



GENERALI
Assicurazioni Generali S.p.A.

POLICY No. 380809357

In favour of:

MPS LEASING & FACTORING SPA

Via Aldo Moro 11/13

53100 SIENA

P.I. 01073170522

By the present Policy “Assicurazioni Generali SpA” undersigned do insure, the amount of € 4.275.000,00 on Lessor's Interest for the motor yacht named:

“DON MICHELE”

Built: 2015 - Flag: Italy

built by: Cboat Model: Cboat 27 - Length: 27 m

2 Engines: Caterpillar C18

Period: TWELVE CALENDAR MONTHS from 24.00 hrs (Italian Time) 04/02/2018.

Annual Net Rate : 0,09%

PARTICULAR CONDITIONS

Art 1- "INSURANCE CONDITIONS"

In compliance with provisions of Art. 1 of General Conditions of "Camogli Policy - Edition 1988" this present cover is granted at the conditions of the attached "Lessors interest Clauses Hulls LSW 061 (11/86)"

Including the following clauses:

- "Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Weapons Exclusion Clause" (Cl. 370 - 10.11.03).
- "Institute Cyber Attack Exclusion Clause" (Cl. 380 - 10.11.03).
- "Electronic Date Recognition Clause"
- Sanction Limitation and Exclusion Clause JH 2010/009

Art 2 - "BROKER CLAUSE"

The Assured declares to appoint Messrs, Ernesto Solari Assicurazioni S.r.l. as insurance broker of the present contract. Consequently all matters concerning the present policy will be dealt with, on Assured account, by Ernesto Solari Assicurazioni S.r.l. directly with Messrs. Assicurazioni Generali SpA, .

The collection of the policy premiums will be effected by the Assured to Ernesto Solari Assicurazioni S.r.l.

Such payment of premium made to Ernesto Solari Assicurazioni S.r.l. will be a full discharge to the Assured in so far as art, 1901 of Italian Civil Code is concerned.

Claims and any return of premium will be paid by Messrs, Assicurazioni Generali SpA, to Ernesto Solari Assicurazioni S.r.l. which will in turn pay the Assured; such payment made to Ernesto Solari Assicurazioni S.r.l. will be a full discharge to the Underwriters.

Any notice made by Ernesto Solari Assicurazioni S.r.l, to Messrs. Assicurazioni Generali SpA for and on behalf Of the Assured will be deemed made by the Assured himself.

Likewise, any notice made by the Assured to Ernesto Solari Assicurazioni S.r.l. will be deemed as made to Messrs. Assicurazioni Generali SpA, directly. All notices made by Messrs. Assicurazioni Generali SpA, to Ernesto Solari Assicurazioni S.r.l. will be considered as made to the Assured.

Ernesto Solari Assicurazioni S.r.l. must pass any notice received by either party to the Other party forthwith.

Art. 3 - "ANTICIPATED NO CLAIMS BONUS"

Provided that this insurance suffers no claims, it is agreed that there shall be payable in advance an anticipated bonus of 50%.

In the event of a Claim, the bonus will be refunded by the Assured.

Art 4 - "PAYMENT OF PREMIUM"

Notwithstanding anything to the contrary contained in Art. 1901 of Italian Civil Code and/or in the General Conditions of this Policy in respect of the payment of premium, it is agreed and understood as follows:

- should the Assured fail to pay the premium (or the first instalment thereof) as stated in this Policy, the Insurance shall not take effect until midnight of the day on which such payment has been made, unless the

payment be effected within midnight of the 30th day from inception date of this Policy, in which case such suspension shall not come into effect.

- should the Assured fail to pay any of the subsequent instalments as stated in this Policy, the Insurance shall be suspended from midnight of the 15th day following the day provided for such payment.

No notice by the Underwriters is required to make effective the suspension of the Insurance, as provided in the above paragraph.

ACCOUNT OF PREMIUM
(payable in instalment at the inception of the risk)

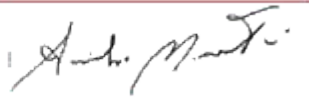
€ 4.275.000,00 @ 0,09%	€ 3.847,50
ANCB	€ (1.923,75)
Net premium	€ 1.923,75
Insurance taxes 12,50%	€ 240,46
Total premium due by the Insured	€ 2.164,21


Payable to Messrs. "ASSICURAZIONI GENERALI SPA" through Ernesto Solari Assicurazioni S.r.l.

