Policy Number GCM 11540

Renewing No. GCM 10552A

BY THIS
POLICY OF INSURANCE

Effected By

GULF COAST MARINE, LLC

2626 N. Arnoult

Metairie, LA 70002

The subscribers hereto, each severally but not jointly, do insure:

STATE OF LOUISIANA
c/o OFFICE OF RISK MANAGEMENT
DIVISION OF ADMINISTRATION
P. O. Box 91106, Capitol Station
Baton Rouge, Louisiana 70821-9106

(HEREINAFTER REFERRED TO AS THE ASSURED)

For the account of: Themselves

Loss, if any, payable to: Assured or Order

From noon July 1, 2011 to noon July 1, 2012
Central Standard Time at the assured's place of business or residence as stated herein and in accordance with the terms and conditions of the form(s) attached.

On: Vessels and Property As Per Schedules Herein

Amount insured hereunder:	As Per Schedules	Rate:	Various
Valued at:	As Per Schedules	Premium:	$2,343,743.00

Any provisions by law to be stated in policies issued by a subscriber hereto, shall be deemed to have been stated herein.

In event of litigation subscribers hereto agree to issue separate policies covering their subscription upon request.

Dated at Metairie, LA, January 4, 2012

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

STATE OF LOUISIANA

SCHEDULE OF COVERAGES

SCHEDULE OF VESSELS AND VALUES

GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

SECTION HM -- HULL & MACHINERY

SECTION PI -- PROTECTION & INDEMNITY

SECTION PL -- POLLUTION LIABILITY

SECTION XP -- EXCESS PROTECTION & INDEMNITY

SCHEDULE OF ASSURERS

VESSEL DESCRIPTION	WHERE IT IS OPERATED	HOW IT IS USED	HULL VALUE
LARGE BOATS 26' & OVER			
0050 - OFFICE OF COASTAL PROTECTION & RESTORATION			
Boston Whaler 320 Cuddy	New Orleans	Research & Transportation of Personnel	148,102
1. 0564 DOTD - BRIDGE & FERRY MAINTENANCE			
FERRY BOATS			
New Roads 360-003	Plaquemine	Passenger & Vehicle Ferry	7,900,000
Ascension 360-006	Reserve (Cameron)	Passenger & Vehicle Ferry	7,700,000
Acadia 360-007	Plaquemine	Passenger & Vehicle Ferry	7,000,000
St. Charles 360-008	White Castle (Plaquemine)	Passenger & Vehicle Ferry	6,500,000
Feliciana 360-013	White Castle (Reserve)	Passenger & Vehicle Ferry	4,300,000
Iberville 360-014	Melville	Passenger & Vehicle Ferry	5,300,000
St. Francisville 360-018	Plaquemine (Sunshine)	Passenger & Vehicle Ferry	7,700,000
PONTOONS & BARGES			
Movable Pontoon Bridge 232-01-1662-1	Belle River	Vehicular Traffic Bridge	790,000
Movable Pontoon Bridge 230-03-0955-1	Bayou Pigeon	Vehicular Traffic Bridge	500,000
Melville Eastbank Ferry Landing 304-001	Melville	Landing Barge w/ Vehicle R	190,000
Melville Westbank Ferry Landing 304-002	Melville	Landing Barge w/ Vehicle R	190,000
Ferry Landing Pontoon 304-003	Plaquemine	Landing Barge w/ Vehicle R	600,000
Ferry Landing Pontoon 304-004	Plaquemine	Landing Barge w/ Vehicle R	600,000
Ferry Landing Pontoon 304-007	White Castle	Landing Barge w/ Vehicle R	250,000
Ferry Landing Pontoon 304-008	Reserve	Landing Barge w/ Vehicle R	690,000
Ferry Landing Pontoon 304-009	Reserve	Landing Pontoon	650,000
Dragline Crane 130' 305-008	Statewide	Work Barge Repair	800,000
Ferry Pontoon Deck Barge 305-023	New Roads (Lay Up Barge)	Docking Barge	350,000
Steel Cable Ferry Barge 305-030	Statewide		250,000
Ferry Landing Pontoon 305-041	Cameron	Landing Barge w/ Vehicle R	275,000
Ferry Pontoon Deck Barge 305-050	White Castle (Lay Up Barge)	Pontoon Barge	150,000
Ferry Landing Pontoon 305-058	New Roads	Landing Barge w/ Vehicle R	160,000
Ferry Landing Pontoon 305-068	New Roads	Landing Barge w/ Vehicle R	850,000
Ferry Landing Pontoon Barge 305-069	St. Francisville	Landing Barge	850,000
Movable Pontoon Bridge 824-18-0008-1	Bayou Sorrell	Vehicular Traffic Bridge	550,000
TUG BOATS			
W. Prescott Foster 360-251	Duty, LA	Towing & Ferry Service	350,000
Ross A. Grand 360-261	Plaquemine	Towing & Ferry Service	900,000
D. W. Griffith 360-262	Statewide	Towing & Ferry Service	875,000
	TOTAL 0564		**$57,220,000**
2. 0571 DOTD - DISTRICT 02/MAURIN			
PONTOONS & BARGES			
Movable Pontoon Bridge 412-02-0038-1	Bayou Blue (Lafourche)	Vehicular Traffic Bridge	500,000
Movable Pontoon Bridge 829-20-0001-1	Larose (Lafourche)	Vehicular Traffic Bridge	250,000
0571 DOTD - DISTRICT 02/WEGENER			
LARGE BOATS 26' & OVER			
Camcraft Mr. Bob 345-505	Empire Locks	Employee Transportation	300,000
	TOTAL 0571		**$1,050,000**

VESSEL DESCRIPTION	WHERE IT IS OPERATED	HOW IT IS USED	HULL VALUE
3. 0572 DOTD - DISTRICT 03			
PONTOONS & BARGES			
Movable Pontoon Bridge 801-09-1117-1	Plaquemine	Vehicular Traffic Bridge	250,000
Movable Canal Bridge 857-66-0572-1	Humble Canal (Vermilion)	Vehicular Traffic Bridge	400,000
TUG BOATS			
	TOTAL 0572		**$650,000**
4. 0576 DOTD - DISTRICT 07			
FERRY BOATS			
Cameron II 360-017	Cameron	Passenger & Vehicle Ferry	8,500,000
PONTOONS & BARGES			
Movable Pontoon Bridge 195-30-0093-1	Grand Lake	Vehicular Traffic Bridge	400,000
Movable Pontoon Bridge 382-04-0235-1	Bayou Black	Vehicular Traffic Bridge	525,000
	TOTAL 0576		**$9,425,000**
5. 0578 DOTD - DISTRICT 58			
PONTOONS & BARGES			
Ferry Landing Pontoon 305-035	Duty, LA	Landing Barge w/ Vehicle R	250,000
TUG BOATS			
W. F. Cooper 360-257	Duty, LA	Towing & Ferry Service	310,000
	TOTAL 0578		**$560,000**
6. 0580 DOTD - DISTRICT 62			
PONTOONS & BARGES			
	TOTAL 0580		**$0**
7. 0586 CRESCENT CITY CONNECTON DIVISION			
FERRY BOATS			
St. John 360-005	Port of New Orleans	Passenger & Vehicle Ferry	7,000,000
Thomas Jefferson 360-010	Port of New Orleans	Passenger & Vehicle Ferry	5,100,000
Louis B. Porterie 360-011	Port of New Orleans	Passenger & Vehicle Ferry	8,700,000
Capt. Neville Levy 360-021	Port of New Orleans	Passenger & Vehicle Ferry	10,000,000
Sen. Alvin Stumpf 360-022	Port of New Orleans	Passenger & Vehicle Ferry	10,000,000
Col. Frank Arminger 360-023	Port of New Orleans	Passenger & Vehicle Ferry	9,000,000
PONTOONS & BARGES			
Landing Pontoon 304-010	New Orleans/Winston	Ferry Dock	900,000
Landing Pontoon 304-011	Chalmette/Paris Rd.	Ferry Dock	900,000

VESSEL DESCRIPTION	WHERE IT IS OPERATED	HOW IT IS USED	HULL VALUE
Landing Pontoon 304-012	New Orleans/Jackson Ave.	Ferry Dock	910,000
Landing Pontoon 304-013	Gretna/Huey P. Long	Ferry Dock	950,000
Landing Pontoon 304-014	New Orleans/Canal St.	Ferry Dock	910,000
Dock Landing Pontoon - 166 ft. 304-015	Algiers point-Morgan street	Ferry Dock	890,000
Barge - 150 ft. Landing 304-016	Marine Maintenance Fac - Patterson	Maintenance/Landing Dock	490,000
Work Barge 305-084	Marine Maintenance Fac - Patterson	Marine Maintenance	800,000
TUG BOATS			
Blue Lenior 360-259	Port of New Orleans	Tug & Towing Service	850,000
	TOTAL 0586		**$57,400,000**

8. 0655 - SABINE RIVER AUTHORITY

LARGE BOATS OVER 26'

	TOTAL 0655		**$0**

9. 2030 LA STATE PENITENTIARY

PONTOONS & BARGES

Ferry Landing Pontoon 018051	Angola - Main Prison	Barge Landing	160,000
Ferry Landing Pontoon 018-052	Angola - Main Prison	Barge Landing	300,000
	TOTAL 0230		**$460,000**

10. 2815 DWLF/ENFORCEMENT

LARGE BOATS OVER 26'

Justice Boston Whaler 27' 974-27-009616	Houma/Thibodeaux Vrs Parishes	Law Enforcement	235,000
Patrol Boat #1 32 ft 974-27-010039	Off Coast Grande Isle	Law Enforcement	285,000
Patrol Boat #2 32 ft 974-27-010111	Off Coast Cameron& Vermillion	Law Enforcement	250,000
Patrol Boat #3 32 ft 974-27-010138	Off Coast St Mary Terrebonne Lafou	Law Enforcement	285,000
Patrol Boat #4 32 ft 974-27-010127	New Orleans Eastward to State Line	Law Enforcement	265,000
Patrol Boat #5 32 ft. 974-27-010555	Orleans, & Vrs Parishes	Law Enforcement	290,000
Patrol Boat #6 32 ft. 974-27-010552	Assumption & Vrs Parishes	Law Enforcement	265,000
Patrol Boat #7 32 ft. 974-27-010563	Cameron & Vermillion Parishes	Law Enforcement	270,000
Patrol Boat #8 27 ft. 974-27-010568	St. Landry & Vrs Parishes	Law Enforcement	220,000
Patrol Boat #9 27 ft. 974-27-010570	E. Baton Rouge & Vrs Parishes	Law Enforcement	225,000
Patrol Boat #11 97424-0012955	Grand Isle Marine Lab	Law Enforcement	379,500
Patrol Boat #12 32 ft. 97424-0013142	Off Coast of Cameron Parish	Law Enforcement	$176,829
Patrol Boat #13 32 ft. 97424-0013300	Statewide	Law Enforcement	$176,829
Patrol Boat #14 32 ft. 97424-0013304	Statewide	Law Enforcement	$176,829
Patrol Boat #15 32 ft. 97424-0013302	Statewide	Law Enforcement	$176,829
Patrol Boat #16 32 ft. 97424-0013314	Statewide	Law Enforcement	$176,829
Patrol Boat #17 32ft 97424-0013320	Statewide	Law Enforcement	$176,829
Patrol Boat #18 32 ft. 97424-0013326	Statewide	Law Enforcement	$176,829
Patrol Boat #19 40 ft. 97424-0013334	Statewide	Law Enforcement	$349,500
Patrol Boat #20 40 ft. 97424-0013438	Gulf of Mexico patrol	Law Enforcement	$349,500
	TOTAL 2815		**$4,906,303**

