

MARINE LICENSE INSURANCE

MASTER POLICY WORDING

GENERAL CONDITIONS

This insurance shall be void if the **Insured** shall have made any material misstatement, whether intentional or negligently made, or concealment in the application made by the **Insured** or on the **Insured's** behalf prior to or when effecting this insurance or shall have made any fraudulent claim or material misrepresentation thereunder. The **Insured** shall supplement the information provided to the **Insurer** if there have been any changes to the **Insured's** driver's license, Merchant Mariner's Credentials and **license**, endorsements, restrictions, including any arrests for Drinking Under the Influence, (DUI), Boating under the Influence, (BUI) or similar offenses. **Insurer** may cancel or suspend this insurance agreement if **Insured** is convicted of DUI, BUI, or similar offenses. The **Insured** has a duty to inform the **Insurer** of any and all upgrades, reductions, changes, etc. to their **license**.

It is expressly warranted by the **Insured** that in the event he/she is required to surrender his/her **license** by reason of the revocation or suspension thereof by any duly authorized court, board or **governmental authority** from which revocation or suspension an appeal is taken, the **Insured** will promptly take the necessary steps to obtain a temporary **license** of the same grade from the appropriate authority and such extensions thereof as may be needed, pending the final disposition of such appeal. It is expressly understood and agreed that in the event of suspension, the **Insurer** shall not be liable to pay compensation for any period of suspension which may be made retroactively to cover a period during which the **Insured** held a temporary **license** pending disposition of the appeal from suspension.

THE **INSURED** SHALL REPORT TO:

BERKLEY OFFSHORE UNDERWRITING MANAGERS
757 THIRD AVENUE, 10TH FLOOR
NEW YORK, NY 10017
Attn: William Marrione

E-mail: MarineClaims@BerkleyOffshore.com
Phone: (347) 380-0857

PROMPTLY IN WRITING, VIA E-MAIL OR TELEPHONE OF ANY HAPPENING OF AN EVENT OUT OF WHICH A CLAIM MAY ARISE UNDER THIS INSURANCE. SHOULD THE **INSURED** FAIL TO GIVE SUCH NOTICE PRIOR TO THE COMMENCEMENT OF ANY INQUIRY, TRIAL, INVESTIGATION OR PROCEEDINGS RELATING TO OR ARISING OUT OF SUCH AN EVENT SO AS TO PERMIT THE **INSURER** TO ARRANGE FOR COUNSEL OR SOLICITOR TO ATTEND IF THEY DEEM NECESSARY, THE **INSURER** SHALL BE UNDER NO LIABILITY FOR PAYMENT OF COMPENSATION TO THE **INSURED** NOR DEFENSE OF CLAIMS AND DEFENSE OF THE **INSURED'S** LICENSE.

The **Insurer** shall at its discretion have the right to appear at any inquiry or proceedings, or to take any steps relating thereto, which it may think necessary for its own protection.

The strict observance and fulfillment of the terms and conditions of this insurance by the **Insured** insofar as they relate to anything to be done or complied with by the **Insured** shall be a condition precedent to any liability of the **Insurer** to make payment under this policy.

No alteration or amendment of this policy or the conditions thereof shall be valid unless the same shall be evidenced by endorsement properly executed by the **Insurer** or their duly authorized agent.

No suit, action, proceeding for the recovery of any claim under this insurance shall be maintainable in any court unless the same shall be commenced within twelve months after the calendar date of the happening of the physical loss or damage out of which the said claim arises. Provided, however, that if by the laws of the state

within which this policy is issued such limitation is invalid, then any such claim shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such state.

Either the Company or the **Insured** may cancel this insurance by giving the other sixty (60) days written notice, except in the even of non-payment of premium ten (10) days' notice in writing to the **Insured** shall apply, after which this policy shall be of no force or effect. The Company will retain earned premium hereunder, returning pro-rata unearned premium to the **Insured**.

