargo during the voyage. Some Members may issue through transport bills of lading and the Club can provide cover for liabilities under these bills as long as these are on terms no less favourable than Hague/ Hague Visby Rules and Members retain rights of recourse against the carrier.

Members are also covered for claims for loss of or damage to cargo under a bill of lading or in tort (provided related to the member's duties as carrier) during periods of storage before loading and after discharge, as long as this is in furtherance of or in connection with the Member's performance of the contract of carriage and is reasonable bearing in mind the trade, the practice at the particular port and all of the circumstances. Liabilities arising during periods of storage between modes of transport under a through bill will also be covered if such storage can be considered as a reasonable and necessary part of the through transport operation. It will be assumed that Members are acting in a reasonable and necessary manner if they are ensuring the cargo is transhipped as quickly as possible, for example on a first in first out basis. Claims for loss of or damage to cargo under storage contracts are not covered but the Club may be able to provide an extension of cover for such liabilities.

- Liability to persons (see Clause 21 i – iii)

If any accidents happen to stevedores during cargo operations, then claims might be made directly against the charterer, or against the shipowner, or both. Even if a claim is made against the shipowner, the terms of the charterparty might entitle the shipowner to claim an indemnity from the charterer, for example under the terms of the NYPE timecharter, which holds that cargo is loaded, stowed, and discharged at the risk and responsibility of the charterer.

(Example: A shipowner advises the charterer that his crew report a stevedore has suffered a fall inside the ship's cargo hold, but the charterer is given no further information. Much later, the same ship is arrested at the same port, by lawyers representing the stevedore, who are making a large claim for serious injury to the stevedore. The shipowner now advises that, under the terms of the charterparty, the charterers are responsible for cargo loading operations, and the shipowner will hold the charterer fully liable for all losses and damages arising from the accident. The Club can cover the charterer's liability, and can assist in investigating the accident, obtaining local advice and support in dealing with the claim at the port, as well as advising the charterer on its rights and defences under the charterparty).

While the ship's crew are employed by the shipowner, it is possible that the shipowner might claim against the charterer, in the case of any accident resulting from stevedore operations, or from a dangerous cargo which is the charterer's responsibility.

(Example: a shipowner advises that crewmen have been overcome by fumes emanating from a container onboard, and that he is holding the charterer liable for all medical expenses, compensation and other costs, including the costs of deviating the ship towards land, so that the crewmen can be landed to hospital by helicopter. The Club can investigate, and cover any

liability that the charterer should face, as well as dealing with any recourse against the cargo owner).

In some jurisdictions the charterer might be joined into legal proceedings, even in cases where the charterer ought to have no liability for an accident or injury, and the Club can assist in protecting the charterer's position in legal proceedings in that jurisdiction.

A charterer might also be liable for the additional costs of dealing with stowaways found onboard, including the costs of deviating a ship to a special port to land them, and the costs of maintaining them onboard and ashore as well as repatriation costs.

(Example: the ship's Master reports that he has found four stowaways in an empty container that was loaded onboard at a previous port. Under the BIMCO stowaway clause incorporated into the charterparty, the charterers are responsible for dealing with stowaways who have come onboard in cargo or containers. The Club can assist in investigating the identity of stowaways, and how and where they got onboard, as well as dealing with their removal and repatriation).

- Pollution (see Clause 21 vi)

Members are covered for liabilities arising from the escape, or threatened escape, of oil or other substances from an entered vessel, including liability for clean-up costs, costs of preventative measures, costs of compliance with the order or direction of any government or authority, and salvors' expenses.

Again, while some jurisdictions (notably the United States and Japan) could allow direct legal action against a charterer, it is more common for the shipowner to face direct claims for pollution, but the shipowner might have a claim for indemnity from the charterer, for example if the ship has leaked oil following an accident resulting from charterers ordering the ship to an unsafe port.

