



## Certificate of Insurance

It is hereby certified that as from noon GMT on the 20th February, 2021 and subject to the Sunderland Marine Owners' Fixed Premium P&I Terms and Conditions ("Terms and Conditions") for the time being in force and the terms of any Circulars which have been or may be issued pursuant to the Terms and Conditions, and in accordance with the attached terms and conditions: (i) the undermentioned Ship has been insured by this Insurer in accordance with the particulars and in respect of the interests shown below; and (ii) the name of the Insured on whose behalf such Ship has been insured has been noted in the Insurer records.

The contract of insurance evidenced by this Certificate is subject to the laws of England and Wales, incorporates the provisions of the Marine Insurance Act 1906 and is subject to and incorporates the provisions of the Insurance Act 2015, and any statutory modifications thereof, except in so far as such Acts or modifications may have been expressly excluded by the Terms and Conditions for the time being in force or by any term set out in this Certificate. As set out in Part V Section 35 of the Terms and Conditions certain provisions of the Insurance Act 2015 (the "Act") are excluded from the Terms and from this contract of insurance. Those exclusions are recited in full in the Notes appended to this certificate.

IMO No.	Ship	GT	P&I	FD&D
9383730	BALAT	7,008	Yes	No

**SENIOR INSURED:** BALAT SHIPPING LTD.  
as Registered Owner.

**POLICY YEAR:** 2021

**PERIOD OF INSURANCE:** noon GMT 20th February, 2021 TO noon GMT 20th February, 2022

**PORT OF REGISTRY:** Panama

**NAME AND FULL ADDRESS OF THE PRINCIPAL PLACE OF BUSINESS OF THE REGISTERED OWNER:** Balat Shipping Ltd.  
Ajeltake Road, Ajeltake Island  
Majuro, MH 96960  
Republic of Marshall Islands

This Certificate is evidence only of the contract of indemnity insurance between the Insured and the Insurer and shall not be construed as evidence of any undertaking, financial or otherwise, on the part of the Insurer to any other party. In the event that an Insured tenders this Certificate as evidence of insurance under any applicable law relating to financial responsibility, or otherwise shows or offers it to any other party as evidence of insurance, such use of this Certificate by the Insured is not to be taken as any indication that the Insurer thereby consents to act as guarantor of the Insureds' liabilities or to be sued directly in any jurisdiction whatsoever. The Insurer does not so consent.

The Insured and/or the Insured Parties named in the Certificate of Insurance shall not, by virtue of this Insurance, be entitled to corporate membership rights in The North of England Protecting and Indemnity Association Limited and/or North of England P&I Designated Activity Company.

All the information set out herein concerning the particulars of the Ship or the Insured on whose behalf such Ship has been insured by the Insurer, has been provided by the said Insured or his agents. No warranty or guarantee is therefore given by the Insurer as to the accuracy of any of the information or particulars.

The party making the application for insurance, whether to be named themselves as Senior Insured or Joint Insured herein, or, whether solely as agent for and on behalf of any party named herein, has confirmed that he has the express authority of such party to do so on their behalf.

Insurer: The North of England Protecting & Indemnity Association Limited (100%)

<b>COVER</b>	<b>PROTECTION AND INDEMNITY</b>
GENERAL TERMS AND CONDITIONS	In accordance with the Terms and Conditions for the time being in force and the following clauses:
LIMIT OF LIABILITY	USD 100,000,000
DEDUCTIBLES	<p><u>RDC DEDUCTIBLE</u></p> <p>USD 20,000 from all collision claims (RDC), each accident or occurrence.</p> <p><u>FFO DEDUCTIBLE</u></p> <p>USD 20,000 from all claims in respect of damage to third party property (F&amp;FO), each accident or occurrence.</p> <p><u>CARGO DEDUCTIBLE</u></p> <p>USD 6,000 from all cargo claims, each single voyage.</p> <p><u>CREW DEDUCTIBLE</u></p> <p>USD 4,000 from all crew claims, each accident or occurrence.</p> <p><u>ALL OTHER CLAIMS DEDUCTIBLE</u></p> <p>USD 7,500 from all other claims, each accident or occurrence.</p>
ADDITIONAL TERMS	<p><u>SURVEY WITHIN 30 DAYS</u></p> <p>In accordance with the Terms and Conditions Part VI, Section 58 (Obligations of the Insured in Respect of Surveys) coverage hereunder is subject to the Insured Ship undergoing a P&amp;I condition survey by a surveyor approved by the Insurer within 30 days of attachment. The cost of any surveys required will be for the Insured's account in the first instance, with the costs being reimbursed 100% by the Insurer and shown on the Insured's loss record. Any follow-up surveys will be for the Insured's account 100% though.</p> <p>Until such time as the Insured Ship passes survey and such is confirmed by the Insurer in writing, all liabilities, costs and expenses of whatsoever nature and howsoever arising, directly or indirectly, from any deficiency in the management of, or defect in, the Insured Ship, discovered during the survey, or which would have been discovered had the survey been completed prior to attachment, are excluded absolutely. Whether any liability, cost or expense arises from any defect or deficiency, or whether any defect or deficiency would have been discovered had the survey been completed prior to attachment, shall be solely and exclusively determined by the Insurer.</p> <p>Notwithstanding the Terms and Conditions Part VI, Section 65.2 (Cesser of Ship Cover) failure by the Insured to present the Insured Ship for survey (or any subsequent follow-up survey) by such time and date as shall have been stipulated by the Insurer shall have the effect of automatically terminating cover from inception without further notice.</p> <p><u>STEEL PRELOAD SURVEY</u></p>

