

PREMIUM CLAUSES (B) 01/04/88

Article 1

The company hereby agrees that the Person effecting the insurance may pay the annual premium (the total premium under this insurance ; hereinafter to be so interpreted) in instalments in accordance with the number and amounts specified in the Schedule (hereinafter called the "instalment premium").

Article 2

The Person effecting the insurance shall pay the 1st Instalment premium at the time of effecting this insurance and the 2nd or subsequent instalment premiums on the due date specified in the Schedule (hereinafter called the "due date").

Article 3

Even after the commencement of the period of this insurance, if the Person effecting the insurance shall have failed to pay the 1st instalment premium, the Company shall be liable for any loss or damage occurring during the period before the time when payment of the 1st instalment premium is made.

Article 4

The Company shall not be liable for any loss or damage occurring after the due date, if the Person effecting the insurance shall have failed to pay the 2nd or subsequent instalment premiums or on before the day having the same number (hereinafter called the "corresponding day") in the month after next to the month to which the due date belongs (if the corresponding day does not exist in the month after next, the last day of such month shall be the corresponding day ; hereinafter to be so interpreted).

Article 5

1 When the Company has given the written consent and demands payment of the additional premium, the Person effecting the insurance shall pay the additional premium on the due date specified in the Endorsement.

2 If the Person effecting the insurance shall have failed to pay the additional premium as provided for in Paragraph 1 above on the due date specified in the Endorsement, the Company shall not be liable for any loss or damage occurring during the period before the time when payment of the additional premium is made.

Article 6

If, prior to completion of payment of the annual premium, this insurance terminates due to payment of the claim, the Person effecting the insurance shall, before receipt of payment of the claim, pay in a lump the total of unpaid instalment premiums (the balance of the annual premium after deducting the total instalment premiums already paid ; hereinafter to be so interpreted).

Article 7

1 The Company shall be entitled to cancel this insurance by giving notice of cancellation in writing to the Person effecting the insurance at his address, if the Person effecting the insurance shall have failed to pay any of each instalment premium on or before the corresponding day in the month after next to the month to which the due date belongs.

2 The cancellation as provided for in Paragraph 1 above shall take effect only for the future as from midnight on the corresponding day in the month after next to the month to which the due date belongs.

Article 8

1 In respect of the notice of cancellation as provided for in Paragraph 1 of Article 7, if the Person effecting the insurance has designated in advance another addressee to be notified, the Company shall give the notice of cancellation to the designated addressee.

2 The notice of cancellation as provided for in Paragraph 1 above shall be deemed to have reached the Person effecting the insurance at the time when it reaches the designated addressee.

Article 9

1 When this insurance becomes null and void or is cancelled from causes for which the Company is liable, the company shall not return the premium already received and shall be entitled to demand payment of the total of the unpaid instalment premium in a lump.

2 Notwithstanding the provision of Paragraph 1 above,

It is hereby understood and agreed to pass through Bering Sea any time during the period of insurance and to cover the cost of repairs for damage caused by collision or contact with ice during this passage without any additional premium subject to the following warranties :

1) Warranted the vessel not to pass through between each Island west of Is. Ugamak, east of Is. Attu and Is. Agattu, Amukta Pass, and Amchitka Pass.

2) Warranted the vessel to be equipped with marine radar and sonic depth sounding apparatus.