Genoa, February the 8th 2018

The Assured

ASSICURAZIONI GENERALI SPA

Assicurazioni Generali S.p.A. Documento firmato digitalmente da: <i>Aurelio Nascasi</i> Certificato digitale N° 41f1ba5c	
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Assicurazioni Generali S.p.A. Documento firmato digitalmente da: Lorenzo Ambrosini Certificato digitale N° 4bf1ba50	
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<p>Condizioni da approvare specificatamente per iscritto</p> <p>Agli effetti degli art. 1341e 1342 del Codice Civile il sottoscritto dichiara di approvare specificatamente le seguenti disposizioni:</p> <p>art.3: Giurisdizione e foro competente;</p> <p>art.7: Fallimento dell'Assicurato;</p> <p>art.11: Inchiesta sul sinistro;</p> <p>le clausole "Termination" ed "Assignment" delle allegate condizioni dell'"Institute of London Underwriters"</p>	<p>Conditions to be specifically approved in writing:</p> <p>In respect of art. 1341 and art. 1342 of the Civil Law, the undersigned declares to give his specific approval to the following provisions:</p> <p>art.3: Jurisdiction and Competent Court;</p> <p>art.7: Bankruptcy of the Assured;</p> <p>art.11: Casualty enquiry;</p> <p>the Clauses "Termination" and "Assignment" of the attached conditions Of the "Institute of London Underwriters"</p>
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(In case of discrepancy between the Italian and English wording of the policy, the Italian wording shall prevail)

THE ASSURED

POLIZZA DI ASSICURAZIONE MARITTIMA SU CORPO E MACCHINE DI NAVI A SCAFO METALLICO O SU ALTRI INTERESSI ARMATORIALI.
(alle Condizioni delle Clausole dell'Institute of London Underwriters).

POLIZZA CAMOGLI 1988

CONDIZIONI GENERALI

Art. 1 - Condizioni di assicurazione.

L'assicurazione è prestata alle condizioni delle allegatole clausole dell'Institute of London Underwriters, indicate all' art. 1 delle Condizioni Aggiuntive, nelle quali le espressioni «For use only with the new marine policy form» e «This insurance is subject to English law and practice» riportate sul frontespizio si intendono cancellate.

Art. 2 - Legge regolatrice del contratto e interpretazione delle clausole inglesi.

Il presente contratto è regolato dalla legge italiana. Le clausole inglesi allegatole alla presente polizza dovranno tuttavia essere interpretate e applicate così come sono interpretate ed applicate in Inghilterra.

Art. 3 - Giurisdizione e foro competente.

Tutte le controversie relative al presente contratto sono soggette esclusivamente alla giurisdizione italiana. Foro competente, a scelta della parte attrice, è esclusivamente quello del luogo ove ha sede la Direzione della Società, ovvero l'Agenzia cui è assegnato o presso la quale è stato concluso il contratto.

Art. 4 - Valutazione della nave.

Il valore attribuito alla nave nella polizza in conformità all' art. 515 del Codice della Navigazione equivale a stima e salvo patto contrario comprende:

- a. lo scafo con tutte le sue pertinenze ed accessori;
- b. l'apparato motore con i suoi organi ausiliari e dotazioni di rispetto; e, se di proprietà dell'Assicurato;
- c. gli impianti radiotelegrafici e radiotelefonici;
- d. le vettovalie, il combustibile ed ogni altra provvista.

Art. 5 - Premio.

Il premio è annuo ed unico: è dovuto per intero anche se ne è convenuto il frazionamento in rate, salvo eventuali restituzioni di premio previste dalle allegatole clausole dell' Institute of London Underwriters.

In caso di indennizzo per perdita totale (effettiva, costruttiva o transatta) della nave conseguente ad un sinistro avvenuto nel corso di polizza di durata inferiore all'anno, ovvero verificatosi nel tempo per il quale la polizza risulta prorogata (sia automaticamente, sia per accordo) oltre la scadenza originaria pattuita la Società avrà diritto al pagamento di un premio complementare pari alla differenza fra l'intero premio annuo e quanto pagato per la copertura inferiore all'anno o per la proroga.

Art. 6 - Pagamento del premio.

Il premio o le rate di premio, gli accessori e le imposte devono essere pagati in contanti presso la Direzione della Società o l'Agenzia cui è assegnato o presso la quale è stato concluso il contratto.

Art. 7 - Fallimento dell'assicurato.

