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**British
Marine**



PROTECTION & INDEMNITY POLICY OF INSURANCE

No:593444/001

Period of Insurance : Noon (GMT) on 24 March, 2019 to Noon (GMT) on 24 March, 2020.

In consideration of the premium payable in respect of this insurance, the Insurer undertakes to indemnify the Assured for all liabilities, losses, costs or expenses that the Assured, in the capacity agreed in respect of the Insured Vessel(s) named in this policy, is liable to pay, in respect of the liabilities, risks or events referred to herein.

This insurance covers only liabilities, losses, costs or expenses which arise out of events which occur during the policy period, in respect of the Assured's interest in the Insured Vessel(s) and only in connection with the operation of the Insured Vessel(s).

THE ATTACHED CLAUSES FORM PART OF THIS POLICY

To: K.M.G. Shipping (Operator)
Basel Ship Management Ltd. (Managers / Technical Managers)
NABIHA SHIPPING CO LTD (Registered Owner)

Ship Owner: NABIHA SHIPPING CO LTD
Trust Company Complex,
Ajeltake Road,
Ajeltake Island, Majuro,
Marshall Islands, MH 96960

VESSEL SCHEDULE

Ref No.	Name of Ship	Gross Tonnage	Year Built	Type	Flag	IMO Number	Port of Registry
593444	NABIHA	3,999	1996	CONTAINER VESSEL	PAN	9129471	Panama City, Panama

Evidence of Insurance Clause

This Policy of Insurance or any Endorsement hereto is evidence only of the contract of indemnity insurance between the above named Assured(s) 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 Assured tenders this Policy/Endorsement as evidence of insurance under any applicable law relating to financial responsibility, including but not limited to the Oil Pollution Act 1990 or any similar Federal or State Laws, or otherwise shows or offers it to any other party as evidence of insurance, such use of the Policy/Endorsement by the Assured is not to be taken as any indication that the Insurer thereby consents to act as guarantor or to be sued directly in any jurisdiction whatsoever. The Insurer does not so consent.



British Marine is a trading name of QBE Europe SA/NV, VAT BE 0690.537.456, RPM/RPR Brussels, IBAN No. BE53949007944353 and SWIFT/BIC No. HSBCBEBB, ('QBE Europe'), and of (1) QBE UK Limited, no. 01761561 ('QBE UK'), (2) QBE Underwriting Limited, no. 01035198 ('QUL'), (3) QBE Management Services (UK) Limited, no. 03153567 ('QMSUK') and (4) QBE Underwriting Services (UK) Limited, no. 02262145 ('QSUK'), all four companies having their registered offices at Plantation Place, 30 Fenchurch Street, London, EC3M 3BD, and being incorporated in England and Wales. QBE Europe is authorised by the National Bank of Belgium under licence number 3093. QBE UK and QUL are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. QUL is a Lloyd's managing agent. QMSUK and QSUK are both Appointed Representatives of QBE Europe and QUL.