Neither this Policy nor any claim or demand by the **Insured** hereunder shall be assigned or transferred, and no person other than the **Insured** shall acquire any right against the **Insurer** by virtue of this insurance without the written consent of the **Insurer**.

The terms and conditions of the Policy shall be governed by the laws of the state of New York. To the extent that any provision of the Policy is determined to be in conflict with New York law, it shall only be applicable to the extent that it is not in conflict with New York state law.

Whenever required by this **Insurer**, this **Insured** shall aid in securing Information and evidence and in obtaining witnesses and shall cooperate with this **Insurer** in the defense of any claim or suit or in the appeal from any judgment.

This **Insurer** shall have the option of naming the attorneys who shall represent the **Insured** in the prosecution or defense of any litigation or negotiations between the **Insured** and third parties concerning any claim covered by this policy, and shall have the direction of such litigation or negotiations. If the **Insured** shall fail or refuse to settle any claim as authorized by this **Insurer**, the liability of this **Insurer** shall be limited to the amount for which settlement could have been made.

Liability hereunder in respect of loss, damage, costs, fees, expenses or claims arising out of or in consequence of any one **occurrence** is limited to the amount hereby insured. (For the purpose of this clause, each **occurrence** shall be treated separately, but a series of claims hereunder arising from the same **occurrence** shall be treated as due to that **occurrence**.)

The **Insured** shall not make any admission of liability, either before or after any **occurrence** which could result in a claim for which this **Insurer** may be liable. The **Insured** shall not interfere in any negotiations of this **Insurer** for settlement of any legal proceedings in respect of any **occurrence** for which this **Insurer** may be liable under this policy; provided, however, that in respect of any **occurrence** likely to give rise to a claim under this policy, the **Insured** is obligated to, and shall take such steps as would reasonably be taken in the absence of this or similar insurance, to protect the interests of the **Insured** and the **Insurer**.

Upon making payment under this policy this **Insurer** shall be vested with all of the **Insured's** rights of recovery against any person, corporation, vessel or interest and the **Insured** shall execute and deliver such instruments and papers as this **Insurer** shall require and do whatever else is necessary to secure such rights.

No action shall be against this **Insurer** for the payment of any loss sustained by the **Insured** unless such action is brought within one year after the entry of any final judgment of decree in any litigation against the **Insured**, or in the event of a claim without the entry of such final **occurrence** giving rise to such claim.

No claim or demand against this **Insurer** under this policy shall be assigned or transferred, and no persons shall acquire any right against this **Insurer** by virtue of this insurance without the express consent of this **Insurer**.

EXCLUSIONS

This insurance does not apply to any claim:

- [a] For the costs of defense, arising as a consequence of any act of willful misconduct or where the **Insured** was under the influence of alcohol or illicit drug use as determined by a positive test result from a competent drug testing facility or **governmental authority**, or where the **Insured** intentionally or recklessly violated a criminal statute.
- [b] Involving a **shipping casualty** wherein the Insured was operating beyond the authority granted by their **license**.
- [c] Recoverable under any other insurance except as excess thereof.
- [d] For punitive or exemplary damages.
- [e] Caused by or resulting from hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack,
 - (1) by any government or sovereign power (*de jure* or *de facto*) or by any authority maintaining or using military, naval, or air forces; or
 - (2) by military, naval or air forces; or
 - (3) by an agent of any such government, power, authority or forces.
- [f] Caused by or resulting from any weapon of war employing atomic fission or radioactive force whether in time of peace or war.
- [g] Caused by or resulting from insurrection, rebellion, revolution, civil war, usurped power, or action taken by **governmental authority** in hindering, combating or defending against such an **occurrence**, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
- [h] Caused by or resulting from nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled, or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy; however, subject to the foregoing and all provisions of this policy, direct loss by fire resulting from nuclear reaction or nuclear radioactive contamination is insured against by this policy.
- [i] Actions arising out of claims for sexual harassment, sexual assault, sexual battery, whether criminal or civil, and whether occurring aboard or ashore.

