

British Marine
PROTECTION & INDEMNITY
POLICY OF INSURANCE
No.: 03861000001

Period of Insurance : Noon (GMT) on 06 May, 2018 to Noon (GMT) on 06 May, 2019.

In consideration of the premium payable in respect of this insurance, the Insurer undertakes to indemnify the Assured for all liabilities, losses, costs or expenses that the Assured, in the capacity agreed in respect of the Insured Vessel(s) named in this policy, is liable to pay, in respect of the liabilities, risks or events referred to herein.

This insurance covers only liabilities, losses, costs or expenses which arise out of events which occur during the policy period, in respect of the Assured's interest in the Insured Vessel(s) and only in connection with the operation of the Insured Vessel(s).

**THE ATTACHED CLAUSES FORM PART OF
 THIS POLICY**

To: El Bahlawan Shipping Company (Operator / Assured)
 Joy Marine Company (Technical and Crew Managers)
 Alex Marine Ltd. (Registered Owner)

Ship Owner: Alex Marine Ltd.,
 Trust Company Complex,
 Ajeltake Road, Ajeltake Island
 Majuro, Marshall Island

Name of Ship	Gross Tonnage	Year Built	Type	Flag	IMO Number	Port of Registry
JOY M	9,815	1993	General Cargo	PAN	8902931	Panama City, Panama

Evidence of Insurance Clause

This Policy of Insurance or any Endorsement hereto is evidence only of the contract of indemnity insurance between the above named Assured(s) and the Insurer and shall not be construed as evidence of any undertaking, financial or otherwise, on the part of the Insurer to any other party.

In the event that an Assured tenders this Policy/Endorsement as evidence of insurance under any applicable law relating to financial responsibility, including but not limited to the Oil Pollution Act 1990 or any similar Federal or State Laws, or otherwise shows or offers it to any other party as evidence of insurance, such use of the Policy/Endorsement by the Assured is not to be taken as any indication that the Insurer thereby consents to act as guarantor or to be sued directly in any jurisdiction whatsoever. The Insurer does not so consent.

CONDITIONS	Protection and Indemnity Risks in accordance with British Marine, Marine Liability, Protection and Legal Expenses Terms and Conditions 2018 Edition section A Clauses 1-32 incorporating sections B and C Clauses 40-80 attached thereto, including cover in respect of collision, property damage, wreck removal and pollution liabilities in accordance with the Policy Terms, Conditions and Exceptions and subject always to the Special Conditions and Warranties set out hereunder.
LIMIT OF LIABILITY	USD 25,000,000 each vessel, all claims inclusive of costs, fees and expenses either approved and/or incurred by the Insurer, any one accident or occurrence or series of accidents or occurrences arising out of one event, Combined Single Limit.
SPECIAL CONDITIONS	<p>Pursuant to the provisions of Clause 13.1, it is noted and agreed that the cover hereunder is extended to include claims for 4/4ths collision.</p> <p>Including liabilities arising from the Maritime Labour Convention 2006, in accordance with Clause 36.</p>

Steel Cargo Clause No.1

The Assured shall have no right of recovery from the Insurer in respect of steel cargoes unless:

a) the Assured, at his expense, appoints a Insurer approved surveyor for each voyage to:-

- certify the hatches and holds as fit for the carriage of steel cargo;
- survey each cargo prior to loading;

b) the Bills of Lading are claused with the findings of the surveyor.

In the event of either loss of or damage to such cargo which may lead to a claim on the Insurer it is agreed that, the costs of the survey shall form part of the claim and subject to the applicable cargo deductible.

It shall neither be deemed nor construed by complying with the above that there is a waiver of any of the Insurers rights either to reduce or reject claims under the Terms and Conditions of this Insurance.

Pre-shipment surveys are not required for Billets, Blooms, Scrap, Swarf, plain parallel sided Pipes (ie without threads and/or flanges) and Pig Iron.

WARRANTIES

Trading Worldwide excluding Trans-Pacific, US and Yemen trade.

In the event that a vessel trades to/from/via Iran and Cuba the Limit of Liability that will apply to the voyage is EUR 40,000,000 any one accident, or occurrence, or series of accidents or occurrences arising out of one event, Combined Single Limit. No US nexus to apply (this includes, but is not limited to the use of US dollars, the movement of US-origin goods, and the processing by US persons including the US financial system). It is a condition precedent to British Marine's liability that the Assured will provide full details of the parties interested in the voyage to British Marine in order to perform sanctions screening. Reference to the terms and conditions of the Sanctions Limitation and Exclusion Clause contained in the Terms of insurance always to prevail.

Warranted vessel Classed and Class maintained.

DEDUCTIBLES
(P&I)

USD 20,000 from Collision Liability & Fixed and Floating Objects claims each accident or occurrence.

USD 10,000 from all pollution claims each accident or occurrence.