Fatte salve le previsioni di cessazione automatica della copertura per cambiamento di gestione o altro, contenute nelle clausole dell'Institute of London Underwriters allegatole, in caso di fallimento o concordato preventivo o amministrazione controllata o amministrazione straordinaria o liquidazione coatta amministrativa dell'Assicurato, la Società ha facoltà di recedere dal contratto dandone avviso mediante lettera raccomandata.

Il recesso avrà effetto dalle ore 24 del quindicesimo giorno dalla data di ricezione della raccomandata; a richiesta dell'Assicurato, qualora la nave sia in viaggio al momento di ricezione della raccomandata, il recesso avrà effetto dall'arrivo della nave nel porto di destino, se la nave viaggia in zavorra, o all'arrivo nell'ultimo porto di scarica se la nave viaggia con carico.

Il recesso implica rinuncia da parte della Società al residuo premio dalla data di cessazione della copertura.

Art. 8 - Notifica del danno.

Il riferimento al Lloyd's Agent contenuto nelle allegatole clausole inglesi si intende annullato e pertanto la denuncia del danno dovrà essere notificata per iscritto alla Direzione della Società o all'Agenzia cui è assegnato o presso la quale è stato concluso il contratto.

Art. 9 - Abbandono.

L'Assicurato può abbandonare alla Società la nave ed esigere l'indennità per perdita totale nei seguenti casi:

1. quando ricorrono gli estremi previsti dall' art. 540 lett. a e b Cod. Nav.;
2. quando ricorrono gli estremi previsti dalla clausola "Constructive Total Loss" delle condizioni inglesi allegatole;
3. quando l'Assicurato, per il verificarsi di un rischio coperto, è privato del possesso della nave sia definitivamente, sia per un periodo di 12 mesi al

POLICY OF MARINE INSURANCE ON HULL AND MACHINERY OF VESSELS AND OTHER SHIP-OWNERS INTERESTS.

(At the Conditions of the Institute of London Underwriters Clauses).

CAMOGLI POLICY - Edition 1988

GENERAL CONDITIONS

Art. 1 - Conditions of insurance.

The insurance is granted at the conditions of the attached Clauses of the Institute of London Underwriters, as indicated in art.1 of the «Additional Conditions» where the expressions «For use only with the new marine policy form» and «This insurance is subject to English law and practice» referred to in the heading are deemed to be cancelled.

Art. 2 - Law governing the contract and interpretation of the English Clauses.

This contract is governed by Italian Law. The English Clauses attached to this Policy must nevertheless be interpreted and applied as they are interpreted and applied in England.

Art. 3 - Jurisdiction and competent Court.

Any dispute in connection with this Contract is solely subject to Italian jurisdiction. Competent Court at plaintiff's option is solely the one of the place of residence of the Head Office of the Company or the Agency having in charge this contract or where this contract has been concluded.

Art. 4 - Value of the vessel.

The value of the vessel fixed by this Policy in accordance with art. 515 of the Code of Navigation is deemed to be the agreed value and in the absence of any agreement to the contrary it includes:

- a. the Hull with all its outfits and accessories;
- b. the Main Engine with all its auxiliaries and spare parts; and, if the property of the Assured;
- c. radiotelegraphic, radiotelephoning equipments;
- d. victuals, bunkers and all other provisions.

Art. 5 - Premium.

The premium is annual and due in full even if made payable by instalments, except for any return of premium provisions contained in the attached Clauses of the Institute of London Underwriters.

In case of indemnity for total loss (whether actual, constructive or compromised) of the vessel in consequence of a casualty which occurred under a policy covering a period of less than 12 months, or which took place during the continuation of a policy (whether by agreement or automatic) beyond the original expiry date, the Underwriters shall be entitled to the payment of a supplementary premium equal to the difference between the full annual premium and the premium paid for the period of less than one year, or for the continuation.

Art. 6 - Payment of premium.

The premium or the premium instalments, the additional charges and the taxes must be paid in cash at the Underwriters Head Office or at the Agency having in charge this contract or where this contract has been concluded.

Art. 7 - Bankruptcy of the Assured.

Except for the provisions in respect of the automatic termination of the cover at the time of change of management etc., contained in the attached Clauses of the Institute of London Underwriters, in case of bankruptcy or deed of arrangement or controlled administration or compulsory liquidation of the Assured, the Underwriters shall be entitled to cancel the contract giving notice thereof by registered letter. The cancellation will take effect as from midnight

of the 15th day from the date of receipt of the registered letter; on request of the Assured, should the vessel be at sea, the cancellation will take effect from arrival at the port of destination if the vessel is in ballast, or from arrival at the final port of discharge if the vessel has cargo on board. The cancellation implies waiver by the Underwriters of the residual premium from the date of termination of the cover.