(Example: under the terms of a charterparty the charterer is obliged to trade the ship to safe berths. However, while coming alongside a berth at night, the ship contacts with a metal bolt which is protruding, unseen, from the underside of a berth, and which pierces the ship's hull in the way of a fuel tank and causes fuel oil to spill into the harbour. The local authority holds the ship liable for all costs incurred in limiting the spread of the oil, and in cleaning the berth, the harbour, and adjacent ships and property. The shipowner holds the charterer fully liable for all costs. The Club covers these costs, and can also arrange to attend and monitor the clean-up operation, to ensure that it is effective and that costs are not disproportionate)

- Fines (see clause 21 xv)

Charterers are covered for a wide variety of fines for which they might be found liable in respect of their operation of a chartered vessel.

Example: Customs officers open a container and find that its contents do not match the cargo manifest, so they impose a fine against the shipowner. The shipowner claims an indemnity from the charterer, under the terms of the charterparty. The Club can cover this claim and can also assist in a recovery action against the shipper who provided wrong information.

- Damage to fixed and floating objects, Collision liabilities, damage to other vessel's without collision, towage liabilities – (see Clauses 21 v, vii - ix)

Claims arising out of a ship hitting another ship, or a dock or other structure, and claims arising under contracts for towage of a ship, should normally be made against the shipowner, who is responsible for navigation, and not against a charterer. However, there may be cases where the shipowner claims that the contact or accident was a result of the charterer ordering the ship to an unsafe place or port, so that the owner might then be entitled to claim a full indemnity from the charterer, under the terms of the charterparty, for all of his losses.

Where contact with a berth or other object is found to be caused by unsafety of the berth, then the Charterers might ultimately be liable for the damage to the berth (as well as damage to the ship –

see below). Members are covered for Liability for loss of, or damage to, or interference with rights in relation to any fixed or movable property, whether on or above, in or below land or water.

(Example: A charterer orders the ship to load at a named safe port. While sailing from the port, the ship leaves the navigation channel, and hits another berth in the port, causing extensive damage. On investigation it is established that, unknown to the charterer, the navigation channel has become silted, and is not as deep as expected, and this has caused the ship to lose steerage and hit the berth. The charterparty places a strict obligation on the charterer to trade the ship only between safe ports, and he is held to be ultimately liable for damage to the berth, as well as damage to the ship (see below), The Club can cover these damage claims.)

Where a collision is found to have been caused by the unsafety of a port or place, then Members are covered for liabilities to the owner of the vessel with which the entered vessel collides (as well as damage to the chartered ship – see below). This includes liability for loss of or damage to cargo or property on board the other vessel and liability to indemnify the owner of the other vessel against, for instance, liabilities, costs and expenses in respect of wreck removal and pollution arising from the other vessel. It also includes loss of or damage to cargo or other property being carried on the entered vessel (assuming the Member is covered for cargo liabilities).

- Contracts and indemnities on terms approved by the Club – see clause 21 x

Charterer Members can be covered for liabilities arising under the terms of indemnities, undertakings or contracts agreed with the shipowner or other parties, e.g. for ship-to-ship transfer operations, cargo blending onboard, etc., provided that the contract or indemnity has been approved in advance by the Club, or that the Club Directors in their discretion agree that the claim should be covered. Generally speaking, as long as the terms of any contract or indemnity are such that they do not impose on Members any liability for actions of third parties, and do not waive or limit the right to exclude or limit liability, or waive or limit rights of recourse otherwise available, or if such terms are “knock for knock”, then they will be acceptable. For more onerous terms the Club may be able to provide additional cover.

(Example: LOI for blending - a charterer wants to load two oil cargoes of different specification into the same tanks, or to add substances to a cargo to change its specification. Such operations are common and will not normally jeopardise cover provided that the bills of lading properly describe the nature of the operation. If the shipowner requires a letter of indemnity from the charterer for this operation, the Club can cover the charterers' liabilities under this indemnity, provided that this does not impose on the charterer any liability for actions of third parties, and does not waive or limit the right to exclude or limit liability, or waive or limit rights of recourse otherwise available. The Club's staff can review and advise on any such letters and can tailor additional cover if the shipowner demands onerous indemnity terms.)