11. 2835 DWLF/FUR & REFUGE

LARGE BOATS OVER 26'

Canvasback 974-51-4480	Pass a Loutre	Transport Personnel	340,000
Skip Jack LA-664-PR - 28 ft	Rockefeller Refuge	Research	40,000

VESSEL DESCRIPTION	WHERE IT IS OPERATED	HOW IT IS USED	HULL VALUE
PONTOONS & BARGES			
Dragline Barge 80ft. WLF200	Statewide	Dragline/Crane	400,000
Steel Barge - 80 ft. WLF400	Statewide	Towing Service	450,000
Spud Barge #1 - 80 ft.	Statewide	Dragline/Crane	580,000
Dredge Barge 30 ft 974-51-1619	Marsh Island W.M.A.	Towing Supplies & Equip	50,000
Seismic Deck Barge 26.5 ft	Atchafalaya Delta	Transport supplies/peop	95,000
Pilot House Deck Barge 36 ft	Marsh Island W.M.A.	Transport supplies/peop	150,000
Barge26.5 ft 53-0020701	White Lake	Transport supplies	5,000
Living Quarters Barge	Coastwide	Living Quarters & Transportation of Supplies & Equipment	180,000
Deck Barge - 120 ft. #2935	Various - Gulf Coastline	Utility	700,000
Utility Barge - 80 ft.	Statewide	Utility	300,000
Cargo Barge - 30 ft.	Rockefeller Refuge	Towing Supp & Equip	40,000
Pilot House Deck Barge 36 ft 97453-00244	Atchafalaya	Trans. Of Persons,	131,500
Aluminum Deck Barge 28 ft 97427-0011523	Pass-A-Loutre WMA	Trans of Pers & Suppl.	59,929
TUG BOATS			
Brant (Mitzi Evelyn) 974-51-5260	Statewide	Towing Service	1,100,000
	TOTAL 2835		**$4,621,429**

VESSEL DESCRIPTION	WHERE IT IS OPERATED	HOW IT IS USED	HULL VALUE
12. 2855 DWLF/OFFICE OF FISHERIES - MARINE FISHERIES			
LARGE BOATS OVER 26'			
Sea Horse 974-61-1684	LA Coastal Waters	Shrimp/Oyster Sampler	310,000
Lady Fish Boston Whaler 27 ft. LA-0782PU	Calcasieu Lake/Coastal Waters	Shrimp/Oyster Sampler	140,000
Tarpon LA-137-PU	LA Coastal Waters	Research/Oyster Sampler	85,000
Mr. McIlhenny LA-0787-PT	State Wildlife Refuge	Transport Personnel	300,000
Percy Viosca LA-1715-PU	LA Coastal Waters	Bio. Monitor/Crew Transfer	500,000
Barracuda 32 ft. 97463-002426	Grand Isle	Research & Assessment	161,311
Dorado 33 ft. 974-61-0005482	Grand Isle Area	Research & Fisheries	172,727
The Mexican Gulf 39 ft. 97461-0005545	Coastwide	Fish/Water Sampling	290,000
Cajun Odysea 33 ft. 97461-0005550	Coastwide	Fish/Water Sampling	320,000
PONTOONS & BARGES			
Joseph Robin 974-61-1554	LA Coastal Waters	Quarter Barge	550,000
Miss Jena 974-63-2368	LA Coastal Waters	Quarter Barge	200,000
	TOTAL 2855		**$3,029,038**
13. 2862 DWLF/RESEARCH AND ASSESSMENT			
LARGE BOATS OVER 26'			
Oil Response Boat #1	Jefferson, Lafourche & Plaquemines Parishes	Oil Response Work	192,297
	TOTAL 2862		**$192,297**
14. 4420 LSU COASTAL STUDIES INSTITUTE			
RESEARCH VESSEL			
Coastal Profiler 648190	LA Coastal Waters	Hydrographic Survey	325,000
	TOTAL 4420		**$325,000**
15. 4460 University of New Orleans			
RESEARCH VESSEL			
Fisk EUI12007 H707		Hydragraphic Survey	$144,000
	TOTAL 4460		**$144,000**
16. 5220 SOUTHEASTERN LA UNIV.			
PONTOONS & BARGES			
Pelican Sightseer LA-2116-PU	Pass Manchac	Tours/Environ Research	83,000
	TOTAL 5220		**$83,000**
17. 5960 LA UNIV MARINE CONSORTIUM			
LARGE BOATS 26' & OVER			
Acadiana 692280	Coastal Bays/Near LA Shore	Research/Scientific Sample	1,600,000
Pelican LA-812-PT	Continental Shelf Gulf of Mexico	Research/Ocean Sampler	3,100,000
	TOTAL 5960		**$4,700,000**
18. 7223 LA NAVAL WAR MEM. COMM.			
LARGE BOATS OVER 26'			
USS Kidd 376 ft.	Baton Rouge	Stationery Museum	550,000
	TOTAL 7223		**$550,000**
07/01/10-11 PREMIUM BILLED ORM			**$145,464,169**

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

1.1 "The Insured may cancel the policy by returning it to the company or by giving the company advance notice of the date cancellation is to take effect. The company may cancel or non-renew the policy by mailing to the Insured by 'Certified Mail, Return Receipt Requested' (at the Insured's last known address by the company) written notice of cancellation at least:

1.1.1 Thirty (30) days before the effective date of cancellation if cancellation is due to non-payment of premium; or

1.1.2 One Hundred Twenty (120) days notice if cancellation or non-renewal is due to any other reason.

The company may deliver any notice instead of mailing it. A signed return receipt will be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the policy period."

1.2 "The inclusion of more than one Named Insured in the policy shall not affect the rights of any Named Insured as respects any claim or suit by any other Named Insured or by an employee of such other Insured."

1.3 "The policy shall insure each Named Insured in the same manner as though a separate policy had been issued to each, but nothing contained herein shall operate to increase the company's liability as set forth elsewhere in this policy beyond the amount or amounts for which the company would have been liable if only one Insured had been named, without the prior written approval of the Named Insured."

1.4 "For the insurance afforded herein, the State Risk Director for the Office of Risk Management/Division of Administration, State of Louisiana is authorized to act for all Insureds respecting the giving and receiving of notice of cancellation, non-renewal or material change, receiving any return premium or dividend, and changing any provisions of this coverage. Such notice or changes shall be mailed in care of the Office of Risk Management/Division of Administration, Post Office Box 91106, Capitol Station, Baton Rouge, Louisiana 70821-9106."

1.5 "Neither the Insured nor the company may cancel or eliminate any Section or Coverage Part of the policy without the consent of the other party. If either party elects to cancel, only the policy in its entirety, and not a Section of the policy, is subject to cancellation unless the two parties agree that a Section(s) or Coverage Part(s) of the policy will be eliminated."

1.6 "For the insurance afforded herein each state agency shall be considered a separate risk and exclusions contained in the policy shall not be invoked between such state agencies."

Gulf Coast Marine, LLC
Marine Underwriters
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WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

2.1 "The policy of insurance is issued with the understanding that navigation is confined to the inland and coastal waters of the State of Louisiana with the exception of the M/V "PELICAN" and M/V "ACADIANA."

2.2 "In consideration of premium charged, it is agreed that coverage hereunder shall not be subject to any warranties of seaworthiness (other than as respects Hull coverage at the time of initial attachment) unless specifically expressed herein. This clause, however, shall not affect the due diligence provision of the Inchmaree Clause nor shall this clause be interpreted as extending coverage for losses due to seaworthiness as an insured peril."

2.3 "The policy of insurance shall provide under the Hull and Machinery feature, coverage including strikes, riots and civil commotion."

2.4 "The policy of insurance shall provide Protection and Indemnity coverage to include Cargo Legal Liability coverage and full Pollution coverage."

2.5 "Bidder/Contractor shall furnish automatic Hull and Liability coverage on all newly acquired owned vessels for thirty (30) days. Limit of automatic Hull coverage shall not exceed $5,000,000.00. Newly acquired shall be defined as the time at which the state has care, custody and control of the vessel."

2.6 "As respects confiscated or borrowed vessels, bidder/contractor shall furnish automatic Liability coverage only for ten (10) days."

2.7 "Contractor shall furnish automatic Hull (when required by lease agreement) and liability on leased vessels for ten (10) days. Automatic Hull coverage shall not exceed $5,000,000.00.

2.8 "It is understood and agreed that this insurance excludes all claims in respect to crew and/or employees of the Assured for injuries, sickness, and death, when such are compensable under the Louisiana Workers' Compensation Law, LSHWA, and Maritime."

2.9 "It is agreed that if, in the ordinary course of business, the Assured is required to grant releases from liabilities or arrange for waiver of Underwriters' Rights of Subrogation, privilege is hereby granted to do so, provided prompt notice of any such action be given underwriters."

2.10 "In the event of cancellation or elimination by the insurance company, return premium shall be pro-rata. In the event of cancellation or elimination by the Insured, return premium shall be pro-rata less 10%. In the event of disposal (or sale) of an insured vessel, the return premium shall be pro-rata."

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

2.11 "Assureds: With respect to: STATE OF LOUISIANA - DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT AND CRESCENT CITY CONNECTION DIVISION

The Crescent City Connection Division, formally referred to as the Mississippi River Bridge Authority, an Instrumentality of the State of Louisiana within the Department of Transportation and Development pursuant to Act 513 of 1976, Owner and the First National Bank of Commerce in New Orleans, Trustee, as their interests may appear.

Trading Warranty: Warranted by the Insured confined to the use and the navigation of the inland waters of the State of Louisiana.

Additional Assureds: With respect to vessels as per Schedules AA & BB as follows:

- Board of Commissioners of the Port of New Orleans
- Plaquemines Parish Commission Council

With respect to the Cable Ferry at the Bancker Canal Ferry location only:

- Police Jury of Vermillion Parish

(Warranted that provisions of Articles IV & VIII of the contract between Department of Transportation and Development and the Parish of Vermillion are fully and strictly complied with.)