Art. 8 - Notice of claims.

Reference to Lloyd's Agent made in the attached English Clauses is deemed to be void: notice of claims must be given in writing to the Underwriters at their Head Office or to the Agency having in charge this contract or where this contract has been concluded.

Art. 9 - Abandonment.

The Assured may abandon the vessel to Underwriters and claim the total loss indemnity in the following cases:

1. where the circumstances as provided by art. 540 letters a and b of the Code of Navigation apply;
2. where the circumstances as provided by the "Constructive Total Loss" Clause of the attached English Clauses apply;
3. where the Assured in consequence of an insured peril is deprived of the

termine del quale non è prevedibile un imminente recupero, ovvero quando, decorsi 12 mesi di spossessamento, il costo di recupero ecceda il valore assicurato.

L'abbandono deve essere notificato alla Società nella forma prevista dalla legge italiana.

Art. 10 - Pagamento delle indennità.

La Società pagherà le indennità a suo carico 30 giorni dal completamento della «liquidazione di avaria», salvo i casi di sospensione della liquidazione e del pagamento previsti dalla presente polizza o dalla legge.

All'atto del pagamento dell'indennità relativa ad una perdita od avaria, la Società avrà facoltà di compensare le rate di premio non scadute sulla polizza per la quale paga il danno.

Art. 11 - Inchiesta sul sinistro.

Nel caso che l'Autorità proceda ad inchiesta per l'accertamento della responsabilità personale dell'Assicurato relativa ad un sinistro, il pagamento dell'indennità assicurativa eventualmente dovuta in dipendenza del sinistro stesso resta sospeso fino alla chiusura dell'inchiesta; se gli atti dell'inchiesta vengono trasmessi all'autorità giudiziaria, o se comunque viene iniziata un'istruttoria penale a carico dell'Assicurato in relazione al sinistro, il pagamento dell'indennità resta sospeso fino alla pronuncia del magistrato penale.

Art. 12 - Coassicurazione e delega.

Qualora l'assicurazione prestata con la presente polizza sia ripartita in coassicurazione fra più Assicuratori per quote determinate, tutti i rapporti inerenti al contratto sono svolti unicamente con la Società cui è affidata la delega, la quale ne darà a sua volta comunicazione agli altri Assicuratori. Questi sono tenuti a riconoscere come validi ed efficaci, anche nei propri confronti, tutti gli atti di ordinaria gestione compiuti dalla Società delegataria per conto comune.

Ciascuna Società è tenuta al pagamento delle indennità liquidate soltanto in proporzione della quota rispettivamente assunta ed è responsabile solo per essa, non implicando il rapporto di coassicurazione alcuna responsabilità solidale.

Art. 13 - Imposte.

Le imposte e tutti gli altri oneri stabiliti per legge, presenti e futuri, relativi al premio, al contratto ed agli atti da esso dipendenti, sono a carico del Contraente anche se il pagamento ne sia stato anticipato dalla Società.

vessel either definitely or for a period of 12 months on expiry of which an imminent recovery is not foreseeable, or where the 12 months period having elapsed the cost of recovering the ship would exceed her insured value, when recovered.

The abandonment must be served to the the Underwriters in the form prescribed by Italian Law.

Art. 10 - Payment of indemnities.

The Underwriters shall pay the indemnities due by them within 30 days from the completion of the «Average Adjustment» except in cases of suspension of the adjustment and of the payment as provided for by this Policy or by law. Upon payment of an indemnity the Underwriters shall be entitled to compensate premium instalments not yet due under the policy.

Art. 11 - Casualty enquiry.

In the event of Authorities conducting an enquiry to ascertain personal liability of the Assured in relation to a casualty, payment by the Underwriters of the insurance indemnity which might be due in relation to the same casualty, is suspended until the closing of the said enquiry. If the findings of the enquiry are remitted to the judicial authority or if criminal proceedings against the Assured are commenced in relation to the casualty, payment of the indemnity is suspended until the decision of the criminal judge.

Art. 12 - Coinsurance and leadership.

Should this policy be shared in coinsurance with other Insurers, all matters concerning the policy will be dealt with only with the Leading Underwriters who shall in turn advise Coinsurers.

The Coinsurers are to accept as valid and binding all ordinary acts made by the Leading Underwriters for common interest.