COVERAGE A: LICENSE PROTECTION & DEFENSE COSTS

The **Insurer** agrees to indemnify the **Insured**, subject to the following clauses, terms and conditions, for costs and expenses for the exposures listed below, caused by and resulting from a **shipping casualty** during the term of this policy.

1. LICENSE PROTECTION & DEFENSE

If the **Insured** is compelled by any duly authorized commission, court of inquiry, board or other **governmental authority**, to attend, either as a party or witness, any inquiry, proceeding, investigation or trial involving the **Insured's license** as a result of a **shipping casualty**, the **Insurer** agrees to provide the **Insured** with legal assistance and to instruct counsel to appear on the **Insured's** behalf, and the **Insurer** further agrees to pay all **reasonable expenses for legal defense** incurred up to the rendering of the decision in the initial hearing or trial before said authorized commission, board or other **governmental authority**. The payment of any defense costs associated with the appeal of any initial decision, to either the Commandant of the Coast Guard or by way of the civil courts, shall be at the sole option of the **Insurer**, who shall be under no obligation to pay counsel in connection therewith.

2. FOREIGN JURISDICTION COVERAGE

In the event the **Insured** is compelled to attend any judicial proceeding or court of inquiry held outside the United States or Canada, either as a party or witness in a case involving a **shipping casualty**, the **Insurer** agrees to indemnify the **Insured** for **reasonable expenses for legal defense** actually incurred for the services of an attorney up to an amount not exceeding **\$5,000**. Any such payment shall be subject to the **Insured** furnishing detailed invoices covering payments made by the **Insured** to such attorney, together with an official statement of the case.

3. LOSS OF PERSONAL PROPERTY

Personal property (excluding money and valuable documents) of the **Insured** is insured against all risks of physical loss or damage as a result of a **shipping casualty**, except as excluded below, and subject to a limit of **\$5,000** per **occurrence** and a sub-limit of **\$1,000** per item.

Deductible

It is warranted and agreed that any payments under this coverage section shall be subject to a deductible of \$250 per **occurrence**. This deductible is to be borne by the **Insured**.

CONDITIONS AND EXCLUSIONS APPLICABLE TO COVERAGE A, SECTION 3 – LOSS OF PERSONAL PROPERTY:

CONDITIONS

The **Insurer** shall not be liable beyond **actual cash value** of the property insured at the time any loss occurs. The loss or damage shall be ascertained or estimated on the basis of the **actual cash value** of the insured property or property similar in function to that insured, at the place of and immediately preceding the time of such loss.

All adjusted claims shall be paid or made good to the **Insured** within thirty (30) days after presentation and acceptance of satisfactory **proof of interest and loss**.

In case of loss or damage it shall be lawful and necessary for the **Insured**, his factors, servants and assigns, to sue labor and travel for in and about the defense, safeguard and recovery of the property, the **Insurer** will reimburse the **Insured** up to \$500 for expenses incurred.

The **Insured** shall report promptly to the **Insurer** or agent every loss or damage which may become a claim under this insurance, and shall also file with the **Insurer** or their agent, a detailed sworn **proof of interest and loss** within forty five (45) days from the **occurrence**. Failure by the **Insured** to report the said loss or damage and to file such written **proof of interest and loss** shall invalidate any claim under this policy.

EXCLUSIONS

This insurance does not cover any loss or damage:

- [a] To property brought, taken or left ashore.
- [b] To property covered by other insurance, except as excess thereof.
- [c] Caused by or resulting from hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack,
 - (1) by any government or sovereign power (*de jure* or *de facto*) or by any authority maintaining or using military, naval, or air forces; or
 - (2) by military, naval or air forces; or
 - (3) by an agent of any such government, power, authority or forces.
- [d] Caused by or resulting from any weapon of war employing atomic fission or radioactive force whether in time of peace or war.
- [e] Caused by or resulting from insurrection, rebellion, revolution, civil war, usurped power, or action taken by **governmental authority** in hindering, combating or defending against such an **occurrence**, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