SCHEDULE AA

Ferry Boats:
1. "Louis B. Porterie"
2. "Thomas Jefferson"
3. "Captain Neville Levy"
4. "Colonel Frank X. Armiger"
5. "Senator Alvin T. Stumpf"
6. "St. John"

SCHEDULE BB

Pontoons:
1. Steel Pontoon - New Orleans, Winston Landing
2. Steel Pontoon - Chalmette Side, Paris Road Landing
3. Steel Pontoon - New Orleans Side, Jackson Avenue Landing
4. Steel Pontoon - Gretna, Huey P. Long Landing
5. Steel Pontoon - New Orleans Side, Canal Street Landing
6. Steel Pontoon - Algiers, Bouny Landing

Gulf Coast Marine, LLC
Marine Underwriters
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WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

2.12 "This policy covers automatically each vessel acquired, purchased or bareboat chartered by the Assured up to the following maximum limits of liability:

$ 5,000,000.00	-	Hull and Machinery
$ 100,000,000.00	-	Protection and Indemnity

The agreed valuation under this clause shall be as follows:

1. With respect to Purchased Vessels:

   The Purchase Price.

2. With respect to Bareboat Chartered Vessels:

   The amount set forth in the charter party executed by Assured and Vessel Owner, or in the event of an oral bareboat charter, the amount agreed upon by the Assured and Owner; but in no event shall the amount be more than the original purchase price, or the amount the bareboat chartered vessel for which it was insured prior to being chartered to the Assured.

It is further agreed that the Assured shall give notice where practicable prior to such acquisition, and in any event within thirty (30) days after the acquisition of any vessel. Premium shall be paid at pro-rata to be agreed."

2.13 "It is understood and agreed with respect to the vessels 'Pelican' and 'Acadiana' only, the Navigation Warranty is amended to read as follows:

Warranted by the Assured confined to the use and navigation of the inland and coastal waters of Texas, Louisiana, Mississippi, Alabama and Florida including the entire Gulf of Mexico excluding the waters of Cuba and Mexico."

2.14 "It is understood and agreed, with respect to vessels other than the 'Pelican' and the 'Acadiana', the Navigation Warranty is amended to read as follows:

Warranted by the Assured confined to the use and navigation of the inland and coastal waters of the State of Louisiana."

2.15 "It is understood and agreed that Underwriters' Rights of Subrogation shall be considered waived against all Louisiana Domicile Political Subdivisions."

Gulf Coast Marine, LLC
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WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

2.16 "It is understood and agreed that the company shall name LOOP, INC. as an Additional Insured as respects the following described vessels which are insured under (2855) Saltwater Fish Division - Marine Fisheries -- Department of Wildlife and Fisheries:

Vessel Description

1. "SHARK" #LA-170-PS

2. "TARPON" #LA-1379-PU

It is further understood and agreed that the company hereby waives its right of subrogation against LOOP, LLC as respects the vessels listed above. However, said waiver shall apply only to the extent to which the Named Insured has, in writing, waived such right against LOOP, LLC.

In the event of cancellation of, or material change in this policy by this company, at least thirty (30) days prior written notice of such shall be given to the below listed concern:

LOOP, LLC
Oil Center
2150 Westbank Expressway
Harvey, Louisiana 70058

2.17 "It is understood and agreed that the following wording is added to this policy:

OTTO CANDIES, INC.

Permission is granted to charter the vessel(s) to OTTO CANDIES, INC. and/or its subsidiary or affiliated companies; and during the term of any such charter OTTO CANDIES, INC., its subsidiaries and affiliates, and/or any company, partnership, or individual operating the vessel, and/or anyone for whom the vessel(s) is/are working, shall be considered as Additional Insureds hereunder, and Underwriters' Rights of Subrogation against them and all rights under loan receipt or other such instrument are waived.

The coverage afforded to such Additional Assureds hereunder shall be in all respects and in all events identical with the coverage afforded to the owner of the vessel(s) named herein, and any limitation of coverage to loss, damage, or expense "as owner" or any other provision herein inconsistent with the coverage of such Additional Assureds identically with owners shall, as to such Additional Assureds, be deemed deleted.

Gulf Coast Marine, LLC
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WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

It is expressly agreed that the insurance afforded by this policy is, and for all purposes shall be deemed to be primary of all other insurance, and any "other insurance clause" contained in this policy is hereby deleted.

This company agrees to give thirty (30) days prior written notice to OTTO CANDIES, INC. in the event of cancellation or material change in this policy.

Further, with respect to the Assured's operation with OTTO CANDIES, INC., the following clause is applicable:

CROSS LIABILITIES:

In the event of one of the Assureds incurring liability to any other of the Assureds, this policy shall cover the Assured against whom claims is or may be made in the same manner as if separate policies had been issued to each Assured. Nothing contained herein shall operate to increase Underwriters' limit of liability as set forth in this policy."

2.18 While the vessel M/V "PELICAN" is insured hereunder, it is understood and agreed that the following Company(s) shall be considered an Additional Insured hereunder and underwriters' Rights of Subrogation shall be considered waived against said Company(s), but only during such time as the vessel(s) insured hereunder is/are actually working for said Company(s). In the event of cancellation or material change of this policy/certificate thirty (30) days prior written notice days will be given to:

SCIENCE APPLICATIONS INTERNATIONAL CORPORATION (SAIC)

THE NATIONAL SCIENCE FOUNDATION

While the vessel M/V "ACADIANA" is insured hereunder, it is understood and agreed that the following Company(s) shall be considered an Additional Insured hereunder and underwriters' Rights of Subrogation shall be considered waived against said Company(s), but only during such time as the vessel(s) insured hereunder is/are actually working for said Company(s). In the event of cancellation or material change of this policy/certificate thirty (30) days prior written notice days will be given to:

REGENTS OF THE UNIVERSITY OF CA

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

WITH RESPECT TO ALL SECTIONS OF THIS POLICY --

2.19 The provisions of the following Nuclear Exclusion Clause are hereby made a part of this policy:

NUCLEAR EXCLUSION CLAUSE:

This Policy does not insure against loss or damage caused by or resulting from nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy; however, subject to the foregoing and all provisions of this policy, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.

2.20 The maximum deductible for Hull Insurance, Protection and Indemnity and Towers/Collision Liability for any one occurrence is $1,000,000.00.

MANDATORY CLAUSES FOR POLICIES ISSUED IN THE U.S.A.

AIMU U. S. ECONOMIC AND TRADE SANCTIONS CLAUSE

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

AIMU-EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE WITH U.S.A. ENDORSEMENT (March 1, 2003)

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

    1.1 ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.

    1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.

    1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

    1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE (U.S.A. ENDORSEMENT)

This insurance is subject to the Extended Radioactive Contamination Exclusion Clause (March 1, 2003) provided that

if fire is an insured peril

and

where the subject matter is within the U.S.A., its islands, onshore territories or possessions

and

a fire arises directly or indirectly from one or more of the causes detailed in Sub-Clauses 1.1., 1.2, and 1.4 of the Extended Radioactive Contamination Exclusion Clause March 1, 2003 any loss or damage arising directly from that fire shall, subject to the provisions of this insurance, be covered, EXCLUDING however any loss, damage, liability or expense caused by nuclear reaction, nuclear radiation, or radioactive contamination arising directly or indirectly from that fire.

AIMU-CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, AND ELECTROMAGNETIC EXCLUSION CLAUSE (March 1, 2003)

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from an actual or threatened act involving a chemical, biological, bio-chemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.

LIMITATION OF LIABILITY

In the event the Assured is entitled to limit its liability as a vessel owner or otherwise, the maximum limit of liability of the underwriters subscribing to this policy, if any, shall be the amount of such limitations, provided, however, in no event shall the limit of liability of underwriters subscribing to this policy exceed the amount of the monetary limits stated in this policy.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

SECTION HM

Where the word "policy" appears herein, it shall be deemed to read "section".

THIS SECTION IS A SEPARATE INSURANCE BUT IS SUBJECT ALWAYS TO THE OTHER TERMS AND CONDITIONS STATED IN THIS POLICY EXCEPT FOR THE TERMS AND CONDITIONS ATTACHED TO AND FORMING PART OF SECTIONS PI, PL AND XP.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

WITH RESPECT TO SECTION HM OF THIS POLICY --

DEDUCTIBLE:

The deductible amount deemed to be inserted in the attached

American Institute Hull Clauses (Line 30)
and
American Institute Tug Form (Lines 36 and 37)

shall be

$1,000,000.00 per occurrence

American Institute

S. R. & C. C. Endorsement (Hulls)
September 8, 1959

87 B-46
(Revised)

In consideration of an additional premium, as provided below, this insurance is extended to cover additional risks, from and after

Inception in accordance with the following clause:-

"This insurance also covers damage to or destruction of the property insured directly caused by strikers, locked out workmen, or persons taking part in labor disturbances or riots or civil commotions or caused by vandalism, sabotage, or malicious mischief, but excluding civil war, revolution, rebellion or insurrection, or civil strife arising therefrom, and warranted free from any claim for delay, detention or loss of use, and free from all loss, damage or expense caused by any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or matter.

Notwithstanding the exclusions in the F. C. & S. Clause in the within policy 'vandalism,' 'sabotage,' and 'malicious mischief,' as used herein, shall be construed to include wilful or malicious physical injury to or destruction of the described property caused by acts committed by an agent of any Government, party or faction engaged in war, hostilities, or other warlike operations, provided such agent is acting secretly and not in connection with any operations of military or naval armed forces in the country where the described property is situated."

Until further notice the Assured shall pay, for the additional protection afforded by the above clause, an additional premium of included percent. The Underwriters have the right nevertheless to change this rate at any time on 15 days written notice to the Assured; but the Assured shall have the option to cancel this endorsement as of the time when such change of rate would take effect, provided previous notice of such cancellation be given to the Underwriters. The rate may be changed as above notwithstanding strikes, labor troubles or civil commotions, on board the vessel or elsewhere, may be threatened or actually exist either at the time when such notice is given or when it takes effect.

American Institute Hull Clauses

- WITH RESPECT TO NON-TOWING VESSELS -

(June 2, 1977)

To be attached to and form a part of Policy No. GCM 11540 of the Subscribing Underwriters

The terms and conditions of the following clauses are to be regarded as substituted for those of the policy form to which they are attached, the latter being hereby waived, except provisions required by law to be inserted in the Policy. All captions are inserted only for purposes of reference and shall not be used to interpret the clauses to which they apply.

ASSURED

This Policy insures STATE OF LOUISIANA hereinafter referred to as the Assured.

If claim is made under this Policy by anyone other than the Owner of the Vessel, such person shall not be entitled to recover to a greater extent than would the Owner, had claim been made by the Owner as an Assured named in this Policy.

Underwriters waive any right of subrogation against affiliated, subsidiary or interrelated companies of the Assured, provided that such waiver shall not apply in the event of a collision between the Vessel and any vessel owned, demise chartered or otherwise controlled by any of the aforesaid companies, or with respect to any loss, damage or expense against which such companies are insured.

LOSS PAYEE

Loss, if any, payable to Assured or order.

Provided, however, Underwriters shall pay claims to others as set forth in the Collision Liability clause and may make direct payment to persons providing security for the release of the Vessel in Salvage cases.

