

Institute Fishing Vessel Clause
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20/7/87

INSTITUTE FISHING VESSEL CLAUSES

This insurance is subject to English law and practice

1. NAVIGATION AND REMOVALS ASHORE

- 1.1 The vessel is covered subject to the provision of this insurance at all times and has leave to sail or navigate with or without pilots, to go and trial trips and to assist and tow vessels or craft in distress, but it is warranted that with the exception of catch the vessel shall not carry cargo or container for the carriage of cargo and 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 by the Assured and/or Owners and/or Managers and/or Charterers. This Clause 1.1 shall not exclude customary towage and connection with loading and discharging.
- 1.2 Any part or parts of the subject-matter insured are covered subject to the provisions of the insurance whilst ashore for the purpose of repair, overhaul or refitting, including transit from or to the vessel.
- 1.3 In the event of the vessels sailing with an 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 scrap at the time when the loss or damage is sustained, unless previous notice has been given to the Underwriters and any amendments to the term of cover, insured value and premium required by them have been agreed. Nothing in this clause 1.3 shall affect claims under Clauses 8,18 or 20.

2. CONTINUATION

Should the Vessel at the expiration of this insurance be at sea in distress or at a port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be had covered at a pro rata monthly premium to her port of destination.

3. BREACH OF WARRANTY

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

4. TERMINATION

This Clause 4 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent therewith. Unless the Underwriters agree to the contrary in writing, this insurance shall terminate shall terminate automatically at the time of.

- 4.1 change of the Classification Society of the Vessel, or change, suspension, discontinuance, withdrawal or expiry of her Class therein provided that if the Vessel is at sea such automatic termination shall be deferred until arrival at her next port or until the expiry of fifteen days, whichever shall first occur. However where such change, suspension, discontinuance or withdrawal of her Class 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.
- 4.2 any change, voluntary or otherwise, in the ownership or flag, transfer to new management, or charter or bare boat basis, provided that if the Vessel is at sea such automatic termination shall, if required, be deferred until arrival at her next port or until the expiry of fifteen days, whichever shall first occur.
- 4.3 requisition for title or use of the Vessel. However, in the event of requisition for title or use without the prior execution of a written agreement by the assured, such automatic termination shall occur fifteen days after such requisition whether the Vessel is at sea or in port.

5. 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 recognized by the Underwriters unless a dated notice of such assignment or interest signed by the Assured, and by the assignor in the case of subsequent assignment, is endorsed on the Policy and the Policy with such endorsement is endorsed before payment of any claim return or return of premium thereunder.

6. PERILS

- 6.1 This insurance covers loss of or damage to the subject-matter insured caused by.
 - 6.1.1 perils of the seas rivers lake 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 breakdown of or accident to nuclear installations or reactors
 - 6.1.7 contact with aircraft or similar object, or objects falling therefrom, land conveyance, dock or harbor equipment or installation
 - 6.1.8 earthquake volcanic eruption or lightning
- 6.2 This insurance cover loss of or damage to the subject-matter insured caused by
 - 6.2.1 accidents in loading discharging or shifting cargo fuel or stores
 - 6.2.2 bursting of boilers breakage of shafts or any latent defect in the machinery or hull
 - 6.2.3 negligence of Master Officers Crew or Pilots

- 6.2.4 negligence of repairers or Charterers provided such repairers or Charterers are not an Assured hereunder
- 6.2.5 barratry of Master Officers or Crew, provided such loss or damage has not resulted from want of due diligence by the Assured, Owners or Managers.

6.3 Masters Officers Crew 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 Vessel caused by any governmental authority acting under the powers vested in it to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the Vessel for which the Underwriters are Liable under this Insurance, provided such at governmental authority has not resulted from want of due diligence by the Assured, the Owners, or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat, Master, Officers, Crew or Pilots not to be considered Owners within the meaning of this Clause 7 should they hold shares in the Vessel.

8. GENERAL AVERAGE AND SALVAGE

- 8.1 Any claim for general average and salvage to be on the basis of and adjustment according to the York-Antwerp Rules 1974 if so required by the Underwriters but insured value of Hull and Machinery to be taken as the contributory value without deduction.
- 8.2 No claim under this Clause 8 shall and any case be allowed where the loss was not incurred to avoid or in connection with the avoidance of a peril insured against.

9. WAGES AND MAINTENANCE

The Underwriters to pay the cost of wages and maintenance of members of crew necessarily retained whilst the Vessel is Under going repairs for which the Underwriters are liable under this insurance.