COVERAGE B: CIVIL DEFENSE AND CRIMINAL DEFENSE

1. CIVIL DEFENSE

If the **Insured** is compelled by the service upon him/her of any civil complaint or civil process issued by and pursuant to the statutes and rules of any duly authorized commission, court of inquiry, board or other **governmental authority** to respond as a party defendant in any judicial inquest, proceeding, investigation or trial, arising from a **shipping casualty**, the **Insurer** agrees to provide the **Insured** with legal assistance and agrees to pay all **reasonable expenses for legal defense**, subject to the foregoing reservation as to appeals, but nevertheless the **Insurer** shall not be responsible and will not reimburse the **Insured** for any sums which the **Insured** may become liable to pay as damages or by way of settlement except for aforesaid **reasonable expenses for legal defense**. This **Insurer** shall have the option of naming the attorneys who shall represent the **Insured** in the defense of any such civil litigation. If a defense is provided in Florida, such appointment shall be subject to the Florida Insured Client Statement of Rights. The **Insured** may hire another lawyer, at their own expense, to monitor the defense being provided by the insurance company. If there is a reasonable risk that the claim made against the **Insured** exceeds the amount of coverage under this policy, the **Insured** should consider consulting another lawyer.

2. CRIMINAL DEFENSE

If the **Insured** becomes a person of interest in a criminal investigation or is compelled by the service upon him/her of any criminal suit, process, complaint or other proceeding issued by and pursuant to the statutes and rules of any duly authorized commission, court of inquiry, court, board or other **governmental authority** to respond as a criminal defendant in any judicial inquest, proceeding, investigation or trial, arising from a **shipping casualty**, the **Insurer** agrees to provide the **Insured** with legal assistance and agrees to pay all **reasonable expenses for legal defense**, subject to the foregoing reservation as to appeals, but nevertheless the **Insurer** will not be responsible and will not reimburse the **Insured** for any sums which the **Insured** shall become liable to pay for criminal fines and penalties assessed in connection with violations of criminal statutes.

AGGREGATE LIMIT APPLICABLE TO COVERAGE B

Regardless of the number of plaintiffs, individuals, **governmental authorities** or organizations who initiate civil or criminal litigation against the **Insured** as a defendant, or the number of separate complaints or claims brought for damages of whatever kind arising out of the same accident or **occurrence**, the total limit of liability of the **Insurer** with respect to legal fees, costs and expenses covered by this insurance shall not exceed the Occurrence Limit as contained in the Coverage B section of the **Coverage Certificate**. This **Insurer** shall have the option of naming the attorneys who shall represent the **Insured** in the defense of any such civil or criminal litigation.

COVERAGE C: CIVIL LEGAL LIABILITY

The **Insurer** agrees to pay on behalf of the **Insured** any sums which the **Insured** shall have become legally liable to pay for **bodily injury** and/or **property damage** as a result of a **shipping casualty** involving a vessel upon which the **Insured** is employed and which occurs during the terms of this insurance, subject to the warranties, terms and conditions hereinafter set forth.

EXCLUSIONS

This insurance does not apply:

- (a) To any claim, including claims for the costs of defense, arising as a consequence of any act of willful misconduct or where the **Insured** was under the influence of alcohol or illicit drug use as determined by a positive test result from a competent drug testing facility or **governmental authority**, or where the **Insured** intentionally or recklessly violated a criminal statute.
- (b) To any claim recoverable under any other insurance except as excess thereof.
- (c) Any liability assumed by the **Insured** beyond that imposed by law; provided however that if by agreement or otherwise, the **Insured's** legal liability is lessened, then the **Insurer** shall receive the benefit of such lessened liability.
- (d) To any claims resulting from judgements made or suits brought in courts other than any duly authorized state or federal court or commission in the United States or provincial or federal court in Canada.
- (e) Actions arising out of claims for sexual harassment, sexual assault, sexual battery, whether criminal or civil, and whether occurring aboard or ashore.

