

FÖRSÄKRINGSAKTIEBOLAGET ALANDIA

DELAY INSURANCE CONDITIONS

2014



ALANDIA
MARINE



Alandia Delay Insurance Conditions

The English wording of these Conditions, of which there are also Swedish and Finnish translations, shall prevail in case of a dispute.

1. Introduction

1.1 This Insurance provides indemnity for loss of revenue from the employment of an Insured Vessel resulting from delay to that Insured Vessel subject to the terms and conditions stated herein and in the Insurance Policy.

1.2 Loss of revenue insurance is available as an annual policy covering lost revenue due to one of the perils named below.

1.3 Indemnity for loss of revenue for the duration of the particular delay is calculated at the Daily Amount.

1.4 The number of agreed days covered (per incident / per vessel) is also stipulated in the Insurance Policy, which multiplied with the daily amount and less the applicable deductible constitutes the maximum indemnity that may be payable under the Insurance.

1.5 Loss of revenue indemnity is only payable after the deductible period has elapsed. The deductible period comprises the number of days' deductible (per incident / per vessel) as stipulated in the Insurance Policy.

2. The Daily Amount

The vessel is insured for a Daily Amount as stated in the Insurance Policy.

3. Insured Perils

3.1 The Assured with an Insured Vessel covered for loss of revenue shall subject to the conditions in this chapter be entitled to claim and shall be compensated for loss suffered by him in respect of the Delay to such Insured Vessel when caused by

- A. such Insured Vessel colliding with another vessel, striking any fixed or floating object other than another vessel, or unintentionally stranding or grounding; or
- B. illness, injury or death of any persons either where such persons are on board the Insured Vessel or where such illness, injury or death is caused directly by the Insured Vessel; or
- C. the discovery of contraband, comprising drugs, arms, munitions, alcohol, tobacco or precious metals, on board the Insured Vessel, or a search on suspicion of their presence on board, which contraband has been concealed (in the case of discovery) by any third party or by the master, officers or crew in a manner which the Assured could not reasonably be expected to have prevented, provided that the Assured shall have both complied fully with all relevant legislation and regulations and co-operated fully and at all times with the relevant anti-trafficking agencies of all countries between which such ship trades; or

- D. detention due to pollution emanating or alleged to emanate from the Insured Vessel at the port or place where the pollution occurred or is alleged to have occurred; or
- E. desertion from the Insured Vessel of any or all of the Insured Vessel's officers and/or crew; or
- F. any action by an authority of competent jurisdiction (with the exception of the Maritime Authority of any Port State or of the Insured Vessel's Flag State, and excluding action in response to the operation of ordinary judicial processes, misdescription or misdeclaration of the Insured Vessel's cargo to an authority of competent jurisdiction such as but not limited to customs authorities, failure to pay any fine, penalty or any financial cause) against the Insured Vessel or the Insured Vessel's master, officers or crew in respect of:
 1. a crime or an alleged crime committed on board the Insured Vessel but which does not arise from a breach of a "relevant instrument" for the purposes of any applicable Memorandum of Understanding for Port State Control; or
 2. any incident or occurrence as specified in Condition 3.1 A to F involving any other vessel beneficially owned and/or managed by the Assured; or
 3. the misdescription or misdeclaration of the Insured Vessel's stores (but not the Insured Vessel's cargo) to an authority of competent jurisdiction such as but not limited to customs authorities; or
- G. the discovery of stowaways on board, the rescuing of refugees or the saving of life at sea by the Insured Vessel; or
- H. the imposition of a state of quarantine upon the master, officers, crew and/or passengers on aboard the Insured Vessel by the lawful order of an authority of competent jurisdiction; or
- I. fire or explosion aboard the Insured Vessel.

3.2 No claim by an Assured who is the Owner of the Insured Vessel shall lie under these Conditions if and insofar as:

- A. the Assured is entitled to hire, demurrage and/or damages in respect of such Delay pursuant to or for breach of any governing charter party or other contract covering the employment of the Insured Vessel. In the event that the Assured is entitled only to a proportion of the full contractual rate of hire, demurrage and/or damages during any Delay or part thereof, then in respect of that Delay or the relevant part thereof no claim will lie under the Conditions for the same proportion of the Daily Amount, but a claim will lie under the Conditions for the balance of the Daily Amount; or
- B. such Delay or the exposure of the Insured Vessel to such Delay could reasonably have been avoided, shortened or otherwise mitigated by the Assured. Without limitation, a Delay will be deemed to have been reasonably avoidable if that Delay could reasonably have been foreseen before or at the time of the order to proceed to or by way of the location where the Delay is suffered.