CONDITIONS	Protection and Indemnity Risks in accordance with British Marine, Marine Liability, Protection and Legal Expenses Terms and Conditions 2019 Edition section A Clauses 1-32 incorporating sections B and C Clauses 40-80 attached thereto, including cover in respect of collision, property damage, wreck removal and pollution liabilities in accordance with the Policy Terms, Conditions and Exceptions and subject always to the Special Conditions and Warranties set out hereunder.
LIMIT OF LIABILITY	USD 100,000,000 each vessel, all claims inclusive of costs, fees and expenses either approved and/or incurred by the Insurer, any one accident or occurrence or series of accidents or occurrences arising out of one event, Combined Single Limit.
SPECIAL CONDITIONS	<p>Pursuant to the provisions of Clause 13.1, it is noted and agreed that the cover hereunder is extended to include claims for 4/4ths collision.</p> <p>Including liabilities arising from the Maritime Labour Convention 2006, in accordance with Clause 36.</p> <p><u>Steel Cargo Clause No.1</u></p> <p>The Assured shall have no right of recovery from the Insurer in respect of steel cargoes unless:</p> <p>a) the Assured, at his expense, appoints a Insurer approved surveyor for each voyage to:-</p> <ul style="list-style-type: none">- certify the hatches and holds as fit for the carriage of steel cargo;- survey each cargo prior to loading; <p>b) the Bills of Lading are claused with the findings of the surveyor.</p> <p>In the event of either loss of or damage to such cargo which may lead to a claim on the Insurer it is agreed that, the costs of the survey shall form part of the claim and subject to the applicable cargo deductible.</p> <p>It shall neither be deemed nor construed by complying with the above that there is a waiver of any of the Insurers rights either to reduce or reject claims under the Terms and Conditions of this Insurance.</p> <p>Pre-shipment surveys are not required for Billets, Blooms, Scrap, Swarf, plain parallel sided Pipes (ie without threads and/or flanges) and Pig Iron.</p> <p>In the event that a vessel trades to/from/via Crimea, Syria, Sudan and Yemen the Limit of Liability that will apply to the voyage is EUR 40,000,000 any one accident, or occurrence, or series of accidents or occurrence arising out of one event, Combined Single Limit.</p> <p>There shall be no cover under this policy and the Insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer or any member of the Insurer's group to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.</p> <p>There shall be no entitlement under any circumstances for the Assured to recover under this policy that part of any liability, cost or expense which is not recovered or recoverable by the Insurer from any reinsurer because of a shortfall in recovery or non-recovery from such reinsurer by reason of any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.</p>

The terms 'shortfall' or 'non-recovery' include, but are not limited to, any failure or delay in payment to the Insurer by such reinsurer, and/or payment to an account other than an account of, or for the benefit of, the Insurer, in compliance with a requirement imposed by any recognised authority of competent jurisdiction to enforce any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of any country.

P & I War cover as per Endorsement (D), i.e. Primary P & I War Risks, will only respond in respect of ground-up cover in the event that there is no separate primary H & M/Basic War Risks insurance in place. Cover in respect of Excess P & I War Risks to remain unaffected.

WARRANTIES

Warranted classed or surveyed in accordance with statutory regulations.

Warranted vessel IACS Classed and Class maintained.

Trading Worldwide, all within Institute Warranties, however excluding USA and North Korea. Excluding Iran and Cuba, unless prior approval from an underwriter.

Trade to Yemen:

Warranted relevant permission granted by onshore Yemeni agent regarding safe berthing available.

Warranted Vessels have relevant permission to transit and call Yemeni ports by the Saudi Coalition forces prior to transit/call.

CO-ASSURED

Misdirected Arrow Clause

It is hereby noted and agreed to include **The Financial Managers, Medway Marine Ltd.** hereunder in their capacity as Co-Assured in respect of **NABIHA** subject to the Policy Terms and Conditions of this Insurance and the special terms and conditions agreed hereunder.

Special Terms and Conditions:-

1. The Co-Assured named above shall only recover from the Insurer such amount that he may be found liable to pay in the first instance which is properly the responsibility of the Assured and shall not exceed the amount that the Assured and all Others named in the Policy of Insurance could jointly have limited their liability had any of them not been denied the right to limit.
2. The receipt by either the Assured or any Co-Assured of any sum from the Insurer recoverable from this insurance shall be sufficient discharge for same.
3. No claim shall be recoverable hereunder in the event of any conduct by either the Assured or any Co-Assured named in the insurance which is in breach of the Policy Terms and Conditions of including the special terms and conditions agreed hereunder.
4. The provisions of clause 52 remain in full force and effect save that the exclusion of cover in respect of any claims or liabilities between the Assured and Co-Assured as above is hereby waived.



DEDUCTIBLES (P&I) **USD 20,000** from Collision Liability & Fixed and Floating Objects claims each accident or occurrence.

USD 12,500 from all cargo claims, each single voyage.

USD 4,000 from all crew claims each accident or occurrence.

USD 5,000 from all other claims each accident or occurrence.

Claims from a single incident may be subject to more than one deductible.

