

Premium Payment and Cancellation Clause

2009-10-01

The premium payable for this insurance shall be received by The Swedish Club's ("The Club") Bankers on the relevant due dates as stated on the Insurance Policy/Slip.

In the event premiums are not received by The Club on the due date, interest calculated at 1% percent per month (or at such lower rate as The Club may at its discretion otherwise decide) will be levied from the day after the due date on the whole amount due. Any interest accrued will be debited per calendar quarters. The Club, however, reserves the right to waive any interest accrued and/or debited at its own discretion.

If the said premium has not been received on these due dates, The Club reserves the right to cancel this insurance. Should The Club exercise its rights of cancellation, immediate written notice shall be given to the Assured or his Broker and Mortgagee(s), if applicable, and take effect 14 days after such written notice has been received by the Assured or his Broker and Mortgagee(s), if applicable, unless otherwise agreed.

Where the period of insurance has been terminated as a result of non payment of premiums at a time when premiums or any other sums due to The Club are outstanding, it is agreed that The Club is entitled to a lien over the previously entered ship for all premiums and other sums outstanding.

In the event of the vessel being deemed an Actual Total Loss and/or Constructive Total Loss and/or Arranged Total Loss and/or Compromised Total Loss covered under the terms and conditions of this policy, the entire agreed premium for the policy period will be considered earned and payable to The Club and subsequently deducted from the agreed settlement to the Assured.

The expression "Assured" referred to in this clause is deemed to include the Assured, his Agents, Managers or any other company or person(s) who are acting on behalf of the Assured, and/or any Co-assured(s) and/or Mortgagees as agreed by The Club, if and as applicable.

This Clause shall override any other clause(s) in this Policy unless otherwise specifically stated and agreed.