VESSEL

The Subject Matter of insurance is the Vessel called the As Per Schedule or by whatsoever name or names the said Vessel is or shall be called, which for purposes of this insurance shall consist of and be limited to her hull, launches, lifeboats, rafts, furniture, bunkers, stores, supplies, tackle, fittings, equipment, apparatus, machinery, boilers, refrigerating machinery, insulation, motor generators or other electrical machinery.

In the event any equipment or apparatus not owned by the Assured is installed for use on board the Vessel and the Assured has assumed responsibility therefor, it shall also be considered part of the Subject Matter and the aggregate value thereof shall be included in the Agreed Value.

Notwithstanding the foregoing, cargo containers, barges and lighters shall not be considered a part of the Subject Matter of this insurance.

DURATION OF RISK

From the 1st day of July 2011, Noon, Central Standard time
to the 1st day of July 2012, Noon, Central Standard time

Should the Vessel at the expiration of this Policy be at sea, or in distress, or at a port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium to her port of destination.

In the event of payment by the Underwriters for Total Loss of the Vessel this Policy shall thereupon automatically terminate.

AGREED VALUE

The Vessel, for so much as concerns the Assured, by agreement between the Assured and the Underwriters in this Policy, is and shall be valued at As Per Schedule Dollars.

AMOUNT INSURED HEREUNDER

As Per Schedule Dollars.

DEDUCTIBLE

Notwithstanding anything in this Policy to the contrary, there shall be deducted from the aggregate of all claims (including claims under the Sue and Labor clause and claims under the Collision Liability clause) arising out of each separate accident, the sum of $ Per Schedule, unless the accident results in a Total Loss of the Vessel in which case this clause shall not apply. A recovery from other interests, however, shall not operate to exclude claims under this Policy provided the aggregate of such claims arising out of one separate accident if unreduced by such recovery exceeds that sum. For the purpose of this clause each accident shall be treated separately, but it is agreed that (a) a sequence of damages arising from the same accident shall be treated as due to that accident and (b) all heavy weather damage, or damage caused by contact with floating ice, which occurs during a single sea passage between two successive ports shall be treated as though due to one accident.

PREMIUM

The Underwriters to be paid in consideration of this insurance As Agreed Dollars being at the annual rate of As Agreed per cent, which premium shall be due on attachment. If the Vessel is insured under this Policy for a period of less than one year at pro rata of the annual rate, full annual premium shall be considered earned and immediately due and payable in the event of Total Loss of the Vessel.

RETURNS OF PREMIUM

~~Premium returnable as follows:~~

~~Pro rata daily net in the event of termination under the Change of Ownership clause;~~

~~Pro rata monthly net for each uncommenced month if it be mutually agreed to cancel this Policy;~~

~~For each period of 30 consecutive days the vessel may be laid up in port for account of the Assured;~~

~~_____ cents per cent, net not under repair, or~~

~~_____ cents per cent, net under repair;~~

~~provided always that:~~

~~(a) a Total Loss of the Vessel has not occurred during the currency of this Policy;~~
~~(b) in no case shall a return for lay-up be allowed when the Vessel is lying in exposed or unprotected waters or in any location not approved by the Underwriters.~~
~~(c) in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly;~~
~~(d) in no case shall a return be allowed when the Vessel is used as a starage ship or for lightering purposes.~~
~~If the Vessel is laid up for a period of 30 consecutive days, a part only of which attaches under this Policy, the Underwriters shall pay such pro- portion of the return due in respect of a full period of 30 days as the number of days attaching hereto bears to 30. Should the lay-up period exceed 30 consecutive days, the Assured shall have the option to elect the period of 30 consecutive days for which a return is recoverable.~~

NON-PAYMENT OF PREMIUM

In event of non-payment of premium 30 days after attachment, or of any additional premium when due, this Policy may be cancelled by the Under writers upon 10 days written or telegraphic notice sent to the Assured at this last known address or in care of the broker who negotiated this Policy. Such proportion of the premium, however, as shall have been earned up to the time of cancellation shall be payable. In the event of Total Loss of the Vessel occurring prior to any cancellation or termination of this Policy full annual premium shall be considered earned.

ADVENTURE

Beginning the adventure upon the Vessel, as above, and so shall continue and endure during the period aforesaid, as employment may offer, in port or at sea, in docks and graving docks, and on ways, gridirons and pontoons, at all times, in all places, and on all occasions, services and trades; with leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but the Vessel may not be towed, except as is customary or when in need of assistance, nor shall the Vessel render assistance or undertake towage or salvage services under contract previously arranged by the Assured, the Owners, the Managers or the Charterers of the Vessel, nor shall the Vessel, in the course of trading operations, engage in loading or discharging cargo at sea, from or into another vessel other than a barge, lighter or similar craft used principally in harbors or inland waters. The phrase "engage in loading or discharging cargo at sea" shall include while approaching, leaving or alongside, or while another vessel is approaching, leaving or alongside the Vessel.

The Vessel is held covered in case of any breach of conditions as to cargo, trade, locality, towage or salvage activities, or date of sailing, or loading or discharging cargo at sea, provided (a) notice is given to the Underwriters immediately following receipt of knowledge thereof by the Assured, and (b) any amended terms of cover and any additional premium required by the Underwriters are agreed to by the Assured.

PERILS

Touching the Adventures and Perils which the Underwriters are contented to bear and take upon themselves, they are of the Seas, Men-of-War, Fire, Lightning, Earthquake, Enemies, Pirates, Rovers, Assailing Thieves, Jettisons, Letters of Mart and Counter-Mart, Surprisals, Taking at Sea, Arrests, Restraints and Detainments of all Kings, Princes and Peoples, of what nation, condition or quality soever, Barratry of the Master and Mariners and of all other like Perils, Losses and Misfortunes that have or shall come to the Hurt, Detriment or Damage of the Vessel, or any part thereof, excepting, how-ever, such of the foregoing perils as may be excluded by provisions elsewhere in the Policy or by endorsement thereon.

ADDITIONAL PERILS (INCHMAREE)

Subject to the conditions of this Policy, this insurance also covers loss of or damage to the Vessel directly caused by the following:

Accidents in loading, discharging or handling cargo, or in bunkering;
Accidents in going on or off, or while on drydocks, graving docks, way, gridirons or pontoons;
Explosions on shipboard or elsewhere;
Breakdown of motor generators or other electrical machinery and electrical connections thereto, bursting of boilers, breakage of shafts, or any latent defect in the machinery or hull, (excluding the cost and expense of replacing or repairing the defective part);
Breakdown of or accidents to nuclear installations or reactors not on board the insured Vessel:
Contact with aircraft, rockets or similar missiles, or with any land conveyance;
Negligence of Charterers and/or Repairers, provided such Charterers and/or Repairers are not an Assured hereunder;
Negligence of Masters, Officers, Crew or Pilots;

provided such loss or damage has not resulted from want of due diligence by the Assured, the Owners or Managers of the Vessel, or any of them. Masters, Officers, Crew or Pilots are not to be considered Owners within the meaning of this clause should they hold shares in the Vessel.

DELIBERATE DAMAGE (POLLUTION HAZARD)

Subject to the conditions of this Policy, this insurance also covers loss of or damage to the Vessel directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the Vessel for which the Underwriters are liable under this Policy, provided such act of governmental authorities has not resulted from want of due diligence by the Assured, the Owners, or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat. Masters, Officers, Crew or Pilots are not to be considered Owners within the meaning of this clause should they hold shares in the Vessel.

CLAIMS (GENERAL PROVISIONS)

In the event of any accident or occurrence which could give rise to a claim under this Policy, prompt notice thereof shall be given to the Underwriters, and:

(a) where practicable, the Underwriters shall be advised prior to survey, so that they may appoint their own surveyor, if they so desire;
(b) the Underwriters shall be entitled to decide where the Vessel shall proceed for docking and/or repair (allowance to be made to the Assured for the actual additional expense of the voyage arising from compliance with Underwriters' requirement);
(c) the Underwriters shall have the right to veto in connection with any repair firm proposed;
(d) the Underwriters may take tenders, or may require in writing t hat tenders be taken for the repair of the Vessel, in which event, upon acceptance of a tender with the approval of the Underwriters, an allowance shall be made at the rate of 30 per cent, p er annum on the amount insured, for each day or pro rata for part of a day, for time lost between the issuance of invitations to tender and the acceptance of a tender, to the extent that such time is lost solely as the result of tenders having been taken and provided the tender is accepted without delay after receipt of the Underwriters' approval.

Due credit shall be given against the allowances in (b) and (d) above for any amount recovered:

(1) in respect of fuel, stores, and wages and maintenance of the Master, Officers or Crew allowed in General and Particular Average;
(2) from third parties in respect of damages for detention and/or loss of profit and/or running expenses;

for the period covered by the allowances or any part thereof.

No claim shall be allowed in Partic ular Average for wages and maintenance of the Master, Officers or Crew, except when incurred solely for the necessary removal of the Vessel from one port to another for average repairs or for trial trips to test average repairs, in which cases wages and maintenance will be allowed only while the Vessel is under way. This exclusion shall not apply to overtime or similar extraordinary payments to the Master, Officers or Crew incurred in shifting the Vessel for tank cleaning or repairs or while specifically engaged in these activities, either in port or at sea.

General and Particular Average shall be payable without deduction, new for old.
The expense of sighting the bottom after stranding shall be paid, if reasonably incurred especially for that purpose, even if no damage be found.
No claim shall in any case be allowed in respect of scraping or painting the Vessel's bottom.
In the event of loss or damage to equipment or apparatus not owned by the Assured but installed for use on board the Vessel and for which the Assured has assumed responsibility, claim shall not exceed (1) the amount the Underwriters would pay if the Assured were owner of such equipment or apparatus, or (2) the contractual responsibility assumed by the Assured to the owners or lessors thereof, whichever shall be less.
No claim for unrepaired damages shall be allowed, except to the extent that the aggregate damage caused by perils insured against during the period of the Policy and left unrepaired at the expiration of the Policy shall be demonstrated by the Assured to have diminished the actual market value of the Vessel on that date if undamaged by such perils.

GENERAL AVERAGE AND SALVAGE

General Average and Salvage shall be payable as provided in the contract of affreightment, or failing such provision or there be no contract of affreightment, payable at the Assured's election either in accordance with York-Antwerp Rules 1950 or 1974 or with the Laws and Usages of the Port of New York. Provided always that when an adjustment according to the laws and usages of the port of destination is properly demanded by the owners of the cargo, General Average shall be paid accordingly.
In the event of salvage, towage or other assistance being rendered to the Vessel by any vessel belonging in part or in whole to the same Owners or Charterers, the value of such services (without regard to the common ownership or control of the vessels) shall be ascertained by arbitration in the manner provided for under the Collision Liability clause in this Policy, and the amount so awarded so far as applicable to the interest hereby insured shall constitute a charge under this Policy.
When the contributory value of the Vessel is greater than the Agreed Value herein, the liability of the Underwriters for General Average contribution (except in respect to amounts made good to the Vessel), or Salvage, shall not exceed that proportion of the total contribution due from the Vessel which the amount insured hereunder bears to the contributory value, and if, because of damage for which the Underwriters are liable as Particular Average, the value of the Vessel has been reduced for the purpose of contribution, the amount of such Particular Average damage recoverable under this Policy shall first be deducted from the amount insured hereunder, and the Underwriters shall then be liable only for the proportion which such net amount bears to the contributory value.