Currency conversion clause (claim payment currency)

Notwithstanding that the Policy coverage and limits are expressed in United States Dollars (USD) it is agreed that the Insurer may at its discretion make claim payments in euros (EURO). When applying Policy Limits of Liability, sub-limits or other financial amounts the USD value will be converted at the exchange rate on the date that the claim payment is agreed.

FIXED PREMIUM Fixed Premium as agreed.

Cancelling Returns Only.

For and on behalf of
BRITISH MARINE



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22 March, 2019

War Risk (Protection and Indemnity) Endorsement (D)

Pursuant to the provisions of Clause 39.4.2, notice is hereby given that cover hereunder is subject to the following special terms and conditions until further notice:

It is noted and agreed that cover is extended to include liabilities, costs and expenses in accordance with the provisions of Clause 39 of the Policy Terms and Conditions.

Whether or not notice of cancellation in terms of Clause 39.4.1 is given, cover hereunder in respect of War Risks etc. shall TERMINATE AUTOMATICALLY on the expiry of notice given by any Underwriter of the above mentioned Insurance(s). British Marine may agree however to reinstate cover subject to agreement with the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

USD 50,000,000 all claims in the aggregate inclusive of costs, fees and expenses either approved and/or incurred by the Insurer, any one accident or occurrence, each vessel.

Trading Warranties:

In the event of a vessel or craft insured hereunder sailing for, deviating towards, or being within the Territorial Waters of any of the Countries or places described in the Exclusions as set out below (including any Port or area that constitutes part of such a country or place however it may hereafter be described) additional premium shall be paid at the discretion of the Insurer hereon. Information of such voyage or deviation shall be given to the Insurer as soon as practicable, and the absence of prior advice shall not affect the cover hereon. In the event of the Assured not requiring continuation of coverage for a vessel proceeding into or remaining within an excluded area, they shall so advise Insurers hereon before the commencement of such voyage, deviation or period, and it shall be at the Insurer's discretion whether and on what terms the insurance shall be reinstated.

Exclusions

Africa

1. Benin
2. Eritrea, but only South of 15° N
3. Gulf of Guinea, but only the waters of the Togolese, Beninese and Nigerian Exclusive Economic Zones north of the Latitude 3° N
4. Libya
5. Nigeria
6. Somalia
7. Togo

Indian Ocean / Arabian Sea / Gulf of Aden / Gulf of Oman / Southern Red Sea

8. Waters as defined overleaf

Asia

9. Pakistan

Middle East

10. Iran
11. Iraq, including all Iraqi offshore oil terminals
12. Israel
13. Lebanon
14. Saudi Arabia excluding transit
15. Syria
16. Yemen



South America

17. Venezuela, including all offshore installations in the Venezuelan EEZ.

Definitions:

- Named Countries shall include their coastal waters up to 12 nautical miles offshore, unless specifically varied above.
- Named Ports shall include all facilities/terminals within areas controlled by the relevant port authority/ies (or as may be more precisely defined by Insurers) including offshore facilities/terminals, and all waters within 12 nautical miles of such, but not exceeding 12 nautical miles offshore unless specifically stated.

Indian Ocean/Arabian Sea/Gulf of Aden/Gulf of Oman/Southern Red Sea

The waters enclosed by the following boundaries:

- a. on the north-west, by the Red Sea, south of Latitude 15° N
- b. on the west of the Gulf of Oman by Longitude 58° E
- c. on the east, Longitude 65° E
- d. and on the south, Latitude 12° S

excepting coastal waters of adjoining territories up to 12 nautical miles offshore unless otherwise provided.

Cover in respect of the risks of war, etc., shall not become effective if, subsequent to acceptance by British Marine and prior to the intended time of attachment of risk, there has occurred any event which would have automatically terminated cover under the provisions of this clause.

All other terms and conditions including but not limited to the provisions of clause 40, to continue without amendment.

Ref.War P&I (D) June, 2018

For and on behalf of
BRITISH MARINE



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22 March, 2019