Each of the Coinsurers is bound to the payment of indemnities in proportion to the share underwritten and is liable only for such share, the coinsurance not implying any joint and several liability whatever.

Art. 13 - Taxes.

Taxes and any other dues present or future as provided by Law relative to the premium, this contract and all that is connected therewith shall be for the account of the Assured even if payment thereof has been advanced by the Underwriters.

LESSORS INTEREST CLAUSES HULLS

This contract is subject to English law and practice

1. SUBJECT-MATTER INSURED

- 1.1 This contract commences on {Response} and is to insure, subject to the conditions stated herein the interest of {Response} as owner, in vessels to be declared for periods not in excess of 12 months each declaration.
- 1.2 This contract does not cover the interest of any other party and is not assignable or otherwise transferable.

2. DECLARATIONS

Subject to the provisions of Clause 3 it is a condition of this contract that the Assured must declare, without exception, and the Underwriters must accept any vessel or vessels on which the Assured grants a lease on terms that the lessee is responsible for the insurance of the vessel, giving provisional notice of the name(s) of the vessel(s) and their lessee(s) and the amount(s) insured.

3. SUM INSURED

This contract is for an open amount not to exceed {Response} in respect of any one vessel unless specially agreed. In the event of loss after provisional but before final declaration the basis of valuation shall be the sound market value of the vessel at the time of the granting of the lease.

4. WARRANTIES

It is warranted in respect of each vessel that:-

- 4.1 Hull and Machinery Policies on terms equivalent to Institute Time Clauses Hulls or American Institute Hull Clauses and where applicable Increased Value Policies equivalent to Institute Time Clauses - Hulls Disbursements and Increased Value (Total Loss Only including Excess Liabilities) or American Institute Increased Value and Excess Liabilities Clauses, also War Risks Policies equivalent to Institute War and Strikes Clauses Hulls - Time and full Protection and Indemnity Risks (hereafter referred to as "the Insurance Policies and Club Entries") have been taken out and shall be maintained throughout the currency of this contract.
- 4.2 the Insurance Policies and Club Entries, warranted in 4.1 above, shall be taken out and maintained in respect of each vessel at all times for an insured value and limit of liability not less than the amount insured hereunder.
- 4.3 each of the Insurance Policies and Club Entries is endorsed to the extent of the Assured's interest.

5. CHANGE OF OWNERSHIP OR CONTROL

This insurance will terminate automatically at the time of any change of:-

- 5.1 ownership
- 5.2 management or control of which the Assured hereunder has knowledge or privity unless the Assured gives prompt notice of such change in writing to the Underwriters hereon and agrees to pay an additional premium, if required.

6. INDEMNITY

- 6.1 This contract is to indemnify the Assured for loss resulting from loss of or damage to or liability of each vessel which is prima facie covered by the Insurance Policies or Club Entries but in respect of which there is subsequent non-payment (or reduced payment which is approved in advance by the Underwriters hereon):
- 6.1.1 by reason of any act or omission of any one or more of the lessees, operators, charterers or managers of the vessel or their servants or agents including breach or alleged breach of warranty or condition whether expressed or implied or non-disclosure or alleged non-disclosure of any fact or circumstances of any kind whatsoever,
- 6.1.2 by virtue of any alleged deliberate, negligent or accidental act or omission or any knowledge or privity of any one or more of the lessees, operators, charterers or managers of the vessel or their servants or agents, including the deliberate or negligent casting away or damaging of the vessel or the vessel being unseaworthy.
- 6.2 The cover provided under Clause 6.1 above shall only apply while any such act, omission, non-disclosure, breach of warranty or conditions, knowledge or privity occurs or exists without the privity of the Assured.
- 6.3 The indemnity payable hereunder shall be an amount equal to whatever shall be the lesser of
- 6.3.1 the unrecoverable claim or part thereof under Insurance Policies and/or Club Entries,
- 6.3.2 the sum insured, provided that if the subject-matter insured is not fully insured hereunder by reason of Clause 3 or otherwise the indemnity shall be reduced in proportion to the under-insurance.

7. EXCLUSIONS

- 7.1 Excluding the Assured's legal costs and expenses incurred in relation to any claim under Hull Policies and/or Club Entries.
- 7.2 In no case shall this insurance cover loss damage liability or expense arising from:
- 7.2.1 the relevant Insurance Policies or Club Entries having been lawfully terminated by the Underwriters thereof due to non-payment of premium or call
- 7.2.2 insolvency or financial default of any of the Underwriters of the Insurance Policies or Club Entries
- 7.2.3 inability of any party to transmit funds
- 7.2.4 any fluctuation in exchange rate
- 7.2.5 the operation of any franchise deductible or provision for self-insurance.

