

CIRCULAR

To the Members

Special Clauses for Marine Cyber Risks and Coronavirus

Due to the requirements of the global reinsurance market, there have been changes in the terms and conditions of reinsurance arranged by the Association from the 2021 policy year. In response to these changes, special clauses entitled “MARINE CYBER EXCLUSION CLAUSE” and “CORONAVIRUS EXCLUSION CLAUSE” will form part of all insurance entries, special covers and other additional insurance policies (policies incepting on or after 20 February 2021), except for Japanese domestic entries, ocean-going owners’ entries with no fixed sum insured and FD&D covers. The outline of both special clauses is as follows (please refer to the attachment for the full clauses).

(1) MARINE CYBER EXCLUSION CLAUSE

Excludes cover for costs and expenses caused by cyber attacks other than those covered by War P&I insurance.

(2) CORONAVIRUS EXCLUSION CLAUSE

Excludes cover for costs and expenses directly arising from coronavirus (including any mutation or variation) and its infections or from any fear or threat of coronavirus or its infections, expenses related to quarantine, and other economic losses, etc.

In addition, the amount of insurance for "Novel Coronavirus (COVID-19) – Additional cover for cargo liabilities arising from deviations for crew changes" as announced in Special Circular [No. 20-011](#) dated 11 August, 2020 will be changed to USD10,000,000.

Please ask us if you have any questions on these changes.

Yours faithfully,

The Japan Ship Owners’ Mutual Protection & Indemnity Association

Attachment: Special Clauses (MARINE CYBER EXCLUSION CLAUSE and CORONAVIRUS EXCLUSION CLAUSE)

MARINE CYBER EXCLUSION CLAUSE

- 1 Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.
- 2 Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
- 3 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

CORONAVIRUS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith. This insurance excludes coverage for:

- 1 any loss, damage, liability, cost, or expense directly arising from the transmission or alleged transmission of:
 - (a) Coronavirus disease (COVID-19);
 - (b) Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2); or
 - (c) any mutation or variation of SARS-CoV-2;or from any fear or threat of a), b) or c) above;
- 2 any liability, cost or expense to identify, clean up, detoxify, remove, monitor, or test for (a), (b) or (c) above;
- 3 any liability for or loss, cost or expense arising out of any loss of revenue, loss of hire, business interruption, loss of market, delay or any indirect financial loss, howsoever described, as a result of any of (a), (b) or (c) above or the fear or the threat thereof.

All other terms, conditions and limitations of the insurance remain the same.