Example: LOI for STS operations - a charterer wants a ship to go alongside another ship to transfer part of the cargo onboard. The shipowner demands a letter of indemnity for this operation. Again, the club can cover the charterer for liabilities under the letter of indemnity, provided that the letter of indemnity does not impose on Members any liability for actions of third parties, and does not waive or limit the right to exclude or limit liability, or waive or limit rights of recourse otherwise available.)

- Removal of wreck – see clause 21 xi

Charterers might ultimately be held liable for a shipwreck, if it is held that they have traded the ship to an unsafe port or place in breach of their charterparty obligations. Members are covered for their legal liability for costs and expenses of or incidental to or liabilities arising out of the wreck of an entered vessel or actual, or attempted raising, removal, destruction, lighting or marking of the wreck

of an entered vessel or cargo, equipment or other property carried on the entered vessel, provided such liabilities arise as a matter of law and to the extent that those costs are not recoverable from the owner of such property or from any other party.

(Example: a large bulker loses steerage while trying to leave port in heavy seas and is washed aground and becomes a total loss. The authorities make large claims for resulting pollution, and require that the wreck be removed, an operation that costs many millions of dollars. The port is held to have been unsafe for the ship, making the charterers liable for all of the owners' loss. Apart from the loss of the ship (see below), the Club can cover the Member's exposure to claims for pollution and for removal of the wreck.)

- Quarantine expenses – see clause 21 xii

Members are covered for extraordinary expenses consequent on the outbreak of infectious or contagious disease upon an entered vessel or in respect of quarantine.

- Confiscation, Enquiry, Legal and other Expenses incidental to chartering – see clauses 21 xvi, 21 xvii, 21 xviii and 21 xix

Cover may be available to Members, at the discretion of the Board of Directors of the Club for other costs and expenses arising out of their chartering of ships involved in incidents or casualties.

DAMAGE TO HULL

- Loss of or damage to the entered vessel (see clauses 22 i)

Charterers can be covered for their liability towards the shipowner for damage to, or the loss of, the chartered vessel, including

- damages caused by trading the ship to an unsafe port or berth

Example: under the typical terms of an NYPE time charter, the charterers are entitled to trade the ship between safe port(s), berth(s), anchorage(s). While entering a port in accordance with charterer's orders, the ship strikes a submerged obstruction which is not shown on any chart, and which is not known to the port authority or pilot, and could not have been known to the Master, shipowner or charterer. However, under the charterparty terms, the charterer is strictly liable towards the shipowner for this unknown danger, and will be liable to the shipowner for the costs of tugs and salvors to ensure the safety of the ship, costs of temporary and permanent repairs, and costs incurred by the shipowners in effecting the repairs, as well as downtime.

- damages caused by cargo to the ship's hold, tanks or structure

Example: cargo in containers in a ship's hold catches fire. The fire is eventually extinguished, but the ship suffers structural damage as a result of the intense heat. The charterer will be liable to the shipowner for repair costs.

- damages caused by stevedores during cargo operations

Example: a stevedore using a ship's crane to discharge steel pipes tries to lift too much cargo, and the extra weight causes the crane wire to break, and the cargo to fall back into the hold, piercing the ship's structure. The charterer will be liable for repairs to the ship's hold and to the ship's crane.

- damages caused to the ship's engine by fuel supplied by charterers

Example: bunkers supplied under a time charter are found to have a higher level of catalytic fines that permitted under the international standard agreed in the charterparty, and the ship's engine is damaged, requiring replacement of cylinder liners and pistons. The charterers are liable for the cost of the engine parts, and the cost of time and labour to repair the ship.

- Cost of removal and replacement of bunkers in order to avoid or minimise damage to the entered vessel – see clause 22 i b

Where fuel supplied by charterers is found to be out of specification and potentially harmful to the vessel's machinery, then the costs of removing the bunkers from the ship and putting replacement bunkers onboard is covered by the Club. Note that the cover does not extend to the value of the bunkers removed or the cost of the replacement bunkers.