10. DUTY OF ASSURED (SUE AND LABOUR)

- 10.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimizing a loss which would be recoverable under this insurance.
- 10.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges (except as provided for in Clause 10.5) collision defense or attack costs and cost incurred by the Assured in avoiding minimizing or contesting liability covered by Clause 20 are not recoverable under this Clause 10.
- 10.3 Measures taken by Assured or the Underwriters 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.

10.4 When expenses are incurred pursuant to this Clause 10 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.

Where 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 Underwriters shall pay expenses, or the expenses in excess of the proceeds, as the case may be.

10.5 The sum recoverable under this Clause 10 shall be in addition of the loss otherwise recoverable under this insurance but shall in no circumstances exceed the amount insured under this insurance or respect or the Vessel.

11. NEW FOR OLD

Claims payable without deduction new for old.

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, 18 and 20) exceedsin which case this sum shall be deducted. Nevertheless the expense of sighting the bottom after stranding, if reasonably incurred specially for the purpose, shall be paid even if no damage were found. 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 under Clause 10 arising from the same accident or occurrence.

12.2 Excluding any interest comprised therein, recoveries against any claim which is subject to the above deductible shall be credited to the Underwriters in full to the extent of the sum by which the aggregate of the claim unreduced by any recoveries exceeds the above deductible.

12.3 Interest comprised in recoveries shall be apportioned between the Assured and Underwriters, taking into account the sums paid the Underwriters and the dates when such payments were made, notwithstanding that by the addition of interest of the Underwriters may receive a larger sum than they have paid.

13. MACHINERY DAMAGE ADDITIONAL DEDUCTIBLE.

Notwithstanding any provision to the contrary in this insurance a claim for loss of or damage to any machinery, shaft, electrical equipment or wiring, boiler condenser heating cool or associated pipework, arising from any of the perils enumerated in Clauses 6.2.2 to 6.2.5 inclusive above or from fire or explosion when either has originated in a machinery space shall be subject to a deductible of Any balance remaining, after application of this deductible, with any other claim arising from the same accident or occurrence, shall then be subject to the deductible in Clause 12.1.

The provisions of Clauses 12.2 and 12.3 shall apply to recoveries and interest comprised in recoveries against any claim, which is subject to this Clause.

This Clause shall not apply to a claim for total loss of the Vessel.

14. BOTTOM TREATMENT

14.1 In no case shall a claim be allowed in respect of scraping grit blasting and/or other surface preparation or painting of the Vessel's bottom except that grit blasting and/or other surface preparation of new bottom plates ashore and supplying and applying any "shop" primer thereto

14.2 grit blasting 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,

14.3 supplying and applying the first coat of primer/anti-corrosive to those particular areas mentioned in 14.1 and 14.2 above.

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

15. FISHING GEAR

No claim to attach hereto for loss of or damage to fishing gear unless.

15.1 caused by fire lightning or violent theft by persons outside the Vessel.

15.2 totally lost as a result of total loss of the Vessel by insured peril.

16. UNREPAIRED DAMAGE

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

16.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.

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

17. CONSTRUCTIVE TOTAL LOSS

17.1 In ascertaining whether the Vessel is constructive total loss, the insured value shall be taken as repaired value and nothing in respect of the damaged or break-up value of the Vessel or wreck shall be taken into account.

17.2 No claims for constructive total loss based upon the cost of recovery and/or repaired of 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.

18. COLLISION LIABILITY

- 18.1 The Underwriters agree to indemnify the Assured for any sum or sums paid by the Assured to any other person or persons by reason of Assured becoming legally liable by way of damages for
- 18.1.1 loss of or damage to any other vessel or property on any other vessel
 - 18.1.2 delay to or loss of use of any such other vessel or property thereon
 - 18.1.3 general average of, salvage of under contract of, any such other vessel or property thereon

Where such payment by the Assured is in consequence of the vessel hereby insured coming into collision with any other vessel.

- 18.2 The indemnity provided by this Clause 18 shall be in addition to the indemnity provided by the other sums conditions of this insurance and shall be subject in the following provisions:

- 18.2.1 Where the insured Vessel is in collision with another vessel are to blame then, unless the liability of one or both vessel become limited by law, the indemnity under this Clause 18 shall be calculated on principle of cross liabilities as if the respective Owner had been compelled to pay to each other such to proportion of each other's damage as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of the collision .
- 18.2.2 In no case shall the Underwriters' total liability under Clauses 18.1 and 18.2 exceed their proportionate part of the insured value of the Vessel hereby insured in respect of any one such collision.

- 18.3 The Underwriters will also pay any the legal costs incurred by the Assured or which the Assured may be compelled to pay in contesting liability or taking proceedings to limit liability, with the prior written consent of the Underwriters.