COVERAGE D: FINES AND PENALTIES AND ASSOCIATED DEFENSE COSTS

Regardless of the number of federal or state laws or statutes or the number of government entities involved, the **Insurer** shall not be liable for more than the amount shown for Coverage D on the **Coverage Certificate** for all fines, penalties, and defense costs, for any one accident or **occurrence**, or series of accidents or occurrences, arising out of the same **shipping casualty**.

If the combined total of the fines, penalties and defense costs exceeds the limit provided under this coverage section, the **Insurer** shall not be obligated to make further payments, but may, at their sole discretion and expense, continue to provide the **Insured** with a defense.

Civil Fines and Penalties

In the event of an **occurrence** resulting in any civil fine or penalty being imposed against the **Insured** pursuant to federal or state statutes or regulations, but not as may be imposed otherwise nor to include punitive or exemplary damages or a fine or penalty assessed pursuant to a statute or regulation specifically denominated as criminal, the **Insurer(s)** shall reimburse the **Insured** for such fines or penalties actually paid, up to the limits specified herein.

Criminal Fines and Penalties

In the event of a **shipping casualty** resulting from a **pollution incident** resulting in a criminal fine or penalty being imposed against the **Insured** pursuant to the following Acts:

- The Oil Pollution Act of 1990 (OPA 90)
- The Migratory Bird Treaty Act of 1918
- The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)

or other state water pollution laws or regulations, the **Insurer(s)** shall reimburse the **Insured** for such fines or penalties actually paid, up to the limits specified herein.

Defense Costs

If the **Insured** is compelled by the service or assessment upon him/her of any duly authorized civil or criminal fine or penalty, as outlined above, and pursuant to the statutes and rules of any duly authorized state or federal court in the United States or provincial or federal court in Canada, the **Insurer** agrees to provide the **Insured** with legal assistance and agrees to pay all **reasonable expenses for legal defense**. The **Insurer** shall have the option of naming the attorneys who shall represent the **Insured** in the defense of any such civil or criminal proceedings.

Deductible

It is warranted and agreed that any payments under this coverage section shall be subject to a deductible of 10 percent (10%) of the combined total of the fines, penalties and defense costs incurred. This deductible is to be borne by the **Insured**.

COVERAGE E. LOSS OF INCOME & SUBSISTENCE ALLOWANCE

1. Loss of Income

In the event of the suspension or revocation of the **Insured's license** by any duly authorized commission, court of inquiry, board or **governmental authority** that may be in control of any inquiry, proceedings, investigation or trial, the **Insurer** agrees, subject to proof satisfactory to the **Insurer**, to pay, from the actual date of such suspension or revocation, compensation at the monthly rate (or pro-rata thereof if less than a month) not to exceed the Occurrence Limit shown for Coverage E on the **Coverage Certificate** of this policy, subject to a limit of twelve months in all; but nevertheless no payment shall be made for any period during which the **Insured** would not ordinarily be employed due to reasons of winter navigating restrictions, seasonal limitations, or other similar causes in the area where the accident occurs.

In the event of the **Insured's license** being ordered replaced by a **license** of lower grade by any duly authorized commission, court of inquiry, board or **governmental authority** that may be in control of any inquiry or proceedings, the **Insurer** agrees, subject to proof satisfactory to the **Insurer**, to pay from the actual date of the granting of the lower grade **license**, compensation equal to the difference in wages between the two grades but in no event to exceed three-quarters of the compensation as set forth in Paragraph 1 above. It is expressly agreed that the total number of monthly payments under this paragraph shall not exceed twelve in all or until the actual reinstatement of the original **license**, whichever may first occur, except that no payment shall be made for any period during which the **Insured** would not ordinarily be employed due to reasons of winter navigating restrictions, seasonal limitations, or other similar causes in the area where the accident occurs.