Warranted should the Insured Ship be required to load cargo consisting of any finished steel products, the Insured shall arrange for an approved surveyor to attend on board the Insured Ship and to conduct a survey prior to commencement of loading in order to:

- (a) determine weather-tightness of hatch covers and cargo spaces;
- (b) determine the condition of cargo prior to presentation for loading; and
- (c) evidence the condition of cargo on being loaded and adequacy of lashings.

All applicable bills of lading to be issued and claused in strict accordance with the mate's receipts which are to accurately reflect the attending surveyor's findings.

The cost of any such survey is for the Insured's account.

Failure to by the Insured to conduct such survey is prejudicial to the cover extended under the Terms and Conditions Part II, Section 20 (Liabilities in respect of Cargo).

For the avoidance of doubt, the following cargoes are among those considered as finished steel products: wire rods, tin plate, hot rolled steel in coils or bundles, cold rolled steel, steel pipes, stainless steel, galvanised steel, structural steel. The following are not considered finished steel products and therefore not subject to the requirements of this clause: billets, blooms, steel scrap, swarf and pig iron.

#### 4/4TH RDC

Coverage hereunder, pursuant to the Terms and Conditions Part II, Section 13.1(b) (Liabilities arising from Collisions) extends to four-fourths of the liability insured therein.

#### CREW CONTRACTS

Subject to sight and approval by the Insurer.

#### CREW MEDICAL

Subject to all officers and crew undertaking a pre-employment medical and being passed fit for service by a qualified physician prior to joining the Insured Ship.

#### EXCLUDING WORKMEN'S COMPENSATION SCHEME

Notwithstanding the provisions of the Terms and Conditions Part II, Section 4 (Liabilities in respect of Seamen) this Certificate of Insurance excludes absolutely all claims or such proportions thereof as are recoverable under any workmen's compensation act, social security scheme or other ordinance passed by the government of any country, nation or state thereof or the local statutory and/or obligatory insurances arising therefrom.

## **WARRANTIES**

#### TRADING AREA

Warranted trading withing Black Sea including Azov Sea, Mediterranean Sea, Marmara, European Continent to include UK and Ireland, Red Sea, African (not south of Dakar)- inland seas, channels and rivers included.

#### IACS CLASS WARRANTY

Warranted Insured Ship is classed and class maintained by a member classification society of

IACS.

**PREMIUM**

FOUR INSTALMENTS

Annual premium is earned at inception and is payable by the Insured in four instalments.

The first instalment is to be received by the Insurer within 30 days from inception.

The second instalment is to be received by the Insurer within 3 calendar months from inception.

The third instalment is to be received by the Insurer within 6 calendar months from inception.

The fourth instalment is to be received by the Insurer within 9 calendar months from inception.

In the event of non-payment of any instalment on or before its instalment date, cover hereunder is automatically terminated without further notice to the Insured.

In the event of termination of the insurance prior to the natural expiry date, the Insurer may (at its sole discretion) agree to return premium pro-rata to the unexpired period on risk.