8. TIME FOR PAYMENT

- 8.1 There shall be deemed to be a non-payment by the Underwriters of the Insurance Policies and/or Club Entries
- 8.1.1 when a final court judgment is delivered in favour of those Underwriters, or

8.1.2 at such earlier time as the Assured can demonstrate to the satisfaction of the Underwriters hereon that there is no reasonable prospect of the lessees and/or Assured succeeding in the claim against the Underwriters of the Insurance Policies and/or Club Entries. In the event of disagreement between the Assured and the Underwriters hereon this issue shall be referred to a sole arbitrator to be agreed upon between the Underwriters hereon and the Assured.

8.2 Thereafter the Assured shall formally present their claim hereunder and any amount recoverable hereunder shall be payable within three calendar months of the date on which the Assured shall have presented their properly documented claim to the Underwriters of this contract.

9. SUBROGATION

Upon payment to the Assured of a claim hereunder the Underwriters shall be subrogated to all the rights and remedies of the Assured in respect of such payment.

10. DUTY OF ASSURED (SUE & LABOUR)

10.1 It is a condition of this insurance that the Assured shall give notice in writing to the Underwriters hereon of any circumstances which may give rise to a claim under this contract and shall thereafter keep the Underwriters fully informed of all developments.

10.2 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 minimising a loss which would be recoverable under this contract.

10.3 Except as provided in Clause 7.1 the Underwriters will reimburse charges properly and reasonably incurred by the Assured their servants or agents for such measures provided that if the subject-matter insured is not fully insured by reason of Clause 3 or otherwise, the indemnity shall be reduced in proportion to the under-insurance.

10.4 Measures taken by the Assured or the Underwriters with the object of averting or minimising a loss which would be recoverable under this contract shall not be considered as a waiver or acceptance of a claim or otherwise prejudice the rights of either party.

10.5 The sum recoverable under this Clause 10 shall be in addition to the loss otherwise recoverable under this contract.

11. CANCELLATION

This contract may be cancelled by either the Underwriters or the Assured giving thirty days notice in writing. Notice to commence from midnight of the day when it is issued but such cancellation shall not apply to any risks which have attached in accordance with the cover granted hereunder before the cancellation becomes effective.

12. AUTOMATIC TERMINATION AND NOTICE OF CANCELLATION - WAR AND STRIKES RISKS

Cover hereunder in respect of the risks which are covered by the Institute War and Strikes Clauses Hulls - Time 1/10/83 shall terminate

12.1 automatically upon the occurrence of any of the events mentioned in Clauses 5.2.1 and 5.2.2 of the Termination Clause in the Institute War and Strikes Clauses Hulls - Time 1/10/83

12.2 in respect of any vessel

12.2.1 automatically in the event of the vessel being requisitioned either for title or use

12.2.2 7 days after the Underwriters of insurances covering war etc risks or any of them have given notice of cancellation or

12.2.3 7 days after the Underwriters hereon have given notice of cancellation in respect of the said risks.

12.3 Cancellation in accordance with Clauses 12.2.2 or 12.2.3 shall become effective on the expiry of 7 days from midnight of the day on which the notice of cancellation is given. The Underwriters agree however to reinstate this insurance subject to agreement between the Underwriters and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

11/86

LSW061

Electronic Date Recognition Clause

- 1) In order to ensure that computers, electronic equipment and electronic components on board the ship function properly in relation to electronic date recognition, the assured shall ensure that:
 - a) manufacturers of the objects mentioned above give a written confirmation that the objects will function properly in relation to electronic date recognition;
 - b) the objects – to the extent that the manufacturers cannot or will not give such confirmation as mentioned in letter (a) – are tested in order to determine whether they, separately or in combination with other equipment, will function properly in relation to electronic date recognition.
- 2) If confirmations and/or tests as mentioned in paragraph 1 show that the objects might not function properly, the assured shall take the steps necessary to solve the problem.
- 3) In no case the insurer be liable for any loss caused by a negligent failure of the assured to comply with the requirements set out above. This clause shall in no way prejudice any other defence in respect of loss caused by date recognition problems.
- 4) In no case shall the insurer be liable for any loss, damage, liability or expense in respect of any software, programming, operating system, code or data.

10/11/03

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

10/11/03

INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

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

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 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
 - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.
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Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.