



OPTIONAL COVERS

TERMS & CONDITIONS
AS OF 20 FEBRUARY 2021

SERVICE
AND COMPETENCE
YOU CAN RELY ON



CONTENTS

PART 1 ▶	DEFINITIONS	3
PART 2 ▶	GENERAL PROVISIONS.....	3
PART 3 ▶	EXCLUSIONS.....	3
PART 4 ▶	WAR RISKS CANCELLATION AND AUTOMATIC TERMINATION	4
PART 5 ▶	LAW AND JURISDICTION	5
APPENDIX	5

Cover photo: Manu Galdamez/Shutterstock

PART 1 ► DEFINITIONS

Words and phrases used in these Optional Terms & Conditions ("Optional T&C") shall, unless defined below, have the same meaning as used in the Insurance Policy.

ASSURED

The Member or Assured

INSURANCE COVER

The insurance provided in Skuld Rules or T&C and the Insurance Policy

INSURANCE POLICY

The insurance agreement between Skuld and the Assured evidenced by the Certificate of Entry or Certificate of Insurance issued by Skuld

SKULD

Assuranceforeningen SKULD (Gjensidig)

SKULD RULES OR T&C

The Skuld P&I Rules or the Terms & Conditions named in the Insurance Policy

STANDARD COVER

The insurance provided in Skuld Rules or T&C

OPTIONAL COVER

The insurance provided by Skuld under Optional T&C evidenced by the Certificate of Optional Cover

PART 2 ► GENERAL PROVISIONS

2.1 DURATION OF COVER

Unless otherwise agreed, the Optional Cover shall commence and cease at the same time and date as the Insurance Policy.

2.2 SCOPE OF COVER

- 2.2.1 The Assured is only covered for the risks provided under the Optional Cover specified in the Insurance Policy.
- 2.2.2 The Optional Cover is unless otherwise agreed in writing and specified in the Insurance Policy subject to Skuld Rules or T&C, these Optional T&C and the Insurance Policy.
- 2.2.3 Notwithstanding Clause 2.2.2, the Optional Cover shall unless otherwise agreed in writing be extended to include War Risks, subject always to Clause 3 and Clause 4.
- 2.2.4 There shall be no recovery from Skuld in excess of the agreed limit specified in the Insurance Policy.

PART 3 ► EXCLUSIONS

3.1 CHEMICAL, BIO-CHEMICAL, ELECTROMAGNETICAL WEAPONS AND COMPUTER RISKS

Optional Cover shall not cover the Assured for any liabilities, losses, expenses or costs directly or indirectly caused by or contributed to by or arising from

- 3.1.1 any chemical, biological, bio-chemical or electromagnetic weapon, or
- 3.1.2 the use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

3.2. NUCLEAR RISKS

The Optional Cover shall not cover the Assured for any liabilities, losses, expenses or costs directly or indirectly caused by or contributed to by or arising from

- 3.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
- 3.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
- 3.2.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
- 3.2.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any, radioactive matter;

other than liabilities, losses, costs or expenses arising out of the carriage of "excepted matter" (as defined in the Nuclear Installations Act 1965 of the United Kingdom or any regulations made thereunder) as cargo in an insured vessel.

3.3. FIVE POWERS WAR

The Optional Cover shall not cover the Assured in respect of those liabilities costs and expenses arising from the following:

- 3.3.1 the outbreak of war (whether there be a declaration of war or not) between any of the following countries: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China, or
- 3.3.2 requisition either for title or use or pre-emption.

3.4. CORONAVIRUS EXCLUSION CLAUSE

Optional Cover shall not cover the Assured for any liabilities, losses, expenses or costs in excess of USD10,000,000 for one event.

- 3.4.1. directly arising from the transmission or alleged transmission of:
 - a) Coronavirus disease (COVID-19);
 - b) Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2); or
 - c) any mutation or variation of SARS-CoV-2;or from any fear or threat of a), b) or c) above;
- 3.4.2 any liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for a), b) or c) above;
- 3.4.3. any liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of any of a), b) or c) above or the fear or the threat thereof.

PART 4 ► WAR RISKS CANCELLATION AND AUTOMATIC TERMINATION

4.1 The Optional Cover in respect of War Risks may be cancelled by either the Assured or the Association giving 7 days' notice. Such cancellation shall become effective on the expiry of 7 days from 24:00:00 hours GMT on the day on which notice of cancellation is issued. However, the Association agrees to reinstate this Optional Cover subject to reaching agreement with the Assured prior to the expiry of the notice period as to any new premium terms conditions and warranties that are to apply.

4.2 Whether or not such notice of cancellation has been given this insurance shall terminate automatically in the following circumstances

- 4.2.1 the outbreak of war (whether there be a declaration of war or not) between any of the following countries: United Kingdom, United States of America, France, the Russian Federation, the People's Republic of China
- 4.2.2 in the event of the vessel being requisitioned either for title or use.

4.3 The Optional Cover in respect of the War Risks shall not become effective if prior to the intended time of commencement of insurance any event has occurred which would have automatically terminated cover under the provisions of this Clause.

PART 5 ► LAW AND JURISDICTION

These Optional T&C are subject to and governed by the law and jurisdiction provisions in the Skuld Rules or T&C.

APPENDIX

LIST OF OPTIONAL COVERS

Skuld is able to provide extended cover for liabilities falling outside the scope of standard cover. All extended covers are provided subject to the Rules/T&C applicable to the underlying policy, to Skuld Optional Covers T&C and to the terms, conditions, limits and deductibles specified in the Certificate of Optional Cover.

1. EXTENDED CREW COVER CLAUSES

- 1.1. Third Party Liability
- 1.2. Temporarily Working on Non-Entered Vessel
- 1.3. Crew Ashore – Training etc
- 1.4. Pre-Delivery
- 1.5. Post-sale
- 1.6. Crew on Leave
- 1.7. Crew on Standby

2. EXTENDED CARGO COVER

- 2.1. Deviation (from contractually agreed voyage)
- 2.2. On deck cargo
- 2.3. Change of discharge port
- 2.4. Delivery without production of Bill of Lading
- 2.5. Delivery under waybill, etc.
- 2.6. Ad valorem Bill of Lading
- 2.7. Carriage of cash bullion specie, etc.
- 2.8. Carriage of cargo 21 days before loading or after discharge
- 2.9. Barges and lighters

3. HAGUE-VISBY RULES WAIVERS

- 3.1. Waiving the right to limit liability
- 3.2. Waiving the right to a time bar
- 3.3. Waiving the right to defences
- 3.4. Waiving the right to recourse
- 3.5. Incorporation of the Rotterdam Rules

4. CARGO STORAGE

- 4.1. Storage during drydocking
- 4.2. Cargo remaining onboard
- 4.3. Cargo stowed in non-certified spaces
- 4.4. Cargo discharged and reloaded

5. THROUGH TRANSPORT

- 5.1. Cargo Liability
- 5.2. Non Cargo Liability
- 5.3. Container Through transport

6. EXTENDED CONTRACTUAL LIABILITY

7. EXTENDED PASSENGER LIABILITY AND OTHER PERSONS COVER CLAUSES

- 7.2. Extended Passenger Liability
- 7.3. Third party liability from presence of persons on board other than crew passenger
- 7.4. Liability to persons on board other than crew or passengers

8. MISCELLANEOUS COVERS

- 8.1. Exxon General Average
- 8.2. North American Clean Up
- 8.3. Salvor Extension
 - 8.3.1. Oil Pollution
 - 8.3.2. Non-oil Pollution
- 8.4. Cargo Handling Equipment Liability