

SCHEDULE 10

Required Insurances

1. Builders Risks Insurance

1.1 Insured

1.1.1 Contractor

1.1.2 Authority

each for their respective rights and interests.

1.2 Basis of coverage

"All Risks" of physical loss, damage or destruction to the insured property (in paragraph 1.3) below from any cause not excluded.

1.3 Insured property

Hull, machinery, materials, plant, equipment and everything connected therewith nothing excluded, including Government Furnished Equipment and Ship's Stores.

1.4 Sums insured

At all times an amount not less than the final contract price or total building costs (whichever the greater) of each Ship plus provisions to include Government Furnished Equipment and Ship's Stores and other principal cover features and extension as appropriate.

1.5 Territorial limits

Worldwide.

1.6 Period of insurance

From time of first steel cutting until Acceptance off Contract of each Ship. In the case of any equipment, machinery, and/or materials, and/or blocks/sections as appropriate related to the Ship delivered to the Contractor's premises before the first steel cutting, such relevant property will be insured through a Property Damage "All Risks" Insurance policy for the amount equal to the relevant reinstatement value

1.7 Cover features and extensions

1.7.1 Protection and indemnity and collision liabilities.

1.7.2 Earthquake and volcanic eruption.

1.7.3 War from time of launch of each Ship.

1.7.4 Strikes, terrorism risks.

1.7.5 Waiver of subrogation in favour of the Authority.

1.7.6 Trials, tests and inspection.

1.7.7 Faulty welds or design.

1.8 Principal exclusions

1.8.1 War and related perils.

1.8.2 Nuclear/radioactive risks.

1.8.3 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

1.8.4 Liability in respect of predetermined penalties or liquidated damages imposed under the Contract entered into by the insured.

1.8.5 Cyber liability exclusion.

1.9 Maximum deductible threshold

Not to exceed [*£ to be determined through the Tender process and inserted at Contract Award*].

2. Third Party Public Liability Insurance

2.1 Insured

Contractor

2.2 Interest

To indemnify the insured (in paragraph 2.1 above) in respect of all sums that the insured (in paragraph 2.1 above) may become legally liable to pay as damages (including claimants' costs and expenses) in respect of accidental:

2.2.1 death or bodily injury to, or sickness, illness or disease contracted by any person;

2.2.2 loss of or damage to property;

happening during the period of insurance (in paragraph 2.5 below) and arising out of or in connection with the Contract.

2.3 Limit of indemnity

Not less than fifty million pounds (£50,000,000) in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period, but fifty million pounds (£50,000,000)] any one occurrence and in the aggregate per annum in respect of pollution liability (to the extent insured by the relevant policy).

2.4 Territorial limits

Worldwide.

2.5 Period of insurance

From the date of this Contract for the duration of the Contract and renewable on an annual basis unless agreed otherwise.

2.6 Cover features and extensions

2.6.1 Indemnity to principals clause or additional insured equivalent under which the Authority shall be indemnified in respect of claims made against the Authority arising from death or bodily injury or third party property damage and for which the Contractor is legally liable in respect of the Contract.

2.6.2 Cross liability clause.

2.6.3 Contingent motor vehicle liability clause.

2.6.4 Legal defence costs in addition to the limit of indemnity.

2.7 Principal exclusions

2.7.1 War and related perils.

2.7.2 Nuclear/radioactive risks.

2.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured arising out of the course of their employment.

- 2.7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicle.
- 2.7.5 Liability in respect of predetermined penalties or liquidated damages imposed under the Contract entered into by the insured.
- 2.7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.
- 2.7.7 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.
- 2.7.8 Cyber liability.

2.8 Maximum deductible threshold

Not to exceed [*£ to be determined through the Tender Process and inserted at Contract Award*].

3. Product Liability Insurance

3.1 Insured

Contractor

3.2 Interest

To indemnify the insured (in paragraph 3.1 above) in respect of all sums insured that the insured (in paragraph 3.1 above) may become legally liable to pay as damage (including claimants' costs and expenses) in respect of product liability for accidental:

3.2.1 death or bodily injury to, or sickness, illness or disease contracted by any person;

3.2.2 loss of or damage to property;

happening during the period of insurance (in paragraph 3.5 below) and arising out of or in connection with the Contract.

3.3 Limit of indemnity

Not less than twenty million pounds (£20,000,000) in respect of any one occurrence and in the aggregate per annum.

3.4 Territorial limits

Worldwide.

3.5 Period of insurance

From the date of this Contract for the duration of this Contract and renewable on an annual basis unless agreed otherwise.

3.6 Cover features and extensions

3.6.1 If this product liability policy (ies) is placed with insurers on a "claims made" policy wording then any retroactive date shall be equivalent to the commencement date of this Contract. Coverage shall remain in full force and effective for a period of at least six (6) years following the last delivery date of the last vessel under this Contract.

3.6.2 Indemnity to principals clause or additional insured equivalent under which the Authority shall be indemnified in respect of claims made against the Authority arising from death or bodily injury or third party property damage and for which the Contractor is legally liable in respect of the Contract

3.7 Principal exclusions

3.7.1 War and related perils.

3.7.2 Nuclear/radioactive risks.

3.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured arising out of the course of their employment.

3.7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicle.

- 3.7.5 Liability in respect of predetermined penalties or liquidated damages imposed under the Contract.
- 3.7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.
- 3.7.7 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.
- 3.7.8 Cyber liability.
- 3.7.9 Parts constructed or supplied. Liability in respect of loss of or damage to that part of any vessel or other thing constructed, supplied or fitted by the insured if such loss or damage is attributable to any fault or defect therein.
- 3.7.10 Any claim in respect of or arising out of financial default or insolvency.
- 3.7.11 Any claim arising out of or related to asbestos and/or asbestosis and/or related diseases.
- 3.7.12 Punitive and exemplary damages.

3.8 Maximum deductible threshold

Not to exceed [*£ to be determined through the Tender Process and inserted at Contract Award*].

4. Professional Indemnity Insurance

4.1 Insured

Contractor

4.2 Interest

To indemnify the insured (in paragraph 4.1 above) in respect of all sums which the insured (in paragraph 4.1 above) shall become legally liable to pay (including claimants' costs and expenses) as a result of any claim or claims first made against the insured (in paragraph 4.1 above) during the period of insurance (in paragraph 4.5 below) by reason of any negligent act, error and/or omission arising from or in connection with the provision of professional services, advice, design specification in connection with the Contract.

4.3 Limit of indemnity

Not less than fifty million pounds (£50,000,000) in respect of any one claim and in the aggregate per annum.

4.4 Territorial limits

Worldwide.

4.5 Period of insurance

From the date of this Contract for the duration of the Contract and renewable on an annual basis unless agreed otherwise with the Authority and a period six (6) years following Acceptance off Contract of the final Ship under the Contract.

4.6 Cover features and extensions

4.6.1 Retroactive cover from the date of the Contract or retroactive date to be no later than the date of the Contract.

4.7 Principal exclusions

4.7.1 War and related perils.

4.7.2 Nuclear/radioactive risks.

4.7.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured arising out of the course of their employment.

4.7.4 Liability arising out of the use of mechanically propelled vehicles which required to be compulsorily insured by legislation in respect of such vehicles.

4.7.5 Cyber liability.

4.8 Maximum deductible threshold

Not to exceed [*£ to be determined through the Tender Process and inserted at Contract Award*] each and every claim.