In the event that this risk forms an addition to an existing Fleet insurance program, the initial premium instalment will be calculated pro rata (and due within 30 days of cover attaching) and any other instalments will be debited in line with the remaining Fleet instalments (and due on the same dates)

\*\*\* END \*\*\*

## NOTES

1. **IMPORTANT NOTICE:** Insurance Acts. All contracts of insurance made by the Insurer are expressly subject to the laws of England and Wales, incorporate the provisions of the Marine Insurance Act 1906 and are subject to and incorporate the provisions of the Insurance Act 2015, and any statutory modifications thereof, except in so far as such Acts or modifications may have been expressly excluded by the Sunderland Marine Owners' Fixed Premium P&I Terms and Conditions ("Terms and Conditions") for the time being in force or by any term of any such contract. As set out in Part V Section 35 of the Terms and Conditions, the following provisions of the Insurance Act 2015 (the "Act") are excluded from the Terms and any such contract of insurance, as follows:
  - (a) Section 8 of the Act is excluded. As a result any breach of the duty of fair presentation shall entitle the Insurer to avoid the policy, regardless of whether the breach of the duty of fair presentation is innocent, deliberate or reckless.
  - (b) Section 10 of the Act is excluded. As a result all warranties in the Terms and Conditions or any contract of insurance must be strictly complied with and if the Insured or any Insured Party fails to comply with any warranty the Insurer shall be discharged from liability from the date of the breach, regardless of whether the breach is subsequently remedied.
  - (c) Section 11 of the Act is excluded. As a result the Terms and Conditions and all terms of the contract of insurance between the Insurer and the Insured and any Insured Party, including terms which tend to reduce the risk of loss of a particular kind, loss at a particular location and/or loss at a particular time, must be strictly complied with and if the Insured or any Insured Party fails to comply with any such term, the Insurer's liability may be excluded, limited or discharged in accordance with the Terms and Conditions notwithstanding that the breach could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.
  - (d) Section 13 of the Act is excluded. As a result the Insurer shall be entitled to exercise its right to terminate the contract of insurance in respect of the Insured and all Insured Parties in the event that a fraudulent claim is submitted by or on behalf of the Insured and/or any Insured Party and/or any affiliated or associated company of the Insured.
  - (e) Section 13A of the Act is excluded. As a result the Terms and Conditions and the insurance contract between the Insurer and the Insured and any Insured Party shall not be subject to nor shall the Insurer be in breach of any implied term that they will pay any sums due in respect of a claim within a reasonable time save where the breach is deliberate or reckless and Section 13A of the Act is excluded to this extent.
  - (f) Section 14 of the Act is excluded. As a result, the contract of insurance between the Insurer, the Insured and any Insured Party shall be deemed to be a contract of the utmost good faith, and any breach of the duty of the utmost good faith shall entitle the Insurer to avoid the contract of insurance.
2. Sanctions, Prohibition and Adverse Action. As set out in Part VIII Section 65.1(e) and 66.4 of the Terms and Conditions, cover shall cease if the Insured Ship is employed by the Insured in a carriage, trade or on a voyage which, or the provision of insurance for which, will thereby in any way howsoever expose the Insurer to the risk of being or becoming subject to any sanction, prohibition or adverse action in any form whatsoever by any state or international organisation.
3. All Insureds (both Senior and Joint) are jointly and severally liable to pay amounts due to the Insurer in respect of this Policy. Insureds are referred generally to the provisions of Part V Section 38 and 39 of the Terms and Conditions.
4. Pursuant to Part III Section 27.2 and Part V Section 40.1(g) of the Terms and Conditions disputes between Insured Parties are excluded from cover.
5. Pursuant to Part V Section 41 of the Terms and Conditions where one or more Ships have been insured as a Fleet then the debts of any one Insured or Joint Insured in respect of any such Insured Ship shall be treated as the debt of all the other Insureds and Joint Insureds whose Ships are or were insured at any time as part of the same Fleet and the Insurer shall be entitled to act as if all the Ships forming the Fleet were insured by the same Insured.
6. The Insurer can accept an application from an Insured for another person to be a Co-Assured, but the cover provided by the Insurer to the Co-Assured is limited in accordance with Part V Section 39 of the Terms and Conditions, to what is commonly known as "mis-directed arrow" cover.
7. Insureds are referred generally to the provisions of Part V Section 38, 39 and 40 of the Terms and Conditions with regard to the rights and obligations relating to Joint Insureds, Co-Assureds and Affiliated and Associated Persons. Insureds are however also advised to read all of the Terms and Conditions, which is available on the website at [www.sunderlandmarine.com](http://www.sunderlandmarine.com).

This Certificate has been issued for and on behalf of:  
The North of England Protecting & Indemnity Association Limited



The North of England Protecting & Indemnity Association Limited, London Office  
08/02/2021