

COLLISION CLAUSE. (Including Tower's Liability.)

AND IT IS FURTHER AGREED that if the vessel hereby insured or her tow, shall come into collision with any other vessel, craft or structure, floating or otherwise or shall strand or ground such other vessel or craft, and the assured and/or charterers shall in consequence thereof become liable to pay, and shall pay by way of damages to any other person or persons any sum or sums not exceeding in respect of any one such casualty the value of the Vessel hereby insured, we, the assurers, will pay the assured and/or charterers such proportion of such sum or sums so paid as our subscriptions hereto bear to the value of the vessel hereby insured. And in cases where the liability of the vessel has been contested, with the consent, in writing of a majority of the underwriters on the hull and machinery (in amount), we will also pay a like proportion of the costs thereby incurred or paid; but when both vessels are to blame, then unless the liability of the owners and/or charterers of one or both of such vessels becomes limited by law, claims under the collision clause shall be settled on the principle of CROSS LIABILITIES, as if the owners and/or charterers of each vessel had been compelled to pay to the owners and/or charterers of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the assured and/or charterers in consequence of such collision; and it is further agreed that this policy shall also extend to and cover the said vessel's legal liability for any collision and/or grounding and/or stranding which may occur to any vessel or vessels or craft while in tow of said vessel, subject to all the terms and conditions of this clause. It is hereby further agreed that the principles involved in this clause shall apply to the case where two or more of the vessels involved are the property in part or in whole, of the same owners and/or charterers all questions of responsibility and amount of liability as between such ships or vessels being left to the decision of a single arbitrator, if the parties can agree upon a single arbitrator, or failing such agreement to the decision of arbitrators, one to be appointed by the managing owners and/or charterers of such vessels, and one to be appointed by the majority in amount of underwriters interested in each vessel; the two arbitrators chosen to choose a third arbitrator before entering upon the reference, and the decision of such single or of any two of such three arbitrators, appointed as above, to be final and binding.

Provided always that this clause shall in no case extend to any sum which the assured and/or charterers may become liable to pay, or shall pay for removal of obstructions under statutory powers or for loss of life or personal injury.