Example: A shipowner arranges an analysis of fuel supplied by time charterers, and protest that it is off-specification and that they refuse to use it. Further investigation confirms that it would be harmful to the ship's engines, if consumed, and arrangements are made to have the fuel pumped from the ship at the next suitable location, and replacement bunkers supplied. The club could cover the costs of the barging operations, and ship's time, in the removal and replacement, but does not insure the value of the bunkers, or price of the replacement fuel. The Club would assist in trying to claim costs from the bunker supplier.

- Charterers' proportion of GA and Salvage contributions – see clause 22 ii

Bunkers onboard a time-chartered ship are legally the property of the charterer, and in case of General Average or Salvage claims, the charterer will have to contribute in proportion to the value of their property onboard.

Example: Shipowner advises that the ship has suffered an engine breakdown, and they have arranged for a tug to tow her to a port where further temporary repairs will be necessary before the voyage can be continued. Shipowners declare General Average and would be entitled to claim contributions to the costs of towage and costs at the port of refuge from the cargo owners and from time-charterers as owners of the bunkers onboard. The time-charterer's contribution with respect to the bunkers would be covered by the Club.

FD&D

- Steamship Mutual's optional freight Demurrage & Defence cover provides legal advice and supports a Member's legal costs in dealing with a wide variety of commercial disputes that a charterer might face in his shipping operation. These can include disputes about hire or off-hire, and the computation of freight and demurrage, as well as disputes with bunker suppliers, stevedores and other parties.

Members' needs will vary considerably depending on their type of business. The Club's in-house lawyers are available to advise on any issue relating to the chartering of vessels, including advising on contract terms, and to assist in resolving disputes. The Club can also instruct lawyers and experts, in any jurisdiction.

OPTIONAL EXTENSIONS

- Time Charterers' bunkers

Cover is available for loss of or damage to bunkers, stores and supplies belonging to a Member on board an entered vessel. This will include loss or damage due to perils of the sea, fire, explosion, theft, collision or accidents in loading or discharging bunkers. This does not include disputes in

relation to quality or quantity of bunkers supplied.

- Cargo owner's legal liability

This extension of cover may be of particular interest to traders, who might own the cargo, and face liabilities as cargo owners, and not as charterers. While the trader might have cargo insurance covering loss of or damage to the cargo, this might not protect him from liabilities for damage caused by the cargo.

This cover might be especially useful to an oil trader, as legislation in some countries, and in some US coastal states, allows claims to be made directly against the owner of oil that is spilled, as well as against the owner of the ship that the oil is spilled from.

Example: a ship spills an oil cargo belonging to a trader, causing damage to a marina, yachts and a fish farm. The local law allows the parties suffering damage to claim against the trader, as owner of the oil, as well as against the ship. The cargo owner's legal liability cover would insure the trader against these claims, while his cargo insurance would cover any loss of the cargo itself.

Cargo owner's legal liability can be extended to cover cargo being carried on ships that are not on charter to the Member, so that the Trader has cover for liabilities they may face as the owner of cargo purchased in transit.

- Loss of or damage to containers

The club can provide cover for loss of or damage to containers owned or leased by the Member.

- Contracts and indemnities where terms are more onerous

The Club can provide cover to Members for liabilities under charter parties or under separate contracts which contain terms which are more onerous for Charterers than would be covered under standard Charterers' liability cover.

(Example: a charterer wants to trade to a terminal which requires all ships to accept terminal conditions that the ship is held strictly liable for accident or injury to terminal personnel or equipment. Shipowners refuse to accept this term, or will only accept it with against a full indemnity from the Charterers. The Club can tailor an additional cover for this risk).

- Deviation under contract of carriage

The Club can provide cover to Charterers where they deviate from the terms required under the bill of lading or contract of carriage, for instance by deviating geographically from the agreed route.

