

"These clauses are purely illustrative. Different policy conditions may be agreed. The specimen clauses are available to any interested person upon request. In particular:
(a) in relation to any clause which excludes losses from the cover, insurers may agree a separate insurance policy covering such losses or may extend the clause to cover such events;
(b) in relation to clauses making cover of certain risks subject to specific conditions each insurer may alter the said conditions".



15/06/09

SHIPYARD AND/OR PROJECT RISK ASSESSMENT

It is a condition precedent to the liability of the Underwriters under this insurance contract that:

1. a shipyard and/or project risk assessment is carried out by

_____ ¹
on or before __/__/__²; and further that

2. any recommendations made by the surveyor in this survey (or any follow-up survey) are complied with within the timescales set down by the surveyor or continuously complied with throughout the period of this insurance contract in the case of recommendations said by the surveyor to require continuing compliance.

The shipyard and/or project risk assessment shall include review and assessment of the actual implementation of the safety management, quality assurance and quality control of shipyard systems and procedures. It shall include but not be limited to:

- Geographical and Environmental Risks
- General Site Condition
- Processes and Procedures
- Quality Assurance/Quality Control of the production process
- General Housekeeping
- Management of Subcontractors
- Permit to Work Systems
- Emergency Response Plan
- Fire Fighting Capability
- Shipyard Equipment
- Atmospheric Monitoring & Control of Industrial Gases
- Launching & Sea Trials
- Site Safety
- Casualty History

In the event the results of the shipyard and/or project risk assessment prove unacceptable to Underwriters, they shall have the right to cancel this insurance contract by giving 14 days notice of cancellation. Underwriters shall only be entitled to exercise this right within 14 days of receiving the written report of the shipyard and/or project risk assessment. This clause does not affect the right of Underwriters to cancel this insurance contract under any of its other provisions.

Underwriters shall be entitled to require follow-up surveys to be carried out during the course of the construction of an individual vessel or during the period of insurance of the shipyard. This is to monitor compliance with earlier recommendations and to assess the safety management, quality assurance and quality control of the individual vessel project or the shipyard.

Any recommendations made by the surveyor shall be provided to the Assured on completion of the shipyard and/or project risk assessment and on completion of any follow-up surveys.

The cost of the shipyard and/or project risk assessment and any follow-up surveys will be borne by Underwriters, but any expenses incurred to comply with the surveyor's recommendations will be at the expense of the Assured.

Underwriters shall be entitled to receive a copy of any recommendations and/or reports directly from the surveyor.

¹ Name of Surveyor to be inserted

² Date to be inserted

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