

War Circular

No. 420/2018



Gothenburg : **3 December 2018**

**War Risk
Insurance Terms
2019**

War Risk Insurance 2019

The terms for War Risk Insurance for 2019 are outlined in this circular. The Association will continue the process of streamlining the cover to ensure a comprehensive insurance aimed at reducing costs for Members.

Features for 2019

Sum Insured – to correspond to the Hull & Machinery insurance value and/or any ancillary interests covered. The total sum insured for all interests not to exceed USD 300,000,000 each vessel.

Conditions – most major international conditions for War Risks cover.

Liability Cover (P&I) – includes an independent limit for War Risks P&I which will indemnify Members for claims that are not recoverable from the P&I Club because of the War Risks exclusion contained therein. This is normally up to the sum insured; however a higher limit may be available upon application to The Association.

Blocking & Trapping Inclusion – Total Loss compensation after six months.

Additional Expenses – up to USD 25,000 per day are covered in excess of 7 days, but not recoverable following an agreed total loss or after 180 days has expired, whichever occurs sooner. These are unavoidable expenses following an insured peril.

Loss of Hire – available upon application to The Association with Daily Sum Insured and limit to be agreed in advance. Subject to Additional Premium for breaches of Trading Warranties.

Voyage Frustration (Piracy Loss of Hire) – as per the following wording upon application to The Association and available on an annual basis or for breaches of Trading Warranties;

This is to indemnify the original insured for their Loss of Hire up to the Daily Sum Insured to be agreed by The Association for 180 days (or to be agreed by The Association) but subject to a limit of USD 17,500,000 any one accident or occurrence, in the event of the vessel insured hereunder being prevented and/or delayed from trading as a result of an act of Piracy, for a period in excess of 48 hours. Also to pay costs or expenses incurred by the original insured in order to prevent or mitigate a claim hereunder but excluding any ransom demands absolutely. Any subsequent recovery up to the amount of any claims paid hereunder to inure to the benefit of The Association. Excluding any fines or penalties absolutely or claims that are recoverable from the vessel's Protection and Indemnity Club and/or War Risks Insurer(s) and/or other insurance policies in place during the currency of this insurance.

Trading Warranties – see current List of Areas of Perceived Enhanced Risk 1 January 2019 as attached.

All vessels – subject to Notice of Cancellation, Automatic Termination of Cover, War, Nuclear etc. and Cyber Attack Exclusion Clause 2004-01-01 (W.1.3).

Cyber Attack Exclusion Clause may be deleted upon application.

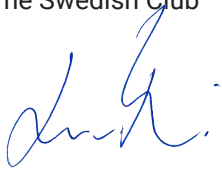
All vessels –subject to The Swedish Club Sanction Limitation and Exclusion Clause W.10.

Swedish Flagged Vessels – subject to The Swedish Club Outbreak of War Clause (W.7.2).

Premium

The agreed premium to be paid on 1 January 2019 or as agreed.

Yours faithfully,
The Swedish Club



Lars Rhodin

Enclosures

- **Enclosure 1:** List of Areas of Perceived Enhanced Risk 1 January 2019
 - "Listed Areas" as of 1 January 2019
 - Navigational Limitations for Hull War, Strikes, Terrorism and Related Perils Endorsements (JW2005/001A)
 - Hull War, Strikes, Terrorism and Related Perils Notice of Cancellation Administration Clause (JW2005/001B) (as and where applicable)
- **Enclosure 2:** Club Clauses for War Risk Insurance 2019
 - The Swedish Club Outbreak of War Clause (W.7.2)
 - Notice of cancellation, automatic termination of cover, war, nuclear etc. and cyber attack exclusion clause (W.1.3)
 - Sanction limitation and exclusion clause W.10



About The Swedish Club

The Swedish Club is a leading marine mutual insurer, headquartered in Gothenburg, Sweden, with offices in Piraeus, Hong Kong, Tokyo, Oslo and London.

The Club, established by shipowners in 1872, is owned, self-managed and under the direct control of its members. We are a true mutual organisation with a focus on marine safety and loss prevention, with a commitment to furthering an enhanced safety culture at sea.

Global ratings agency A.M. Best has awarded The Swedish Club a Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of "a-", with a stable outlook. S&P Global Ratings (S&P) recently revised its outlook on The Swedish Club to positive from stable. It also affirmed its 'BBB+' long-term insurer financial strength and issuer credit ratings for the Club.

The All-in-One Club

Protection & Indemnity

The Swedish Club is a member of the International Group of P&I Clubs and offers full mutual cover on a Group basis. Having handled complex P&I matters for more than a century the Club has gained extensive experience in large casualty response.

Hull & Machinery

Offering good relationships and close cooperation with our members, we can provide on-site assistance from our in-house surveyors and technical experts. Our team of in-house adjusters offers time and cost benefits to both our members and the Club.

Other Insurance Products

The Swedish Club offers a full range of insurance solutions for every area of your business. These include Freight Demurrage & Defence and Energy & Offshore insurance, in addition to specialist products such as Kidnap & Ransom and War Risks.

Loss Prevention

Loss prevention is at the heart of everything we do. We deliver a wide range of loss prevention initiatives, training and information, including the Club's Emergency Response Training, Loss Prevention Guides, benchmarking and campaigns. More information can be found at www.swedishclub.com/lossprevention.

The Swedish Club Academy

In conjunction with The Swedish Club Academy we offer our members the benefits of the Maritime Resource Management (MRM) course. Designed to minimise the risk of incidents by encouraging safe and responsible attitudes, the Academy specialises in human factors training and related services for those who have marine safety, efficiency and job satisfaction as their main priorities.

Marine Insurance Courses

Our popular Marine Insurance Course and Marine Insurance Seminars are offered yearly to members around the world and cover the essential aspects of marine insurance, ranging from terms and conditions to the practical handling of claims and loss prevention.

SCOL - Swedish Club OnLine

Supporting you 24 hours a day, SCOL is a modern intelligence platform which adapts to your needs and helps inform decision making. Your gateway to The Swedish Club, it provides a comprehensive overview of your insurances and claims records at the touch of a button.