TOTAL LOSS

In ascertaining whether the Vessel is a constructive Total Loss the Agreed Value shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Vessel or wreck shall be taken into account.
There shall be no recovery for a constructive Total Loss hereunder unless the expense of recovering and repairing the Vessel would exceed the Agreed Value. In making this determination, only expenses incurred or to be incurred by reason of a single accident or a sequence of damages arising from the same accident shall be taken into account, but expenses incurred prior to tender of abandonment shall not be considered if such are to be claimed separately under the Sue and Labor clause.
In the event of Total Loss (actual or constructive), no claim to be made by the Underwriters for freight, whether notice of abandonment has been given or not.
In no case shall the Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period cover by this Policy.

SUE AND LABOR

And in case of any Loss or Misfortune, it shall be lawful and necessary for the Assured, their Factors, Servants and Assigns, to sue, labor and travel for, in, and about the defense, safeguard and recovery of the Vessel, or any part thereof, without prejudice to this Insurance, to the charges whereof the Underwriters will contribute their proportion as provided below. And it is expressly declared and agreed that no acts of the Underwriters or Assured in recovering, saving and preserving the Vessel shall be considered as a waiver or acceptance of abandonment.
In the event of expenditure under the Sue and Labor clause, the Underwriters shall pay the proportion of such expenses that the amount insured hereunder bears to the Agreed Value, and that the amount insured hereunder (less loss and/or damage payable under this Policy) bears to the actual value of the salved property, whichever proportion shall be less; provided always that their liabilityfor such expenses shall not exceed their proportionate part of the Agreed Value.
If claim for Total Loss is admitted under this Policy and sue and labor expenses have been reasonably incurred in excess of any proceeds realized or value recovered, the amount payable under this Policy will be the proportion of such excess that the amount insured hereunder (without deduction for loss or damage) bears to the Agreed Value or to the sound value of the Vessel at the time of the accident, whichever value was greater; provided always that Underwriters' liability for such expenses shall not exceed their proportionate part of the Agreed Value. The foregoing shall also apply to expenses reasonably incurred in salving or attempting to salve the Vessel and other property to the extent that such expenses shall be regarded as having been incurred in respect of the Vessel.

COLLISION LIABILITY

And it is further agreed that:
a) if the Vessel shall come into collision with any other ship or vessel, and the Assured or the Surety in consequence of the Vessel being at fault shall become liable to pay and shall pay by way of damages to any other person or persons any sum or sums in respect of such collision, the Underwriters will pay the Assured or the Surety, whichever shall have paid, such proportion of such sum or sums so paid as their respective subscriptions hereto bear to the Agreed Value, provided always that their liability in respect to any one such collision shall not exceed their proportionate part of the Agreed Value;
(b) in cases where, with the consent in writing of a majority (in amount) of Hull Underwriters, the liability of the Vessel has been contested, or proceedings have been taken to limit liability, the Underwriters will also pay a like proportion of the costs which the Assured shall thereby incur or be compelled to pay.

When both vessels are to blame, then, unless the liability of the owners or charterers of one or both such vessels becomes limited by law, claims under the Collision Liability clause shall be settled on the principle of Cross-Liabilities as if the owners or charterers of each vessel had been compelled to pay to the owners or charterers of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of such collision.
The principles involved in this clause shall apply to the case where both vessels are the property, in part or in whole, of the same owners or charterers, all questions of responsibility and amount of liability as between the two vessels being left to the decision of a single Arbitrator, if the parties can agree upon a single Arbitrator, or failing such agreement, to the decision of Arbitrators, one to be appointed by the Assured and one to be appointed by the majority (in amount) of Hull Underwriters interested; the two Arbitrators chosen to choose a third Arbitrator before entering upon the reference, and the decision of such single Arbitrator, or of any two of such three Arbitrators, appointed as above, to be final and binding.
Provided always that this clause shall in no case extend to any sum which the Assured or the Surety may become liable to pay or shall pay in consequence of, or with respect to:
(a) removal or disposal of obstructions, wrecks or their cargoes under statutory powers or otherwise pursuant to law;
(b) injury to real or personal property of every description;
(c) the discharge, spillage, emission or leakage of oil, petroleum products, chemicals or other substances of any kind or description whatsoever;
(d) cargo or other property or the engagements of the Vessel;
(e) loss of life, personal injury or illness.
Provided further that exclusion (b) and (c) above shall not apply to injury to other vessels or property thereon except to the extent that such injury arises out of any action taken to avoid, minimize or remove any discharge, spillage, emission or leakage described in (c) above.

PILOTAGE AND TOWAGE

This insurance shall not be prejudiced by reason of any contract limiting in whole or in part the liability of pilots, tugs, towboats, or their owners when the Assured or the agent of the Assured accepts such contract in accordance with established local practice.

Where in accordance with such practice, pilotage or towage services are provided under contract requiring the Assured or the agent of the Assured:

(a) to assume liability for damage resulting from collision of the Vessel insured with any other ship or vessel, including the towing vessel, or

(b) to indemnify those providing the pilotage or towage services against loss or liability for any such damages,

it is agreed that amount paid by the Assured or Surety pursuant to such assumed obligations shall be deemed payments "by way of damages to any other person or persons" and to have been paid "in consequence of the Vessel being at fault" within the meaning of the Collision Liability clause in this Policy to the extent that such payments would have been covered if the Vessel had been legally responsible in the absence of any agreement. Provided always that in no event shall the aggregate amount of liability of the Underwriters under the Collision Liability clause, including this clause, be greater than the amount of any statutory limitation of liability to which owners are entitled or would be entitled if liability under any contractual obligation referred to in this clause were included among the liabilities subject to such statutory limitations.

CHANGE OF OWNERSHIP

In the event of any change, voluntary or otherwise, in the ownership or flag of the Vessel, or if the Vessel be placed under new management, or be chartered on a bareboat basis or requisitioned on that basis, or if the Classification Society of the Vessel or her class therein be changed, cancelled or withdrawn, then, unless the Underwriters agree thereto in writing, this Policy shall automatically terminate at the time of such change of ownership, flag, management, charter, requisition or classification; provided, however, that:

(a) if the Vessel has cargo on board and has already sailed from her loading port, or is at sea in ballast, such automatic termination shall, if required, be deferred until arrival at final port of discharge if with cargo, or at port of destination if in ballast;

(b) in the event of any involuntary temporary transfer by requisition or otherwise, without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such transfer.

This insurance shall not inure to the benefit of any transferee or charterer of the Vessel and, If a loss payable hereunder should occur between the time of change or transfer and any deferred automatic termination, the Underwriters shall be subrogated to all of the rights of the Assured against the transferee or charterer in respect of all or part of such loss as is recoverable from the transferee or charterer, and in the proportion which the amount insured hereunder bears to the Agreed Value.

The term "new management" as used above refers only to the transfer of the management of the Vessel from one firm or corporation to another, and it shall not apply to any internal changes within the offices of the Assured.

ADDITIONAL INSURANCES

It is a condition of this Policy that no additional insurance against the risk of Total Loss of the Vessel shall be effected to operate during the currency of this Policy by or for account of the Assured, Owners, Managers, Operators or Mortgagees except on the interests and up to the amounts enumerated in the following Sections (a) to (g), inclusive, and no such insurance shall be subject to P.P.I., F.I.A. or other like term on any interest whatever excepting those enumerated in Section (a); provided always and notwithstanding the limitation on recovery in the Assured clause a breach of this condition shall not afford the Underwriters any defense to a claim by a Mortgagee who has accepted this Policy without knowledge of such breach:

(a) DISBURSEMENTS, MANAGERS' COMMISSIONS, PROFITS OR EXCESS OR INCREASED VALUE OF HULL AND MACHINERY, AND/OR SIMILAR INTERESTS HOWEVER DESCRIBED, AND FREIGHT (INCLUDING CHARTERED FREIGHT OR ANTICIPATED FREIGHT) INSURED FOR TIME. An amount not exceeding in the aggregate 25% of the Agreed Value.

(b) FREIGHT OR HIRE, UNDER CONTRACTS FOR VOYAGE. An amount not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the amount shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any amount permitted under this Section shall be reduced as the freight or hire is earned, by the gross amount so earned. Any freight or hire to be earned under the form of Charters described in (d) below shall not be permitted under this Section (b) if any part thereof is insured as permitted under said Section (d).

(c) ANTICIPATED FREIGHT IF THE VESSEL SAILS IN BALLAST AND NOT UNDER CHARTER. An amount not exceeding the anticipated gross freight on next cargo passage, such amount to be reasonably estimated on the basis of current rate of freight at time of insurance, plus the charges of insurance. Provided, however, that no insurance shall be permitted by this Section if any insurance is effected as permitted under Section (b).

(d) TIME CHARTER HIRE OR CHARTER HIRE FOR SERIES OF VOYAGES. An amount not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any amount permitted under this Section shall be reduced as the hire is earned under the charter by 50% of the gross amount so earned but, where the charter is for a period not exceeding 18 months, the amount insured need not be reduced while it does not exceed 50% of the gross hire still to be earned under the charter. An insurance permitted by this Section may begin on the signing of the charter.

(e) PREMIUMS. Any amount not exceeding the actual premiums of all interest insured for a period not exceeding 12 months (excluding premiums insured as permitted under the foregoing Sections be including, if required, the premium or estimated calls on any Protection and Indemnity or War Risks and Strikes insurance) reducing pro rata monthly.

(f) RETURNS OF PREMIUM. An amount not exceeding the actual returns which are recoverable subject to "an arrival" or equivalent provision under any policy of insurance.

(g) INSURANCE IRRESPECTIVE OF AMOUNT AGAINST:--Risks excluded by War, Strikes and Related Exclusions clause; risks enumerated in the American Institute War Risks and Strikes Clauses; and General Average and Salvage Disbursements.

WAR STRIKES AND RELATED EXCLUSIONS

The following conditions shall be paramount and shall supersede and nullify any contrary provisions of the Policy.

This Policy does not cover any loss, damage or expense caused by, resulting from, or incurred as a consequence of:

(a) Capture, seizure, arrest, restraint or detainment, or any attempt thereat; or

(b) Any taking of the Vessel, by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; or

(c) Any mine, bomb or torpedo not carried as cargo on board the Vessel; or

(d) Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or

(e) Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy; or

(f) Strikes, lockouts, political or labor disturbances, civil commotions, riots, martial law, military or usurped power; or

(g) Malicious acts or vandalism, unless committed by the Master or Mariners and not excluded elsewhere under this War Strikes and Related Exclusions clause; or

(h) Hostilities or warlike operations (whether there be a declaration of war or not) but this subparagraph (h) not to exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating object, or stranding, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power which act is independent of the nature of the voyage or service which the Vessel concerned or, in the case of a collision, any other vessel involved therein, is performing. As used here, "power" includes any authority maintaining, naval, military or air forces in association with a power.

