

Minimum Insurance Requirements*

Barge Bareboat Charter Party

- (a) Charterer, at its sole cost and expense, shall procure and maintain throughout the term of this Charter the following insurances on forms and with underwriters approved by Owner, which shall apply independently of the indemnity obligations contained herein.
- (b) Full form Hull & Machinery Insurance on the Barge, including collision liability, in the American Institute Hull Clause form equal to or excess of the full value of the Barge, with geographical and navigation extensions of coverage to the areas and waters in which the Barge may operate to work under this Charter, and with the deductible not to exceed \$75,000 per accident or occurrence.
- (c) Collision and Tower's Liability, in the event the Barge shall be towed by tugs owned, operated, chartered, employed, brokered, controlled or arranged by Charterer, in an amount of not less than \$10,000,000, and with the deductible not to exceed \$75,000 per accident or occurrence;
- (d) Protection and Indemnity Insurance on the Barge, including cargo legal liability, with geographical and navigation extensions of coverage to the areas and waters in which the Barge may operate to work under this Charter, and including without limitation, insurance coverage for and against liability for personal injury, illness and death (including coverage for Jones Act, Death on the High Seas Act, general maritime law, maintenance and cure, wages and transportation) and insurance coverage for and against liability for property damage caused by or occurring on account of the Barge, including removal of wreck, with a minimum limit of \$10,000,000 applicable to any one accident or occurrence, and with the deductible not to exceed \$75,000 per accident or occurrence, and providing in rem protection such that a claim "in rem" against the Barge shall be treated as a claim "in personam" against Owner and Charterer; and, providing that any wording or phrases purporting to limit the underwriter's liability to the value of the Barge are deleted;
- (e) Pollution Liability Insurance, either by endorsement to the appropriate insurances named above, or by separate insurance, in the form and amount written by the Water Quality Insurance Syndicate (WQIS) or equivalent, and in the amount of not less than \$10,000,000 with the deductible not to exceed \$10,000 per accident or occurrence, and providing insurance coverage for and against liability for pollution damages and pollution cleanup expenses as provided for under the Oil Pollution Act of 1990 (OPA), the Federal Water Pollution Control Act (Clean Water Act), the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), and under any applicable federal regulations, and as provided for under appropriate state law or municipal law where applicable;

These policies shall name the Owner as Additional Assureds and shall expressly waive subrogation against the Owner and its parent corporations, subsidiaries, and directors, officers and employees. Additionally, these insurance policies shall each constitute primary insurance coverage to any insurance already in place on the barge by Owner. Prior to delivery of the Barge, Certificates of Insurance evidencing compliance with the foregoing insurance requirements shall be provided to Owner prior to the delivery of the Barge to the Charterer. Such Certificates shall contain provisions that no policy coverage reductions or cancellations shall become effective except upon 30 written notice to the Owner; provided, however, that no such coverage reductions or cancellations shall relieve Charterer of its obligation to maintain insurance in accordance with the above-stated requirements. In the event that any act of the Charterers shall vitiate any of the insurance herein required, the Charterers shall pay to the Owner all losses and indemnify the Owner against all claims and demands which would otherwise have been covered by such insurance.

*Such minimum insurance requirements do not apply to all operations, geographic regions or types of barges, (e.g. tank barges carrying hazardous liquid cargoes, crane or derrick barges, pipe laying barges, triple deck barges, etc.) Please check with Crowley's Risk Management Department to determine applicability.