



COLLISION CLAUSE, INCLUDING TOW AND EXTENDED TOWER'S LIABILITY

Endorsement to be attached to and made part of Policy No. of

In consideration of an additional premium at the rate of it is understood and agreed that the following clause is substituted for the Collision Clause in this policy, effective from

And it is further agreed that if the Vessel hereby insured and/or her tow shall come into collision with any other Ship, Vessel, Craft, Structure or Object, other than water, floating or otherwise; or shall strand, ground or sink such other Vessel, Craft or Object and the Assured or the Charterers in consequence thereof or the Surety for either or both of them in consequence of their undertaking shall become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of such casualty, we, the Underwriters, will pay the Assured or Charterers such proportion of such sum or sums so paid as our respective subscriptions hereto bear to the value of the Vessel hereby insured, provided always that our liability, in respect of any one such casualty shall not exceed our proportionate part of the value of the Vessel hereby insured. And in cases where the liability of the Vessel and/or her tow has been contested, or proceedings have been taken to limit liability, with the consent in writing of a majority (in amount) of the Underwriters on the hull and/or machinery, we will also pay a like proportion of the costs which the Assured or Charterers shall thereby incur, or be compelled to pay; but when both Vessels are to blame, then, unless the liability of the Owners or Charterers of one or both of such Vessels becomes limited by law, claims under the Collision Clause shall be settled on the principle of Cross-Liabilities as if the Owners or Charterers of each Vessel had been compelled to pay to the Owners or Charterers of the other of such Vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured or Charterers in consequence of such collision; and it is further agreed that the principles involved in this clause shall apply to the case where both Vessels are the property, in part or in whole, of the same Owners or Charterers, all questions of responsibility and amount of liability as between the two Vessels being left to the decision of a single arbitrator, if the parties can agree upon a single arbitrator, or failing such agreement, to the decision of arbitrators, one to be appointed by the Managing Owners or Charterers of both Vessels, and one to be appointed by the majority (in amount) of Hull Underwriters interested; the two arbitrators chosen to choose a third arbitrator before entering upon the reference, and the decision of such single, or of any two of such three arbitrators, appointed as above, to be final and binding. And it is further agreed that this policy shall also extend to and cover the legal liability of the Vessel hereby insured arising from any collision, grounding, stranding or sinking which may occur to any Vessel(s) or Craft(s) or their cargo and/or freight while in tow of the said Vessel, subject to all other terms and conditions of this clause. Provided always that this clause shall in no case extend to any sum which the Assured or Charterers may become liable to pay or shall pay for removal of Obstructions under statutory powers, consequent on such casualty or in respect of the cargo or engagements of the Insured Vessel, or a collision of the tow after breaking away, unless such break be the consequence of a casualty as specified herein; or for loss of life, or personal injury. And provided also that in the event of any claim being made by Charterers under this clause they shall not be entitled to recover in respect of any liability to which the Owners of the Vessel, if interested in this Policy at the time of the collision in question, would not be subject, nor to a greater extent than the Shipowners would be entitled in such event to recover.

All other terms and conditions remaining unchanged.

Dated 19