

## CMBI TRADING WARRANTIES AND ADDITIONAL PREMIUM

I. The trading area.

The trading area under the insurance comprises all waters with the following limitations:

**A. The northern hemisphere.****1. European arctic waters.**

The waters north of 72° N.Lat. and the waters of East Greenland and Jan Mayen.

However, this limitation shall not apply to voyages to Lonzycarbyen and Sveagruven at Svalbard, provided that the ship passes 72° N.Lat. not earlier than 15<sup>th</sup> May and departs from the said places not later than 31<sup>st</sup> October.

**2. Euro-Asiatic arctic waters.**

The waters north of the Euro-Asiatic continent east of 35° E.Long.

**3 East-Asiatic waters and the Bering Sea.**

East-Asiatic waters north of 46° N.Lat. to 170° E.Long. and the Bering Sea, including voyages to the Aleutian Islands.

However, this limitation shall not apply to passages of these waters on voyages between places within the trading area, with respect to the Bering Sea passages through Unimak Pass and west of Buldir Island, provided that the ship is equipped with modern aids to navigation in these waters.

**4. North- and Northeast-American waters and West-Greenland waters.**

The waters north of 60° N.Lat. and waters approachable only by, the passing of this latitude. On voyages to St. Lawrence Seaway and the North-American Lakes, see part III, section B, point 4.

**B. The Southern hemisphere.**

The waters south of 50° S.Lat. and the waters of Kerguelen, Crozet Islands and Prince Edward Islands. However, this limitation shall not apply, to voyages to Patagonia, Chile and the Falkland Islands or to passages through the waters south of 50° S.Lat. on voyages between places north of this latitude.

II. Breaches of the limits of the trading area

The Leading Underwriter may give advance dispensation for voyages outside the trading area on conditions stipulated by Lloyd's Syndicate 0062 THF. If the stipulated conditions are not accepted by the person effecting the insurance, the insurance shall become inoperative when the limit of the trading area is transgressed by a wilful act of the ship's master. If prior to the expiry of the insurance, the ship again comes within the limits of the trading area, the insurance shall again become operative.

If, in other cases, the limits of the trading area have been, transgressed, without the person effecting the insurance having notified the insurer that he wants the insurance to become inoperative, the insurance shall not become inoperative even if the assured has consented to the breach ; additional premium and other possible conditions shall be determined by Lloyd's Syndicate 0062 THF.

### III. Additional premiums for trading within the trading area.

#### A. Additional premiums chargeable by the insurer.

For voyages in areas during periods specified below the insurer has the right to charge additional premiums.

Unless otherwise agreed, additional premium is chargeable every time the master has taken the ship into one of the areas described in section B.

The rates of additional premiums (the premium) are expressed in per centum, of the hull valuation (%) and/or in United States Dollar per register ton gross (USD).

Of the total additional premium computed for trading in the respective areas a part corresponding to the proportion between the sum insured and the hull valuation is due to the insurer. If the insurance is incepted or terminated while the ship is in such area the part due to the insurer shall be computed pro rata temporis.

#### B. Areas and periods.

##### 1. The Baltic.

a) The Gulf of Bothnia north of the line Umea - Vasa during the period 15<sup>th</sup> December-15<sup>th</sup> April: Premium 0,15 % and USD 0.48.

b) The Gulf of Finland east of 25° 45° E.Long. during the period 8<sup>th</sup> January-15<sup>th</sup> April: Premium 0,1% and USD 0.32

c) The waters east of the line Dagerort-Lyserort during the period 1<sup>st</sup> January-31<sup>st</sup> March: Premium USD 0.14.

##### 2. Labrador.

The waters from Cape St. Charles to 60° N.Lat., all year: Premium 0,25 % and USD 0.14:

##### 3. Gulf of St. Lawrence and St. Lawrence River.

a) The waters inside the lines drawn between Port Mulgrave-Port Hawkesbury (Strait of Canso), Cape North-Cape Ray, (Cabot Strait), Cape Bauld-Cape St. Charles (Strait of Belle Isle) and Baie Comeau-Matane (St. Lawrence River) during the period 21<sup>st</sup> December – 4<sup>th</sup> April: Premium 0,0625 % and USD 0.24.

b) The waters from the line Baie Comeau-Matane up to and including Montreal harbour during the periods 6<sup>th</sup> December-15<sup>th</sup> January: Premium 0,0625 % and USD 0.24.

16<sup>th</sup> January-15<sup>th</sup> March : Premium 0,075 % and USD 0.36.

16<sup>th</sup> March-4<sup>th</sup> April: Premium 0,0625 % and USD 0.24. For voyages where premium is payable pursuant to b) no premium is payable according to a).

##### 4. St. Lawrence Seaway and the North-American Lakes.

St.Lawrence Seaway and the North-American Lakes are excluded from the trading area during the period the passage of the channels is not permitted by the Authorities. For voyages above Montreal from the opening of the channels to 30<sup>th</sup> November the premium is USD 0.32

If the ship arrives at or passes Montreal outward bound after 30<sup>th</sup> November, the premium is USD 0.80.

For ships with tonnage in excess 7,000 register tons gross, the premium shall be increased by 25 %. If the ship does not enter the Welland Canal the premium shall be reduced by 20 %.

The total premium for several voyages during the season shall, however, not amount to more than USD 1.20 with the addition of 25 % for ships in excess of 7,000 register tons gross.

For damage to the ship caused by, collision or striking only one deductible shall be charged for the round trip up from and down to Montreal.

#### C. The basis for the computation of the premium.

The rates of premiums set out in section B are applicable provided that the ship has been insured "on full conditions" (total loss and average as per CMBI Clauses Hulls 1.7.1996). If the ship is insured on other conditions the rates shall be determined by Lloyd's Syndicate 0062 THF.

The rates are not applicable to local trade or offshore activities within the area in question or if the ship has not been equipped with gyro compass and radar. In such cases the premium shall be determined by Lloyd's Syndicate 0062 THF. The same applies if the ship has been strengthened against ice in accordance with the rules of a recognized classification society.

**Increased Value and Other TLO Insurances :**

In respect of Increased Value – and other TLO insurances – only the additional premium shown as a percentage of the Hull valuation shall be charged.

**Loss of Hire Insurance :**

The Leading Underwriter should be consulted.