

INSTITUTE CLASSIFICATION CLAUSE 01/01/2001

QUALIFYING VESSELS

1 This insurance and the marine transit rates as agreed in the policy or open cover apply only to cargoes and/or interests carried by mechanically self-propelled vessels of steel construction classed with a Classification Society which is:

- 1.1 a Member or Associate Member of the International Association of Classification Societies (IACS)*, or
- 1.2 a National Flag Society as defined in Clause 4 below, but only where the vessel is engaged exclusively in the coastal trading of that nation (including trading on an inter-island route within an archipelago of which that nation forms part).

Cargoes and/or interests carried by vessels not classed as above must be notified promptly to underwriters for rates and conditions to be agreed. **Should a loss occur prior to such agreement being obtained cover may be provided but only if cover would have been available at a reasonable commercial market rate on reasonable commercial market terms.**

AGE LIMITATION

2 Cargoes and/or interests carried by Qualifying Vessels (as defined above) which exceed the following age limits will be insured on the policy or open cover conditions **subject to an additional premium to be agreed.**

Bulk or combination carriers over 10 years of age or other vessels over 15 years of age unless they:

- 2.1 have been used for the carriage of general cargo on an established and regular pattern of trading between a range of specified ports, and do not exceed 25 years of age, or
- 2.2 were constructed as containerships, vehicle carriers or double-skin open-hatch gantry crane vessels (OHGCs) and have been continuously used as such on an established and regular pattern of trading between a range of specified ports, and do not exceed 30 years of age.

CRAFT CLAUSE

3 The requirements of this Clause do not apply to any craft used to load or unload the vessel within the port area.

NATIONAL FLAG SOCIETY

4 A National Flag Society is a Classification Society which is domiciled in the same country as the owner of the vessel in question which must also operate under the flag of that country.

PROMPT NOTICE

5 Where this insurance requires the assured to give prompt notice to the Underwriters, the right to cover is dependent upon compliance with that obligation.

LAW AND PRACTICE

6 This insurance is subject to Bangladesh law and practice.

* For a current list of IACS Members and Associate Members please refer to the IACS website at www.iacs.org.uk