3.3 No claim shall lie under the above Conditions for any loss caused by any Delay if and insofar as the same:

- A. is covered by the protection and indemnity insurance provided by the P&I insurer with which the Assured is insured or entered; or
- B. is covered by any other insurance as may be or have been placed by or on behalf of the Assured.

3.4 No claim for Delay caused by collision or grounding or fire will be covered in respect of any period of Delay:

- A. commencing more than 60 days after the first occurrence or commencement of the peril causing the Delay (whichever is the earlier); or
- B. resulting from any Insured Vessel becoming an actual, constructive or economic total loss.

3.5 If and to the extent that during any Delay, in respect of which cover is provided under Insured Perils 3.1 A or 3.1 I above, the Insured Vessel undergoes repair to physical damage caused by the perils referred to therein, then if whilst the Insured Vessel is undergoing such repair other repairs or works not caused by the relevant peril are carried out on the Insured Vessel, then a claim will lie under the Conditions for one half of the Daily Amount for the duration of such other repairs or works (subject always to these Conditions).

4. General Exceptions and Limitations

Any insurance cover shall be subject to the following exceptions and limitations:

4.1 Each claim shall be subject to the deductible stated in the Insurance Policy.

4.2 Each claim shall be limited as regards the number of days covered as stated in the Insurance Policy.

4.3 The sum recoverable shall be limited to the Daily Amount for each day (and pro rata for any part of a day) such Insured Vessel was delayed and to the maximum number of days as stated in the Insurance Policy for which a claim is allowed by these Conditions and the terms of the Insurance Policy.

4.4 No claim shall be payable by the Insurer to the extent that it exceeds the actual loss due to delay actually suffered by the Assured during the period in respect of which the claim is made.

4.5 No claim shall be payable by the Insurer unless the Delay giving rise to the claim has lasted for a continuous period of not less than twenty-four hours.

Thereafter, such claims shall be payable from the commencement of such direct effect and/or Delay (as the case may be) and shall be subject to any applicable deductible and limit of days covered according to the Insurance Policy.

4.6 No claim shall be payable by the Insurer if it arises from the Insured Vessel carrying contraband or blockade, running or being employed in any unlawful trade or performing any unlawful act, but the exception provided for in this Condition shall not apply to Insured Peril 3.1 C above.

4.7 No claim shall be payable by the Insurer if in the reasonable opinion of the Insurer the loss was due to circumstances existing at the time the Insurance was effected.

4.8 No claim by an Assured who is the Owner of the Insured Vessel shall be payable by the Insurer if the Insured Vessel was on time charter or other equivalent contract and the Assured was entitled to collect hire during the period of delay or if the Insured Vessel was unemployed or laid up.

4.9 Claims payable under the Conditions of this Insurance arising from Delay which span two or more policy years shall be treated as a single claim and subject to the Insurance (including as to the applicable limit of cover and deductible) prevailing at the commencement of the Delay provided that for purposes of the Assured's claims record the Insurer may apportion the claim over the policy years which the Delay spans according to the Delay occurring in each policy year.

4.10 In the event of the Insurance, the contract thereof and/or the cover thereunder terminating in accordance with these Conditions and/or those of the Insurance Policy, claims payable hereunder shall only be payable in respect of Delay suffered prior to the date of termination.

4.11 No claim shall be payable by the Insurer if it arises directly or indirectly or in any way out of the insolvency of the Assured or of any person, association of persons or body corporate.

4.12 Without prejudice to the Conditions above there shall be no cover, nor any recovery from the Insurer for:

- A. loss of or damage to the Insured Vessel, the Insured Vessel's stores or fuel, or any equipment or item used in connection with the Insured Vessel; or
- B. loss, cost or expense arising wholly or partly from the Assured's failure for any reason whatever to discharge any financial obligation of any kind in connection with the proper prosecution of a voyage; or
- C. interest on any claim brought either under the Conditions or by way of legal or arbitration proceedings; or
- D. any loss not expressly covered by these Conditions.

Provided that such exclusions shall not apply where the loss in question results directly from the compliance by the Assured with a requirement or direction of the Insurer.

If you have any questions,
do not hesitate to contact us
at Alandia Marine
phone +358 18 29 000 or
marine@alandia.com.



FÖRSÄKRINGSAKTIEBOLAGET ALANDIA

Mariehamn - Visiting address: Ålandsvägen 31, AX-22100 Mariehamn, Postal address: PB 121, AX-22101 Mariehamn, phone: +358 18 29 000, fax: +358 18 13 290

Stockholm - Visiting address: Viggbyholms båthamn, SE-183 57 Täby, Postal address: Hamnvägen 8 2tr, SE-183 57 Täby, phone: +46 8 5058 8480

Helsinki - Itämerenkatu 1, 00180 Helsinki, phone: +358 20 52 52 583 alandia.com