If war risks or other risks excluded by this clause are hereafter insured by endorsement on this Policy, such endorsement shall supersede the above conditions only to the extent that the terms of such endorsement are inconsistent therewith and only while such endorsement remains in force.

American Institute
TUG FORM
(August 1, 1976)

- WITH RESPECT TO TOWING VESSELS -

To be attached to and form a part of Policy No. GCM 11540
of the Subscribing Underwriters.

The terms and conditions of the following clauses are to be regarded as substituted for those of the policy form to which they are attached, the latter being hereby waived, except provisions required by law to be inserted in the Policy. All captions are inserted only for purposes of reference and shall not be used to interpret the clauses to which they apply.

ASSURED

This Policy insures STATE OF LOUISIANA hereinafter referred to as the Assured.

If claim is made under this Policy by anyone other than the Owner of the Vessel, such person shall not be entitled to recover to a greater extent than would the Owner, had claim been made by the Owner as an Assured named in this Policy.

Underwriters waive any right of subrogation against affiliated, subsidiary or interrelated companies of the Assured, provided that such waiver shall not apply in the event of a collision between the Vessel and any vessel owned, demise chartered or otherwise controlled by any of the aforesaid companies, or with respect to any loss, damage or expense against which such companies are insured.

LOSS PAYEE

Loss, if any, (excepting claims required to be paid to others under the Collision and Tower's Liability Clause), payable to Assured or order.

VESSEL

The Subject Matter of insurance is the Vessel called the As Per Schedule or by whatsoever name or names the said Vessel is or shall be called, which for purposes of this insurance shall consist of and be limited to her hull, launches, lifeboats, rafts, furniture, bunkers, stores, supplies, tackle, fittings, equipment, apparatus, machinery, boilers, refrigerating machinery, insulation, motor generators or other electrical machinery.

In the event any equipment or apparatus not owned by the Assured is installed for use on board the Vessel and the Assured has assumed responsibility therefor, it shall also be considered part of the Subject Matter and the aggregate value thereof shall be included in the Agreed Value.

In the event that more than one vessel is insured by this Policy, all of these clauses shall apply as though a separate policy had been issued with respect to each vessel.

TRADING WARRANTY

Warranted that the Vessel shall be confined to As Per Attached

Any breach of the Trading Warranty specified in this Policy shall result in a suspension thereof, provided, however, that on the return of the Vessel in a seaworthy condition to within the limit stated in the said Trading Warranty this Policy shall re-attach and continue in full force and effect but in no event beyond the normal expiry thereof.

DURATION OF RISK

From the 1st day of July 20 11, Noon, Central Standard time
to the 1st day of July 20 12, Noon, Central Standard time.

Should the Vessel at the expiration of this Policy be at sea, or in distress, or at a port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium to her port of destination.

In the event of payment by the Underwriters for Total Loss of the Vessel this Policy shall thereupon automatically terminate.

AGREED VALUE

The Vessel, for so much as concerns the Assured, by agreement between the Assured and the Underwriters in this Policy, is and shall be valued at As Per Schedule Dollars.

AMOUNT INSURED HEREUNDER

As Per Schedule Dollars.

PREMIUM

The Underwriters to be paid in consideration of this insurance As Agreed Dollars being at the annual rate of As Agreed per cent, which premium shall be due on attachment.

DEDUCTIBLE

Notwithstanding anything in this Policy to the contrary, there shall be deducted from the aggregate of all claims (including claims under the Sue and Labor clause and claims under the Collision Liability clause) arising out of each separate accident, the sum of $ Per Schedule, unless the accident results in a Total Loss of the Vessel in which case this clause shall not apply to the claim for the Total Loss of the Vessel and to claims under the Sue and Labor clause. A recovery from other interests, however, shall not operate to exclude claims under this Policy provided the aggregate of such claims arising out of one separate accident if unreduced by such recovery exceeds that sum. For the purpose of this clause each accident shall be treated separately, but it agreed that (a) a sequence of damages arising from the same accident shall be treated as due to that accident and (b) all heavy weather damage which occurs during a single sea passage between two successive ports shall be treated as though due to one accident.

~~RETURNS OF PREMIUM~~

~~Premium returnable as follows:~~

~~Pro rata daily net in the event of termination under the Change of Ownership clause;~~

~~Pro rata daily if this Policy be cancelled by the Underwriters;~~

~~short rate will be charged if this Policy be cancelled by the Assured;~~

~~_____ cents per cent, for each period of 30 consecutive days the Vessel may be laid up in port not under repair;~~

~~provided always that:~~

~~(a) from all return premiums the same percentage of deduction (if any) shall be made as was allowed by the Underwriters on receipt of the original premium;~~

~~(b) a Total loss of the vessel has not occurred during the currency of this Policy;~~

~~(c) in no case shall a return for lay-up be allowed when the Vessel is lying in exposed or unprotected waters or in any location not approved by the Underwriters;~~

~~(d) in the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly.~~

~~If the Vessel is laid up for a period of 30 consecutive days, a part only of which attaches under this Policy, the Underwriters shall pay such proportion of the return due in respect of a full period of 30 days as the number of days attaching hereto bears to 30. Should the lay-up period exceed 30 consecutive days, the Assured shall have the option to elect the period of 30 consecutive days for which a return is recoverable~~.

CANCELLATION

This policy may be cancelled either by the Underwriters or by the Assured giving a 15 days' written or telegraphic notice to the other. Underwriters' notice may be sent to the Assured's last known address or in care of the Broker who negotiated this Policy. In the event of Total loss of the Vessel occurring prior to any cancellation or termination of this Policy, full annual premium shall be considered earned.

ADVENTURE

Beginning the adventure upon the Vessel, as above, and so shall continue and endure during the period aforesaid, subject to all the terms, conditions and warranties of this Policy, as employment may offer, in port or at sea, in docks and graving docks, and on ways, gridirons and pontoons, at all times, in all places, and on all occasions.

PERILS

Touching the Adventures and Perils which the Underwriters are contented to bear and take upon themselves, they are of the Seas, Waters named herein, Fire, Lightning, Earthquake, Assailing Thieves, Jettisons, Barratry of the Master and Mariners and all other like Perils that shall come to the Hurt, Detriment or Damage of the Vessel.

ADDITIONAL PERILS (INCHMAREE)

Subject to the conditions of this Policy, this insurance also covers loss of or damage to the Vessel directly caused by the following:

Accidents in loading, discharging or handling cargo, or in bunkering;
Accidents in going on or off, or while on drydocks, graving docks, way, gridirons or pontoons;
Explosions on shipboard or elsewhere;
Breakdown of motor generators or other electrical machinery and electrical connections thereto, bursting of boilers, breakage of shafts, or any latent defect in the machinery or hull, (excluding the cost and expense of replacing or repairing the defective part);
Breakdown of or accidents to nuclear installations or reactors not on board the insured Vessel:
Contact with aircraft, rockets or similar missiles, or with any land conveyance;
Negligence of Charterers and/or Repairers, provided such Charterers and/or Repairers are not an Assured hereunder;
Negligence of Masters, Officers, Crew or Pilots;

provided such loss or damage has not resulted from want of due diligence by the Assured, the Owners or Managers of the Vessel, or any of them.

COLLISION AND TOWER'S LIABILITY

And it is further agreed that:

(a) if the Vessel hereby insured shall come into collision with any other vessel, craft or structure, floating or otherwise (including her tow); or shall strand her tow or shall cause her tow to come into collision with any other vessel, craft or structure, floating or otherwise, or shall cause any other loss or damage to her tow or to the freight thereof or to the property on board, and the Assured, or the Surety, in consequence of the insured Vessel being at fault, shall become liable to pay and shall pay by way of damages to any other person or persons any sum or sums, we, the Underwriters, will pay the Assured or the Surety, whichever shall have paid, such proportion of such sum or sums so paid as our subscriptions hereto bear to the value of the Vessel hereby insured, provided always that our liability in respect of any one such casualty shall not exceed our proportionate part of the value of the Vessel hereby insured;

(b) in cases where the liability of the Vessel has been contested or proceedings have been taken to limit liability with the consent in writing, of a majority (in amount) of the Underwriters on the hull and machinery, we will also pay a like proportion of the costs which the Assured shall, thereby incur or be compelled to pay.

When both vessels are to blame, then, unless the liability of the Owners of one or both of such vessels becomes limited by law, claims under the Collision and Tower's Liability clause shall be settled on the principle of Cross-Liabilities, as if the Owners of each vessel had been compelled to pay to the Owners of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the Assured in consequence of such casualty.

It is hereby further agreed that the principles involved in this clause shall apply to the case where two or more of the vessels involved are the property, in part or in whole, of the same Assured, all questions of responsibility and amount of liability as between such Vessels being left to the decision of a single Arbitrator, if the parties can agree upon a single Arbitrator, or failing such agreement, to the decision of Arbitrators, one to be appointed by the Assured and one to be appointed by a majority (in amount) of the Underwriters on hull and machinery; the two Arbitrators so chosen to choose a third Arbitrator before entering upon the reference, and the decision of such single Arbitrator, or of any two of such three Arbitrators, appointed as above, to be final and binding.

Provided always that this Collision and Tower's Liability clause shall in no case extend to any sum which the Assured or the Surety may become liable to pay, or shall pay:

I. for loss, damage or expense to vessel(s) in tow owned (other than vessel(s) bareboat chartered, managed or operated by the Assured and/or its affiliated and/or subsidiary companies and/or corporations, and to cargo, owned by the Assured and/or it affiliated and/or subsidiary companies and/or corporations, on board vessel(s) in tow of the Vessel hereby insured; or

II. in consequence of, with respect to, or arising out of:

(a) removal or disposal of obstructions, wrecks or their cargoes under statutory powers or otherwise pursuant to law;
(b) cargo, baggage or engagements of the insured Vessel;
(c) loss of life, personal injury or illness;
(d) the discharge, spillage, emission or leakage of oil, petroleum products, chemicals or other substances of any kind or description whatsoever.

Provided, further that Exclusion II(d) shall not apply to actual physical loss of or damage to such substances (if liability therefore is otherwise covered under the attached Policy) except to the extent that such loss or damage arises out of any action taken to avoid, minimize or remove any discharge, spillage, emission or leakage described in Exclusion II(d).

GENERAL AVERAGE AND SALVAGE

General Average and Salvage shall be payable in accordance with the laws and usages of the port of New York, but excluding wages, provisions, fuel and engine stores during detention however caused.

And it is further agreed that in the event of salvage, towage or other assistance being rendered to the Vessel hereby insured by any vessel belonging in part or in whole to the same owners or charterers, the value of such services (without regard to the common ownership or control of the vessels) shall be ascertained by arbitration in the manner above provided for under the Collision and Tower's Liability clause, and the amount so awarded so far as applicable to the interest hereby insured shall constitute a charge under this Policy.

