

ATTACHMENT 1

SUPPLEMENTAL COVER 2004 (BIO-CHEMICAL RISKS)

1.1 Subject to the terms and conditions and exclusions set out herein, cover is extended to include the liability of the Member:

- (a) to pay damages, compensation or expenses in consequence of the personal injury to or illness or death of any seaman (including diversion expenses, repatriation and substitute expense and shipwreck unemployment indemnity),
- (b) for the legal costs and expenses incurred solely for the purpose of avoiding or minimising any liability or risk insured by an Association (other than under the Omnibus Rule)

1.2 where such liability is not recoverable under either

- (a) cover provided by the Association for such liabilities, costs, losses and expenses as would be covered under the Rules but for the exclusion of war risks in Rule 14, or
- (b) any underlying war risk policies covering the same risks,

1.3 solely by reason of the operation of an exclusion of liabilities, costs, losses and expenses directly or indirectly caused by or contributed to by or arising from

- (a) any chemical, biological, biochemical or electromagnetic weapon
- (b) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system,

1.4 other than liabilities, costs, losses and expenses arising from

- (i) explosives or the methods of the detonation or attachment thereof
- (ii) the use of the entered ship or its cargo as a means for inflicting harm, unless such cargo is a chemical or bio-chemical weapon
- (iii) the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

2 Excluded Areas

2.1 Unless and to the extent the Directors may in their discretion otherwise determine, there shall be no recovery in respect of any liabilities, costs, losses and expenses directly or indirectly caused by or contributed to by or arising out of any event, accident or occurrence within the ports, places, zones or areas or during such period as are specified below:

The area bounded by the North West entrance to the Corinthian Canal, encompassing all of the Corinthian Canal and Saronikos Kolpos and the region bounded by a circle drawn 33 nautical miles from position 37 deg 54'N 023deg 51'E during the period from 0001 GMT 1st August 2004 to 2400 GMT 15th October 2004.

2.2 At any time or times before, or at the commencement of, or during the Policy Year, the Managers on behalf of the Association may by notice to the Member change, vary, extend, add to or otherwise alter the ports, places, countries, zones and periods specified in Clause 2.1 from a date and time specified by the Association not being less than 24 hours from midnight on the day the notice is given to the Member.

3 Cancellation

Cover hereunder may by notice to the Member be cancelled by the Association from a date and time specified by the Association, not being less than 24 hours from midnight on the day notice of cancellation is given to the Member.

4 Limit of Liability

4.1 Subject to Clause 4.2 the limit of the liability of the Association under this extension of cover in respect of all claims shall be in the aggregate US\$ 20 million each ship any one accident or occurrence or series thereof arising from any one event.

4.2 In the event that there is more than one entry by any person for Bio-Chem cover as provided herein in respect of the same ship with the Club and/or any other insurer which participates in the Pooling Agreement or General Excess Loss Reinsurance Contract, the aggregate recovery in respect of all liabilities, costs, losses and expenses arising under such entries shall not exceed the amount stipulated in Clause 4.1 and the liability of the Association under each such entry shall be limited to such proportion of that amount as the claims arising under that entry bear to the aggregate of all such claims recoverable from the Association and any such other insurer.

5 Deductible

The deductible shall be the deductible applicable to the relevant cover set out in the Certificate of Entry.