Duty to mitigate: The Insured has a duty to mitigate their income loss by seeking employment ashore and insurer may reduce payment of benefits on a direct proportional basis for loss of income if insured obtains part time or full time employment during the twelve (12) month period enumerated in Section 1 "Loss of Income." or until the actual reinstatement of the original **license**, whichever may first occur.

2. Subsistence Allowance

In the event the **Insured** is entitled to payment under the "Loss of Income" coverage in this section of the policy, the **Insurer** shall also pay a daily subsistence rate of \$35 per day for each day on which "Loss of Income" coverage is paid.

The following clauses shall be paramount and shall override anything contained in this insurance inconsistent therewith.

AIMU EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

AIMU CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, AND ELECTROMAGNETIC EXCLUSION CLAUSE

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from an actual or threatened act involving a chemical, biological, bio-chemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.

AIMU U.S. ECONOMIC AND TRADE SANCTIONS CLAUSE

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

OTHER INSURANCE CLAUSE

If other valid and collectible insurance with any other insurer is available to the Insured covering a loss also covered by this policy, other than insurance that is excess of the insurance afforded by this policy, the insurance afforded by this policy shall be in excess of and shall not contribute with such other insurance, either as double insurance or otherwise. Nothing herein shall be construed to make this policy subject to the terms and conditions and limitations of other insurance.

American Institute

CYBER EXCLUSION CLAUSE

(11/06/2015)

This clause shall be paramount and shall override anything contained in this insurance (including any endorsement(s)) inconsistent therewith.

In no case shall this insurance cover loss, damage, liability, or expense directly or indirectly caused by or contributed to or arising from

1. any "malicious act" involving the use of any "computer system", "electronic data communications system", "computer virus", or process or any other electronic system; and/or
2. any access to or disclosure of any "personally identifiable information" or any person's or organization's confidential information, including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, or any other type of nonpublic information; and/or
3. any action or omission that violates or is alleged to violate any federal, state or local statute that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of any written or electronic material or information.

Where this policy provides coverage for War Risks, section 1 above shall not operate to exclude losses which would otherwise be covered by such War Risks coverage.

Definitions

"Computer system" means computer hardware of any kind; "electronic computer program"; "electronic data processing media"; operating system; media microchip; microprocessor (computer chip); integrated circuit or similar device; computer network and networking equipment; firmware; server; website; extranet; and all input, output, processing, storage, and off-line media libraries.

"Computer virus" means any corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to, any maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a "computer system" or network of whatsoever nature.

"Electronic computer program" means computer software, application software, and other recorded instructions for the processing, sequencing, collecting, transmitting, recording, retrieval, or storage of "electronic data".

"Electronic data" means information or knowledge recorded or transmitted in a form usable in a "computer system", microchip, integrated circuit or similar device in non-computer equipment, and which can be stored on "electronic data processing media" for use by an "electronic computer program".

"Electronic data communications system" means any communication system, including a "computer system" and the internet, which provides the Assured with access to another "computer system", microchip, integrated circuit or similar device in non-computer equipment, or which provides any party access to the Assured's "computer system", microchips, integrated circuits or similar devices in non-computer equipment.

"Electronic data processing media" means punch cards, paper tapes, floppy disks, CD-ROM, hard drives, magnetic tapes, magnetic discs or any other tangible personal property on which "Electronic data" or "electronic computer programs" are recorded or transmitted, but not the "electronic data" or "electronic computer programs" themselves. Money or securities are not "electronic data processing media".

"Malicious act" shall mean the intentional and wrongful action or actions of one or more persons, whether or not agents of a sovereign power.

"Personally identifiable information" shall mean information, whether printed or digital, encrypted or unencrypted, in the care custody or control of any Assured which alone or in conjunction with other information can be used to uniquely identify an individual. However, "personally identifiable information" does not include information which is lawfully available to the general public.

TERRORISM EXCLUSION AND MARINE BUYBACK ENDORSEMENT

This policy excludes any loss, damage, liability or expense arising from:

- a) terrorism; and or
- b) steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism.