EXCLUSION

- 18.4 Provided always that this Clause 18 shall in no case extend to any sum which the Assured shall pay for or in respect of

- 18.4.1 removal or disposal of obstructions, wrecks, cargoes or any other thing whatsoever
- 18.4.2 any real or personal property or thing whatsoever except other vessels or property on other vessels
- 18.4.3 the cargo or other property on, or the engagements of, the Insured vessels
- 18.4.4 loss of life, personal injury or illness
- 18.4.5 pollution or contamination of any real or personal property or things whatsoever (except other vessel with which the insured vessel is in collision or property on such other vessels).

19. SISTERSHIPS

Should be vessel hereby insured come onto collision with or receive salvage services from another's vessels belonging wholly or in part to the same Owner or under the same management. the Assured shall have the same right under this insurance as they would have were the other vessel entirely the property of Owner not interested in the Vessel hereby insured ; but in such cases the 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 Underwriters and the Assured.

20. PROTECTION AND INDEMNITY

20.1 The Underwriters agree to indemnify the Assured for any some or sums paid by Assured to any other person or persons by reason of the Assured becoming legally Liable, as owner of the Vessel for any claim, demand, damages or and /or expenses, where such liability is in consequence of any of the following matters or thing and rises from an accident or occurrence during the period of this insurance :

20.1.1 loss of pr damage to any fixed or moveable object or property or other thing or interest whatsoever, other than Vessel, arising for any cause whatsoever inn so far such loss or damages is not covered by Clause 8

20.1.2 any attempted or actual raising, removed or destruction of any fixed or moveable object property or other thing, including the wreak of the Vessel, or any neglect or failure to raise, remove or destroy the same.

20.1.3 liability assumed by the Assured under contracts of customary towage for the purpose of entering or leaving for or maneuvering within the port during the ordinary course of trading.

20.1.4 loss of life, personal injury, illness or payments made for life salvage

20.1.5 (a) hospital medical or burials expenses of Master Officer or Crew
(b)

respiration expenses of Master Officer or Crew (other than wages, or any expenses which ensue from the termination of an agreement, sale of the Vessel or any other act the Assured)

20.2 The Underwriters agree to indemnify to the Assured for any of the following arising from an accident or occurrence during the period of the this insurance.

20.2.1 the additional cost of fuel, insurance, wages, adores, provision and port charges reasonably incurred solely for the purpose of landing from the Vessel sick or injured persons or stowaway, refugees, or persons saved sea

20.2.2 additional expenses brought about by the outbreak of infectious disease on board the Vessel or ashore.

20.2.3 fines imposed on the Vessel, on the Assured, or on any Master Officer and crew member or agents of the Vessel who is reimbursed by the Assured, for any act or neglect or breach or any statute or regulation relating to the operation of the Vessel, provided that the

- Underwriters shall not be liable to indemnify the Assured for any fine which result from any act neglect failure or default of the Assured their agent or servants other than Master Officer or crew member.
- 20.2.4 the expenses of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured
- 20.2.5 legal cost incurred by the Assured, or which the Assured may be compelled to pay, in avoiding, minimizing or contesting liability with the prior written consent of the Underwriters.

EXCLUSIONS

Notwithstanding the provisions of Clauses 20.1 and 20.2 this clause 30 does not cover any liability cost or expense arising respect of :

- 20.3.1 any direct or Indirect payment by the Assured under workmen's compensation or employer' liability act and any other statutory or common law, general maritime law or other liability whatsoever in respect of accident to illness of workmen or any other persons employed in any capacity whatsoever by the Assured or other in on or about or connection with the Vessel or her catch, materials or repairs
- 20.3.2 liability assented by the Assured under agreement expressed or implied in respect of death or illness of or injury to any persons employed under a contract or service or apprentice ship by the other party to such agreement
- 20.3.3 punitive or exemplary damages, however describe
- 20.3.4 passengers
- 20.3.5 catch, fishing gear or other things or interests whatsoever on board the insured Vessel or the engagements of the insured Vessel but this Clause 20.3 shall not exclude any claim in respect of the extra cost of removing catch or property from the wreck of the Vessel
- 20.3.6 property, owned by builder or repairers of for which they are responsible, which is on board the Vessel
- 20.3.7 liability arising under a contract or indemnity in respect on containers, equipment fuel or other property on board the Vessel and which is owned or leased by the Assured
- 20.3.8 cash, negotiable instruments, precious metals or stones, valuables or objects of a rare or precious nature, belonging to persons on board the Vessel, or non essential personal effects of any Master Officer or crew member
- 20.3.9 fuel, insurance wages, stores provision and port charges arising from delay to Vessel while awaiting a substitute for any Master Officer or crew member
- 20.3.10 fine or penalties arising from overloading or illegal fishing
- 20.3.11 pollution or contamination of any real or personal property or thing whatsoever
- 20.3.12 general average, sue and labor and salvage charges, salvage, and/or collision liability to any extent that they are not recoverable under Clauses 8,10 and 18 by reason of agreed value and/or the amount insured in respect of the Vessel being inadequate.

