

ESCALATION CLAUSE

Whereas the values stated in the Specification represents the Estimated Completed Value and are therefore provisional, it is agreed that the Final Completed Value of the subject matters insured shall be the insured value.

Should the insured values, determined as above :

- 1) exceed the provisional values stated herein, the Assured agrees to declare to Insurers the mount of such excess and pay premium at the agreed rate/s, on up to 125% of the Estimated Contract Value, or
- 2) be less than the provisional values stated herein the sums insured shall be reduced proportionately and the Insurers agree to return premium at the agreed rate/s

Nevertheless, should the Insured Value exceed 125% of the Provisional Values, then the limits of indemnity under this insurance shall be 125% of the Estimated Completed Values plus 25% each in respect of claims made under the Sue and Labour and Removal of Wreck/Debris Clauses, any one accident or series of accidents arising out of the same event.