ISM CLAUSE

Applicable to shipment on board:

- Passenger vessels transporting more than 12 passengers and

- Oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high-speed craft

of 500 gt or more.

- Ro Ro passenger ferries.

Applicable with effect from 1 July 2002 to shipments on board all other cargo ships and

mobile offshore drilling units of 500 gt or more.

In no case shall this insurance cover loss, damage or expense where the subject-matter

insured is carried by a vessel that is not ISM Code certified or whose owners or operators do

not hold an ISM Document of Compliance when, at the time of loading of the subject-matter

insured on board the vessel, the Insured were aware, or in the ordinary course of business

should have been aware:

- Either that such vessel was not certified in accordance with the ISM Code

- Or that a current Document of Compliance was not held by her owners or

operators as required under the SOLAS Convention 1974 as amended.

This exclusion shall not apply where this insurance has been assigned to the party claiming

hereunder who has bought or agreed to buy the subject-matter insured in good faith under a

binding contract or where the Insured has purchased the subject-matter on such terms

whereby the supplier or their agents have arranged the carriage of the goods.

ISM Forwarding Charges Clause

This insurance is extended to reimburse the Insured up to the limit of the sum insured for the

voyage, for any extra charges properly and reasonable incurred in unloading, storing and

forwarding the subject-matter to the destination to which it is insured hereunder following

release of cargo from a vessel arrested or detained at or diverted to any other port or place

(other than the intended port of destination) where the voyage is terminated due either:

to such vessel not being certified in accordance with the ISM Code or

to a current Document of Compliance not being held by her owners or operators as required

under the SOLAS Convention 1974 as amended.

This clause, which does not apply to General Average of Salvage or Salvage Charges, is

subject to all other terms, conditions and exclusions contained in the policy and to the ISM

Clause.