For the purpose of this clause, "terrorism" means any act(s) of any person(s) or organization(s)

Involving:

- (i) the causing, occasioning or threatening of harm of whatever nature and by whatever means;
- (ii) putting the public or any section of the public in fear,

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organization(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

Notwithstanding the foregoing, this Exclusion shall not apply to the following:

Any loss, damage, liability or expense arising from the operation, ownership, management or chartering of

- 1.1 Vessels, craft and units whilst afloat, under construction or repair, in dock or whilst in store ashore
- 1.2 Seawalls, wharves, piers, jetties, docks, berths, pontoons and associated dockside equipment all whilst within the confines of the port, terminal, shipyards, harbour or marina
- 1.3 Offshore fixed platforms whilst exploring, drilling or producing including all associated construction operations
- 1.4 Cargo in the ordinary course of transit per Joint Cargo Committee Termination of Transit Clause (Terrorism) JC2001/056.

TRIA COVERAGE ENDORSEMENT

U. S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NEW & RENEWAL BUSINESS ENDORSEMENT

This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

In consideration of an additional premium of **\$Included** paid, it is hereby noted and agreed with effect from inception that the Terrorism exclusion shown above, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this Endorsement is only in respect of any "insured loss" of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this Endorsement shall expire at midnight December 31, 2020 (the date on which the TRIA Program is scheduled to terminate) or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The Terrorism exclusion shown above, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This Endorsement only affects the Terrorism exclusion to which this Insurance is subject. All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore the Underwriter(s) will not be liable for any amounts for which they are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on the Underwriter's liability for payment for terrorism losses.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REMAIN UNCHANGED.

DEFINITIONS

As used in this Master Policy wording, the words and phrases listed below shall have the following meanings:

Insured – the individual holding an active marine license that is listed in the Named Insured section of the Coverage Certificate

Insurer – StarNet Insurance Company, the entity providing this insurance

Occurrence – an accident, including continuous or repeated exposure to substantially the same general harmful conditions arising out of or due to one event taking place during the term of this policy

Shipping Casualty – an accident or occurrence involving a vessel, which shall include, collision, allision with fixed or anchored objects, stevedoring accident, or passenger accident or crew accident or injury caused by the negligence of the Insured, pollution of the seas and waterways by the vessel, of which the Insured is employed as an officer or assigned as pilot, or of which the Insured is a member of the crew, occurring on the high seas or in any harbor, river, canal, lake or inland waterway

Governmental Authority – any duly authorized state or federal court, commission, or licensing authority in the United States or any provincial or federal court in Canada

Coverage Certificate – evidence of the terms and conditions of the contract of insurance specifically applicable to the interests of the Insured

License – a valid Merchant Mariner Credential (MMC) or other certification or permit issued by the United States or Canadian Coast Guard or federal, state or provincial pilot commission evidencing the qualifications, credentials, authority and/or legal scope of the Insured to operate a vessel

Personal Property – property, documents, navigational or other technical instruments and tools brought on board, or being taken to or from, the vessel by the Insured

Pollution Incident – an accident or occurrence involving the discharge, release or the substantial threat of a discharge or release of oil or hazardous substances into or upon Navigable waterways

Bodily Injury – bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time

Property Damage – loss of or direct damage to or destruction of tangible property (other than property owned by the Insured)

Reasonable expenses for legal defense – attorneys' fees and expenses incurred in the defense (including taxable court costs and expenses) but not to include damages, penalties and fees, charges for transportation or meals and for the services of expert witnesses unless first authorized in writing by the Insurer

Proof of interest and loss – a written statement from the Insured demonstrating loss or damage to property to which the Insured has an insurable interest at the time of loss and additional supporting documentation as may be required by the Insurer

Actual cash value – replacement cost minus depreciated value at the time of the loss, but not exceeding the cost to repair or replace the damaged or lost property with material of like kind and quality