When the contributory value of the Vessel is greater than the Agreed Value herein, the liability of the Underwriters for General Average contribution (except in respect to amounts made good to the Vessel), or Salvage, shall not exceed that proportion of the total contribution due from the Vessel which the amount insured hereunder bears to the contributory value; and if, because of damage for which the Underwriters are liable as Particular Average, the value of the Vessel has been reduced for the purpose of contribution, the amount of such Particular Average damage recoverable under this Policy shall first be deducted from the amount insured hereunder, and the Underwriters shall then be liable only for the proportion which such net amount bears to the contributory value.

SUE AND LABOR

And in case of any Loss or Misfortune, it shall be lawful and necessary for the Assured, their Factors, Servants and Assigns, to sue, labor and travel for, in, and about the defense, safeguard and recovery of the Vessel, or any part thereof, without prejudice to this insurance, to the charges whereof the Underwriters will contribute their proportion as provided below. And it is expressly declared and agreed that no acts of the Underwriters or Assured in recovering, saving and preserving the Vessel shall be considered as a waiver or acceptance of abandonment.

In the event of expenditure under the Sue and Labor clause, the Underwriters shall pay the proportion of such expenses that the amount insured hereunder bears to the Agreed Value, and that the amount insured hereunder (less loss and/or damage payable under this Policy) bears to the actual value of the salved property, whichever proportion shall be less; provided always that their liability for such expenses shall not exceed their proportionate part of the Agreed Value.

If claim for Total Loss is admitted under this Policy and sue and labor expenses have been reasonably incurred in excess of any proceeds realized or value recovered, the amount payable under this Policy will be the proportion of such excess that the amount insured hereunder (without deduction for loss or damage) bears to the Agreed Value or to the sound value of the Vessel at the time of the accident, whichever value was greater; provided always that Underwriters' liability for such expenses shall not exceed their proportionate part of the Agreed Value. The foregoing shall also apply to expenses reasonably incurred in salving or attempting to salve the Vessel and other property to the extent that such expenses shall be regarded as having been incurred in respect of the Vessel.

SEAWORTHINESS

The Underwriters shall not be liable for any loss, damage or expense arising out of the failure of the Assured to exercise due diligence to maintain the Vessel in a seaworthy condition after attachment of this Policy; the foregoing, however, not to be deemed a waiver of any warranty of seaworthiness implied at law.

WATCHMAN

It is agreed that when this Vessel is tied up or moored, it shall be at all times in charge of a watchman in the employ of the Assured, whose duty it shall be to make careful examination of the Vessel throughout at reasonable intervals, including inspection of the bilges.

CHANGE OF OWNERSHIP

In the event of any change, voluntary or otherwise, in the ownership or flag of the Vessel, or if the Vessel be placed under new management, or be chartered on a bareboat basis or requisitioned on that basis, or if the Classification Society of the Vessel or her class therein be changed, cancelled or withdrawn, then, unless the Underwriters agree thereto in writing, this Policy shall automatically terminate at the time of such change of ownership, flag, management, charter, requisition or classification; provided, however, that in the event of an involuntary temporary transfer by requisition or otherwise, without the prior execution of a written agreement by the Assured, such automatic termination shall occur fifteen days after such transfer. This insurance shall not insure to the benefit of any transferee or charterer of the Vessel and, if a loss payable hereunder should occur between the time of change or transfer any deferred automatic termination, the Underwriters shall be subrogated to all of the rights of the Assured against the transferee or charterer in respect of all or part of such loss as is recoverable from the transferee or charterer, and in the proportion which the amount insured hereunder bears to the Agreed Value.

The term "new management" as used above refers only to the transfer of the management of the Vessel from one firm or corporation to another, and it shall not apply to any internal changes within the offices of the Assured.

ADDITIONAL INSURANCES

It is a condition of this Policy that there shall be no other insurance against physical loss of or damage to the Vessel for or on account of the Assured except that the Assured may, without prejudice to this insurance, insure:

(a) War, Strikes and related risks not covered by this Policy;

(b) Risks identical to those covered by this Policy for the difference in amount, if any, between the "AMOUNT INSURED HEREUNDER" and the "AGREED VALUE"

provided that any breach of the above condition shall not afford the Underwriters any defense to a claim by a mortgagee who has accepted this Policy without knowledge of such breach.

CLAIMS (GENERAL PROVISIONS)

In the event of any accident or occurrence which could give rise to a claim under this Policy, prompt notice thereof shall be given to the Underwriters, and:

(a) where practicable, the Underwriters shall be advised prior to survey, so that they may appoint their own surveyor, if they so desire;

(b) the Underwriters shall be entitled to decide where the Vessel shall proceed for docking and/or repair (allowance to be made to the Assured for the actual additional expense of the voyage arising from compliance with Underwriters' requirement);

(c) the Underwriters shall have the right to veto in connection with any repair firm proposed;

(d) the Underwriters may take tenders or require tenders to be taken for the repair of the Vessel, in which event, upon acceptance of a tender with the approval of the Underwriters, an allowance shall be made at the rate of 30 per cent, per annum on the amount insured, for each day or pro rata for part of a day, for time lost between the insurance of invitations to tender and the acceptance of a tender, to the extent that such time is lost solely as the result of tenders having been taken and provided the tender is accepted without delay after receipt of the Underwriters' approval.

Due credit shall be given against the allowances in (b) and (d) above for any amount recovered:

(1) in respect of fuel, stores, and wages and maintenance of the Master, Officers or Crew allowed in General and Particular Average;

(2) from third parties in respect of damages for detention and/or loss of profit and/or running expenses; for the period covered by the allowances or any parts thereof.

No claim shall be allowed in Particular Average for wages and maintenance of the Master, Officers or Crew, except when incurred solely for the necessary removal of the Vessel from one port to another for average repairs or for trial trips to test average repairs, in which cases wages and maintenance will be allowed only while the Vessel is under way.

General and Particular Average shall be payable without deduction, new for old.

The expense of sighting the bottom after stranding shall be paid, if reasonably incurred especially for that purpose, even if no damage be found.

No claim shall in any case be allowed in respect of scraping or painting the Vessel's bottom.

In the event of loss or damage to equipment or apparatus not owned by the Assured but installed for use on board the Vessel and for which the Assured has assumed responsibility, claim shall not exceed (1) the amount the Underwriters would pay if the Assured were owner of such equipment or apparatus, or (2) the contractual responsibility assumed by the Assured to the owners or lessors thereof, whichever shall be less.

No claim for unrepaired damages shall be allowed, except to the extent that the aggregate damage caused by perils insured against during the period of the Policy and left unrepaired at the expiration of the Policy shall be demonstrated by the Assured to have diminished the actual market value of the Vessel on that date if undamaged by such perils.

TOTAL LOSS

There shall be no recovery for a constructive Total Loss hereunder unless the expense of recovering and repairing the Vessel would exceed the Agreed Value. In making this determination, only expenses incurred or to be incurred by reason of a single accident or a sequence of damages arising from the same accident shall be taken into account, but expenses incurred prior to tender of abandonment shall not be considered if such are to be claimed separately under the Sue and Labor clause.

In ascertaining whether the Vessel is a constructive Total Loss the Agreed Value shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Vessel or wreck shall be taken into account.

In the event of Total Loss (actual or constructive), no claim to be made by the Underwriters for freight, whether notice of abandonment has been given or not.

In no case shall the Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period cover by this Policy.

SUBROGATION

Upon making any payment under this Policy the Underwriters shall be vested with all of the Assured's rights of recovery against any person, corporation, vessel or interest, and the Assured shall execute and deliver such instruments and papers as the Underwriters shall require and do whatever else is necessary to secure such rights at the time of payment or subsequent thereto. At the option of the Underwriters, such payment may be made by means of a loan receipt repayable only out of any recovery made by the Underwriters as aforesaid. Such loan receipt shall be in the Customary form permitting Underwriters to bring suit in the name of the Assured or the Underwriters at the latters' own cost and expense.

Any agreement, contract or act, past or future, express or implied, by the Assured whereby any right of recovery of the Assured against any person, corporation, vessel or interest is released, decreased, transferred or lost which would, on payment of claim by the Underwriters, belong to the Underwriters but for such agreement, contract or act shall render this Policy null and void as to the amount of any such claim, but only to the extent and to the amount that said agreement, contract or act releases, decreases, transfers, or causes the loss of any right or recovery of the Underwriters, but the Underwriters' right to retain or recover the full premium shall not be affected.

LITIGATION AND DEFENSE

The Underwriters shall have the option of naming the Attorneys who shall represent the Assured in the prosecution or defense of any litigation or negotiations between the Assured and third parties concerning any claim, loss or interest covered by this Policy, and the Underwriters shall have the direction of such litigation or negotiations. If the Assured shall fail or refuse to settle any claim as authorized by the Underwriters, the liability of the Underwriters to the Assured shall be limited to the amount for which settlement could have been made.

No suit, action or proceedings brought by the Assured against the Underwriters for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within twelve (12) months after the Underwriters have been denied liability for payment of claim; except that in the case of a claim arising under the Collision and Tower's Liability clause, no suit or action shall be sustainable unless brought within twelve (12) months next after the Assured shall have discharged his liability. Provided, however that if by the laws of the State within which this Policy is issued such limitation is invalid, then any such claim shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such State.

WAR STRIKES AND RELATED EXCLUSIONS

The following conditions shall be paramount and shall supersede and nullify any contrary provisions of the Policy.

This Policy does not cover any loss, damage or expense caused by, resulting from, or incurred as a consequence of:

(a) Capture, seizure, arrest, restraint or detainment, or any attempt thereat; or

(b) Any taking of the Vessel, by requisition or otherwise, whether in time of peace or war and whether lawful or otherwise; or

(c) Any mine, bomb or torpedo not carried as cargo on board the Vessel; or

(d) Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or

(e) Civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or piracy; or

(f) Strikes, lockouts, political or labor disturbances, civil commotions, riots, martial law, military or usurped power, malicious acts or vandalism; or

(g) Hostilities or warlike operations (whether there be a declaration of war or not) but this subparagraph (g) not to exclude collision or contact with aircraft, rockets or similar missiles, or with any fixed or floating object, or stranding, heavy weather, fire or explosion unless caused directly by a hostile act by or against a belligerent power which act is independent of the nature of the voyage or service which the Vessel concerned or, in the case of a collision, any other vessel involved therein, is performing. As used here, "power" includes any authority maintaining, naval, military or air forces in association with a power.

If war risks or other risks excluded by this clause are hereafter insured by endorsement on this Policy, such endorsement shall supersede the above conditions only to the extent that the terms of such endorsement are inconsistent therewith and only while such endorsement remains in force.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

SECTION PI

Where the word "policy" appears herein, it shall be deemed to read "section".

THIS SECTION IS A SEPARATE INSURANCE BUT IS SUBJECT ALWAYS TO THE OTHER TERMS AND CONDITIONS STATED IN THIS POLICY EXCEPT FOR THE TERMS AND CONDITIONS ATTACHED TO AND FORMING PART OF SECTIONS HM, PL AND XP.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

WITH RESPECT TO SECTION PI OF THIS POLICY --

LIMIT OF LIABILITY:

The Limit of Liability for each vessel insured is $1,000,000.00 any one accident or occurrence. Liability hereunder in respect of loss, damage, costs, fees, expenses or claims arising out of or in consequence of any one occurrence is limited to the amount hereby insured. (For the purpose of this clause each occurrence shall be treated separately, but a series of claims hereunder arising from the same occurrence shall be treated as due to that occurrence.) The deductible sum(s) stated reduces the Limit of Liability of this policy.