(Example: A charterer books a part cargo, on terms which require the ship to proceed directly from loadport to destination, but the charterer then finds an additional cargo which can be loaded onboard at an intermediate port. The club can provide a cover for the charterer's additional liabilities as a result of the deviation to the intermediate port to load the additional cargo (but note that the cover would not extend to claims for delay / loss of market or consequential losses).

- Carriage on deck with under-deck B/L

The Club can provide cover to Charterers when they stow cargo on deck but issue under deck bills.

(Example: In the above example, at the second loading port it is discovered that there is not sufficient space inside the cargo holds to stow all of the two cargoes. Some of the cargo already loaded, for which under deck bills of lading have already been issued, now has to be re-stowed on deck. The club can provide a cover for the charterer's additional liabilities arising out of this breach of the contract of carriage obligation to carry the goods under deck.)

- Delivery without B/L

The Club can provide cover to Charterers when they need to deliver cargo to receivers without production of the bill of lading.

Example: It is very common for shippers to request that a cargo be delivered without production of the bill of lading, which may have been held up in the banking chain. Delivery in these circumstances will prejudice cover but often the shipper will provide the charterer with an LOI for agreeing to comply. Members may feel that as they do not have cover for miss-delivery in these circumstances, they may prefer to purchase extra cover for the risk rather than relying on the shipper's LOI.

- Discharge at port/place not permitted by contract

The Club can provide cover for Charterer's liabilities where cargo is discharged or delivered at a place other than that named on the bill of lading.

- Ante- or post-dated B/L, unless issued with consent of Member

The Club can provide cover for the charterer's liabilities for loss of or damage to cargo arising out of ante or post-dated bills of lading, provided that such bills were issued without the charterer's consent.

- Carriage of valuable cargo, Specie, etc. and Ad valorem Bills of Lading

The Club can provide additional cover for high-value cargoes, even where the value of the cargo is declared on the bill of lading, depriving the charterer of his right to limit liability.

Example: The charterer contracts to ship a project cargo, machinery or high-value metal ingots, under a contract that would make him liable for the full declared value of the cargo, without recourse to limitation of liability, in case of loss. The club can extend cover to protect members in these circumstances.

- Traders' FD&D

FD&D cover can be extended to insure the Member as cargo owner for disputes in relation to freight, laytime, dispatch and/or demurrage of a ship under sales contracts, disputes in respect of loading, lightering, stowing, trimming or discharge of cargo, and disputes in respect of agents.

Vessels Covered

The Club provides Charterers' Liability cover for all types of vessels, whether time, voyage, slot or space chartered. Eligibility will depend on the vessels being suitably classed, and owners and any disponent owners of the vessels from whom Members charter having adequate P&I cover.

The Club appreciates that flexibility is required and will work with Members to agree a vetting process which is suitable for the business.

Limits of Liability

A Combined Single Limit for P&I and DTH of up to US\$ 1 billion any one vessel any one accident or occurrence, including fees and expenses. If FD&D cover is required, this is available subject to a maximum limit of US\$10 million in respect of all costs and expenses arising out of any one claim or series of claims. This is a sub limit of the overall Combined Single Limit applicable to the Member's Charterers' Liability Cover.

Optional Extensions:

Cover for optional extensions up to US\$ 1 billion any one vessel any one accident or occurrence, including fees and expenses.

Deductibles

The Club is happy to discuss whatever deductible structure Members require. Some Members may feel comfortable retaining risk themselves and see their Charterers' Liability cover as a catastrophe cover. Others may operate in a more claims intensive environment and require more assistance.

Premium

Premium is charged on a fixed basis, i.e. there is no liability on the member for additional calls. Generally premium charged will depend on volume. For example, the Club often charges on a per vessel, per GT or per MT of cargo carried basis. The Club is flexible though and will be happy to consider any rating structure Members may prefer. In order to keep administration to a minimum the Club can provide cover on an open basis so that all vessels chartered by a Member are automatically covered (subject to sanctions restrictions).

Factors affecting premium will include the type of trade, profile of vessels chartered and charter party / contract of carriage terms.