- 20.4 The indemnity provided by this Clause 20 shall be in addition to the indemnity provided by the other terms and conditions of this insurance.
- 20.5 Where the Assured or the Underwriters may or could have limited their liability the indemnity under this Clause 20 in respect of such liability shall not exceed Underwriters' proportionate part of the amount of such limitation.
- 20.6 In no case shall Underwriters' liability under this Clause 20 in respect of each separate accident or occurrence or series of accidents arising out of the same event, exceed their proportionate part of the insured value of the Vessel.

20.7 PROVIDED ALWAYS THAT

- 20.7.1 Prompt notice must be given to the Underwriters of every casualty event or claim upon the Assured which may give rise to a claim under this Clause 20 and of every event or matter which may cause the Assured to incur liability costs or expense for which he may be insured under this Clause 20.
- 20.7.2 the Assured shall not admit liability for or settle any claim for which he may be insured under this Clause 20 without the prior written consent of the Underwriters.

21 NOTICE OF CLAIM AND TENDERS

- 21.1 In the event of accident whereby loss or damage may result in a claim under this insurance, notice shall be given to the Underwriters prior to survey and also, if the Vessel is abroad, to the nearest Lloyd's Agent so that a surveyor may be appointed to represent the Underwriters should they so desire.
- 21.2 The Underwriters 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 Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place or repair or a repairing firm.
- 21.3 The Underwriters may also take tenders or may require further tenders to be taken from the repaired of the Vessel. Where such a tender has been taken or a tender is accepted with the approval of the Underwriters an allowance shall be made at the rate 30% per annum on the insured value for time lost between the dispatch of the invitations to tender required by Underwriters and the acceptance of the tender to the extent that such time is lost solely as the result of tenders having been taken and provided that the tender is accepted without delay after receipt of the Underwriters' approval.

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

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

21.4 In the event of failure to comply with the condition of this Clause 21 a deduction of 15% shall be made from the amount of the ascertained claim.

22. DISBURSEMENTS WARRANTY

Warranted that no insurance is or be effected to operate during the currency of this insurance by or for account of the Assured, Owner, Managers, or mortgagees on :

22.1 disbursements, commissions of similar interest P.P.I., F.I.A. or subject to any other like term.

22.2 excess or increased value of hull and machinery however described.

Provided always that a breach of this warranty shall not afford the Underwriters any defense 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 by agreement or by the operation of the Clause 4.

23.1.2 For each period of 30 consecutive days the Vessel may be laid up in a port in a lay-up area provided such port or lay-up area is approved by the Underwriters (with special liberties as hereinafter allowed)

(1) per cent net not under repair

(2) per cent net under repair.

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 (1) and (2) 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 thereof.

23.2.2 in no case shall a return be allowed when the Vessel is lying in exposed or unprotected waters, or in port or lay up area not approved by the Underwriters but, provided the Underwriters agree that such un-approved lay-up area is deemed to be within the vicinity of the approved port or lay-up area, days during which the Vessel laid up in such non-approved lay-up area may be added to days in the approved port or lay-up area to calculate a period 30 consecutive days and a return shall be allowed for the proportion of such period during which the Vessel is actually laid up in the approved port lay-up area.

23.2.3 loading or discharging operations or the presence of cargo on board shall not debar return but no return shall be allowed for any

period during which the Vessel is being used for the storage of catch or for lightering purposes

23.2.4 In the event of any amendment of the annual rate, the above rates of return 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 fall on successive insurance effected for the same Assured, this insurance shall only be liable for an amount calculated at pro rata of the period rates 23.1.2(1) and/or (2) 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 Assured, either from the first day on which the Vessel is laid up or the first day of a period of 30 consecutive days provided under 23.1.2(1),(2) or 23.2.2 above .

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith .

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 strike arising therefrom, or any hostile act by or against a belligerent power
- 24.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
- 24.3 derelict mines torpedoes bombs or other derelict weapons of war

25. STRIKES EXCLUSION

In no case shall this insurance cover loss damage liability or

- 25.1 caused by strikers, locked out workmen, or persons taking part in labor disturbances, riots or civil commotions
- 25.2 caused by any terrorist or any 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 weapon or war and caused by any person acting maliciously or from a political motive

27. NUCLEAR EXCLUSION

In no case shall this insurance cover loss damage liability or expense arising from any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.