



Standard covenant clause

DEFINITIONS:

The below are standard definitions and covenant wording to be inserted (subject to appropriate drafting adjustments to take into account each specific set of definitions) in the relevant vessel insurance documents.

["Claims Leader" – [Insert name]]

"Annex VI" means Annex VI of the Protocol of 1997 (as subsequently amended from time to time) to amend the International Convention for the Prevention of Pollution from Ships 1973 (Marpol), as modified by the Protocol of 1978 relating thereto.

"Poseidon Principles for Marine Insurance" ("PPMI") means the marine insurance industry framework for assessing and disclosing the climate alignment of marine insurance portfolios published in December 2021 as the same may be amended or replaced [to reflect changes in applicable law or regulation or the introduction of or changes to mandatory requirements of the International Maritime Organization] from time to time.

"Poseidon Principles Association for Marine Insurance" is a non-profit association registered in Denmark whose object is the management, administration, and development of the Principles for Marine Insurance.

"PPMI Signatory" is any insurer(s) subscribing to this policy who is or becomes a Signatory to the PPMI.

"Calculation Provider(s)" means any of the classification societies or appropriately qualified and experienced third parties who may be retained by a PPMI Signatory (i) to calculate the carbon intensity for each Ship and/or (ii) for the vessel alignment calculations and/or (iii) to make the calculations necessary to enable the PPMI Signatory to comply with its reporting obligations under the Poseidon Principles for Marine Insurance and/or (iv) for its insurance portfolio alignment management.

"Recognized Organization" means, in respect of a [vessel] an organization representing that [vessel's] flag state and, for the purposes of this [Clause], duly authorized to determine whether the [Owner] has complied with regulation 22A of Annex VI.¹

"Statement of Compliance" means a Statement of Compliance related to fuel oil consumption pursuant to regulations 6.6 and 6.7 of Annex VI.

"PPMI Data" includes all of the information which a PPMI Signatory requires in order to comply with its obligations under the Poseidon Principles for Marine Insurance. This includes data on fuel consumption submitted to the IMO DCS ship fuel oil consumption data required to be collected and reported in accordance with Regulation 22A of MARPOL Annex VI, and the resulting statement of compliance or verification letter from the relevant authorised provider relating to the ship for emissions in the preceding year.

COVENANT CLAUSE:

Any/all Assured(s) hereon shall supply or procure the supply to the Claims Leader (whether directly, to such physical and/or electronic address as provided to the Assured(s) for the purposes of this clause, or via the broker(s) for provision to the Claims Leader) the PPMI Data in respect of any/all Ship(s) insured by this policy on or by [10 October] each year. The Claims Leader is authorised to share the PPMI Data with other PPMI Signatories subscribing to this policy, and all PPMI Signatories in receipt of the PPMI Data are authorised to share it with Calculation Provider(s). [The Assured(s) hereon shall also, upon written request by any PPMI Signatory for the PPMI Data, provide it or procure its provision to that Signatory within [xx days]² of the request. Such request may be made directly to the Assured(s) or the broker].

¹ For most Owners, this is likely to be its classification society.

² The date clarification should be made by every Signatory (e.g. 10; 15; 20 days..).