USD 10,000 from all cargo claims, each accident or occurrence.

USD 5,000 from all Crew claims, each accident or occurrence.

USD 4,000 from all other claims each accident or occurrence.

Claims from a single incident may be subject to more than one deductible.

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FIXED PREMIUM Fixed Premium as agreed.

Cancelling Returns Only.

Noted and agreed this policy will automatically be renewed for a further 12 months from Noon GMT 6th May 2019 on expiring premiums and deductibles in accordance with British Marine, Protection and Indemnity and Legal Expenses Terms and Conditions 2019 edition, and in accordance with the Policy, Terms, Conditions and Exceptions and any Special Conditions and Warranties set out thereunder subject to the 2 year Gross loss ratio being 50% or below and any increase in the re-insurance costs will also be applied to the premiums for the insured vessels, for the Policy year.

For and on behalf of
BRITISH MARINE



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04 May, 2018

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War Risk (Protection and Indemnity) Endorsement (A)

Pursuant to the provisions of Clause 39.4.2, notice is hereby given that cover hereunder is subject to the following special terms and conditions until further notice:

It is noted and agreed that cover is extended to include liabilities, costs and expenses in accordance with the provisions of Clause 39 of the Policy Terms and Conditions.

It is a condition of cover that the Hull and Machinery is fully insured for the perils enumerated in the current Institute War and Strikes Clauses - Hull - Time (1.11.95) (Cl.281) with Protection and Indemnity and Crew inclusion clauses (or equivalent clauses in terms no less wide than the forgoing) for not less than the hull value of the insured vessel.

Whether or not notice of cancellation in terms of Clause 39.4.1 is given, cover hereunder in respect of War Risks etc. shall TERMINATE AUTOMATICALLY on the expiry of notice given by any Underwriter of the above mentioned Insurance(s). British Marine may agree however to reinstate cover subject to agreement with the Assured prior to the expiry of such notice of cancellation as to new rate of premium and/or conditions and/or warranties.

Limit of Liability:

USD 50,000,000 all claims in the aggregate inclusive of costs, fees and expenses either approved and/or incurred by the Insurer, any one accident or occurrence, each vessel.

Trading Warranties:

In the event of a vessel or craft insured hereunder sailing for, deviating towards, or being within the Territorial Waters of any of the Countries or places described in the Exclusions as set out below (including any Port or area that constitutes part of such a country or place however it may hereafter be described) additional premium shall be paid at the discretion of the Insurer hereon. Information of such voyage or deviation shall be given to the Insurer as soon as practicable, and the absence of prior advice shall not affect the cover hereon. In the event of the Assured not requiring continuation of coverage for a vessel proceeding into or remaining within an excluded area, they shall so advise Insurers hereon before the commencement of such voyage, deviation or period, and it shall be at the Insurer's discretion whether and on what terms the insurance shall be reinstated.

Exclusions

Africa

1. Benin
2. Eritrea, but only South of 15° N
3. Gulf of Guinea, but only the waters of the Togolese, Beninese and Nigerian Exclusive Economic Zones north of the Latitude 3° N
4. Libya
5. Nigeria
6. Somalia
7. Togo

Indian Ocean / Arabian Sea / Gulf of Aden / Gulf of Oman / Southern Red Sea

8. Waters as defined overleaf

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Asia

9. Pakistan

Indonesia

10. The port of Jakarta

Middle East

11. Iran

12. Iraq, including all Iraqi offshore oil terminals

13. Israel

14. Lebanon

15. Saudi Arabia excluding transit

16. Syria

17. Yemen

South America

18. Venezuela, including all offshore installations in the Venezuelan EEZ.

Definitions:

- Named Countries shall include their coastal waters up to 12 nautical miles offshore, unless specifically varied above.
- Named Ports shall include all facilities/terminals within areas controlled by the relevant port authority/ies (or as may be more precisely defined by Insurers) including offshore facilities/terminals, and all waters within 12 nautical miles of such, but not exceeding 12 nautical miles offshore unless specifically stated.

Indian Ocean/Arabian Sea/Gulf of Aden/Gulf of Oman/Southern Red Sea

The waters enclosed by the following boundaries:

- a. on the north-west, by the Red Sea, south of Latitude 15° N
- b. on the west of the Gulf of Oman by Longitude 58° E
- c. on the east, Longitude 65° E
- d. and on the south, Latitude 12° S

excepting coastal waters of adjoining territories up to 12 nautical miles offshore unless otherwise provided.

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Cover in respect of the risks of war, etc., shall not become effective if, subsequent to acceptance by British Marine and prior to the intended time of attachment of risk, there has occurred any event which would have automatically terminated cover under the provisions of this clause.

All other terms and conditions continue without amendment.

Ref.War P&I (A) Dec, 2015.

For and on behalf of
BRITISH MARINE



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04 May, 2018

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