

INSOLVENCY EXCLUSION CLAUSE

It is hereby agreed that the exclusion “loss damage or expense arising from insolvency or financial default of the owners, managers, charterers or operators of the vessel and/or aircraft” (incorporated in the Institute Clauses herein) is amended to read as follows:

“In no case shall this insurance cover loss damage or expense caused by insolvency or financial default of the owner’s managers, charterers or operators of the vessel where, at the time of loading of the subject-matter insured on board the vessel, the Assured are aware, or in the ordinary course of business should be aware, that such insolvency or financial default could prevent the normal prosecution of the voyage.

This exclusion shall not apply where this insurance has been assigned to the party claiming hereunder who has brought or agreed to buy the subject-matter insured in good faith under a binding contract.