



"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

REVIEW AND COMPLIANCE AUDIT

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

- 1 Further to the original assessment of the shipyard or project risk, a review and compliance audit shall be carried out by _____ on or before __/__/__;
- 2 the auditing surveyor may reissue any ongoing items from the original survey as appropriate save as amended by this Compliance Audit;
- 3 any recommendations made by the auditing surveyor under this review (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 review and compliance audit shall include but not be limited to a site visit by the auditing surveyor.

Any recommendations made in the original assessment of the shipyard or project risk shall be made available to the auditing surveyor who shall discuss their implementation with the Assured.

The auditing surveyor shall produce a report summarising the result of the audit and shall comment on implementation of any recommendations made in the original assessment in the audit report.

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.

Any recommendations made by the auditing surveyor shall be provided to the Assured on completion of the review and compliance audit and on completion of any follow up surveys.

The cost of the review and compliance audit shall be borne by Underwriters, but any expense incurred to comply with the auditing surveyor's recommendations shall be at the expense of the Assured.

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

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