EXCESS COLLISION LIABILITY:

With respect to vessels insured for less than $1,000,000.00 under the Hull & Machinery section of this policy, the insurance afforded by this section is extended to include Excess Collision Liability (excess of Hull & Machinery amounts of insurance) up to $1,000,000.00 any one accident or occurrence where applicable, all within the combined single limit of liability set forth in this section.

DEDUCTIBLE:

A self insured retention of $1,000,000.00 any one accident or occurrence shall apply to claims covered under Paragraphs numbered 1, 2 and 3 of the Protection and Indemnity Form SP-23 (1/56) and a self insured retention of $1,000,000.00 any one accident or occurrence shall apply to claims covered under the remaining paragraphs and clauses of the Protection and Indemnity Form SP-23 (1/56); but in no event shall the self insured retention exceed $1,000,000.00 each accident or occurrence. The self insured retention sum(s) stated reduces the Limit of Liability of this policy.

SPECIAL CONDITIONS:

It is understood and agreed that this insurance excludes all claims in respect to crew and/or employees of the Assured for injuries, sickness, and death, when such are compensable under the Louisiana Workers' Compensation Law, LSHWA, and Maritime.

The definition of an "employee" shall include volunteer workers while acting in the service of the State of Louisiana.

It is understood the Protection & Indemnity coverage applies with respect to claims for loss of life or injury to masters or members of the crew and/or employees of the vessel including volunteer workers, while acting in the service of the State of Louisiana, subject to a self insured retention of $1,000,000.00 for any one accident or occurrence for vessels operated by the Insured.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

WITH RESPECT TO SECTION PI OF THIS POLICY --

SPECIAL CONDITIONS:
(Continued)

Protection & Indemnity Underwriters hereby note and agree to include Sierra Club as an Additional Assured in respect of 38' Playcraft Pontoon and Underwriters agree to waive their rights of subrogation against such company. In the event of cancellation of this policy, thirty (30) days Notice of Cancellation will be provided except if due to non-payment where five (5) days will be given.

Notwithstanding the fact that such parties are hereby named in their capacity as Co-Assured in this Policy, this cover will only extend insofar as they may be found liable to pay in the first instance for liabilities which are properly the responsibility of the Assured, and nothing herein contained shall be construed as extending cover in respect of any amount which would not have been recoverable hereunder by the Assured had such claim been made or enforced against him. Once indemnification hereunder has been made there shall be no further liability hereunder to make any further payment to any person or company whatsoever, including the Assured, in respect of that claim.

HOSTILE ACTS EXCLUSION AND LIMITED BUYBACK ENDORSEMENT

This clause shall be paramount and shall override anything contained in this policy or any of its endorsements inconsistent therewith:

This insurance shall not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from or incurred by reason of any one or more of the following:

a. capture, seizure, arrest, taking, restraint, detainment, confiscation, preemption, requisition or naturalization, or the consequences thereof or any attempt thereat, whether in time of peace or war and whether lawful or otherwise;

b. hostilities or warlike operations (whether there be a declaration of war or not), but the phrase "hostilities or warlike operations (whether there be a declaration of war or not)" shall not exclude collision or contact with aircraft, rockets or similar missiles or with any fixed or floating object, stranding, heavy weather, fire or explosion unless caused directly (independently or the nature of the voyage or service which the watercraft concerned or in the case of a collision, any other vessel involved herein, is performing) by a hostile act by or against a belligerent power; for the purpose of the foregoing, power includes any authority maintaining naval, military or air forces in association with a power. In addition to the foregoing exclusions, this insurance shall not cover any loss, damage or expense to which a warlike act or the use of military or naval weapons is a contributing cause, whether or not the Insured's liability is based on negligence or otherwise, and whether in time of peace or war. The embarkation, carriage and disembarkation of troops, combatants, or material of war, or the placement of the watercraft in jeopardy an act or measure of war taken in the actual process of a military engagement, with or without the consent of the Insured, shall be considered a warlike act for the purposes of the Policy;

c. the consequences of civil war, revolution, rebellion, insurrection, military or usurped power, the imposition of martial law, or civil strife arising therefrom, or piracy; or from any loss, damage or expense caused by or resulting directly or indirectly from the act or acts of one or more persons, whether or not agents of a sovereign power, carried out for political, ideological or terrorist purposes, and whether any loss, damage or expense resulting therefrom is accidental or intentional;

d. malicious acts or vandalism, strikes, lockouts, political or labor disturbances, civil commotions, riots, or the acts of any person or persons taking part in such occurrence or disorder.

In consideration of the premium charged, it is understood and agreed that the above exclusion shall not apply to liabilities listed below and that are listed in the "schedule of underlying insurance" and that coverage herein shall only operate as excess of such underlying coverage if also afforded therein:

I. Protection and Indemnity including Jones Act coverage under a Maritime Employer's Liability Policy.

II. Collision Liability and/or Tower's Liability.

III. General Average & Salvage.

IV. Sue and Labor.

V. Charterer's Legal Liability including Cargo Owners Pollution Legal Liability.

VI. Ship Repairer's Legal Liability and any related general liability for marine operations that may be insured under an ISO Commercial General Liability policy or any other similar commercial general liability type form.

VII. Stevedore's Legal Liability and any related general liability for marine operations that may be insured under an ISO Commercial General Liability policy or any other similar commercial general liability type form.

VIII. Terminal Operators Legal Liability and any related general liability for marine operations that may be insured under an ISO Commercial General Liability policy or any other similar commercial general liability type form.

IX. Wharfingers and/or Safe Berth and/or Landing Owners and any related general liability for marine operations that may be insured under an ISO Commercial General Liability policy or any other similar commercial general liability type form.

X. Marina Operators Legal Liability and any related general liability for marine operations that may be insured under an ISO Commercial General Liability policy or any other similar commercial general liability type form.

XI. Marine Operators Protection and Indemnity.

XII. Vessel or Watercraft Pollution Liability.

However, paramount to anything contained in the above buyback, coverage shall not extend to liability for any loss or damage to property of others in the Care, Custody or Control of the Insured, or on the Insured's premises for any reason, while such property is ashore. The onshore property exclusion herein shall not apply to cargoes while in the care, custody or control of the insured, in the due course of transit and for a period not to exceed 60 days from receipt. Nor shall the onshore property exclusion apply to vessels of others or their equipment while at marinas, shipyards, or other marine facilities for the purpose of repair, servicing or storage.

RESTRICTED POLLUTION COVERAGE WORDING
(Reg.No. NMB013)

This Certificate will Not indemnify the Assured against any sum(s) paid, nor insure against any liability, with respect to any loss, damage, cost, liability, expense, fine or penalty of any kind or nature whatsoever, and whether statutory or otherwise, incurred by or imposed on the Assured, directly or indirectly, in consequence of or with respect to, the actual or potential discharge, emission, spillage or leakage upon or into the seas, waters, land or air, of oil, petroleum products, chemicals or other substances of any kind or nature whatsoever.

IN CONSIDERATION OF AN ADDITIONAL PREMIUM OF US$ (Included) THE ABOVE POLLUTION EXCLUSION CLAUSE SHALL NOT APPLY TO LIABILITY OF THE ASSURED.

1. For loss of life of, or bodily injury to, any person; or,

2. For loss, damage or expense to any cargo carried on board the insured Vessel(s);

Provided always that

1) such liability is insured elsewhere under the terms and conditions of this Certificate, and all other terms and conditions, including any deductible provisions, of this Certificate shall remain unchanged

and

2) such liability arises in consequence of the sudden and accidental discharge, emission or spillage of polluting or contaminating substances.

Notwithstanding anything contained herein to the contrary, it is understood and agreed that this Certificate excludes any loss, damage, cost, liability, expense, fine, penalty or punitive damage resulting from the U.S. Oil Pollution Act of 1990 and/or Comprehensive Environmental Response Compensation Act of 1980 and/or Federal Water Pollution Control Act and/or other similar Federal and/or State Law, Act, and/or Regulation.

PROTECTION AND INDEMNITY **SP-23 (Revised 1/56)**

The Assurer hereby undertakes to make good to the Assured or the Assured's executors, administrators and/or successors, all such loss and/or damage and/or expense as the Assured shall as owners of the vessel named herein have become liable to pay and shall pay on account of the liabilities, risks, events and/or happenings herein set forth:

Loss of Life, injury and illness (1) Liability for loss of life of, or personal injury to, or illness of, any person, excluding, however, unless otherwise agreed by endorsement hereon, liability under any Compensation Act to any employee of the Assured, (other than a seaman) or in case of death to his beneficiaries or others.

Protection hereunder for loss of life or personal injury arising in connection with the handling of cargo of the vessel named herein shall commence from the time of receipt by the Assured of the cargo on dock or wharf or on craft alongside the said vessel for loading thereon and shall continue until delivery thereof from dock or wharf of discharge or until discharge from the said vessel on to another vessel or craft.

Hospital, medical or other expenses (2) Liability for hospital, medical, or other expenses necessarily and reasonably incurred in respect of loss of life of, personal injury to, or illness of any member of the crew of the vessel named herein or any other person. Liability hereunder shall also include burial expenses not exceeding Two Hundred ($200) Dollars, when necessarily and reasonably incurred by the Assured for the burial of any seaman of said vessel.

Repatriation expenses (3) Liability for repatriation expenses of any member of the crew of the vessel named herein, necessarily and reasonably incurred, under statutory obligation, excepting such expenses as arise out of or ensue from the termination of any agreement in accordance with the terms thereof, or by the mutual consent, or by sale of the said vessel, or by other act of the Assured. Wages shall be included in such expenses when payable under statutory obligation, during unemployment due to the wreck or loss of the said vessel.

Damage to other vessel or property on board caused by collision (4) Liability for loss of, or damage to, any other vessel or craft, or to the freight thereof, or property on such other vessel or craft, caused by collision with the vessel named herein, insofar as such liability would not be covered by full insurance under the American Institute Time (Hulls) Form - Current Revision - or in case insurance hereunder is upon a towing vessel(s) American Institute Tug Form - Current Revision (including the four-fourths running-down clause).

Principle of cross-liabilities to prevail

(a) Claims under this clause shall be settled on the principle of cross-liabilities to the same extent only as provided in the running-down clause above mentioned.

(b) Claims under this clause shall be divided among the several classes of claims enumerated in this policy and each class shall be subject to the deduction and special conditions applicable in respect of such class.

(c) Notwithstanding the foregoing, if any one or more of the various liabilities arising from such collision has been compromised, settled or adjusted without the written consent of the Assurer, the Assurer shall be relieved of liability for any and all claims under this clause.

Damage to other vessel or property on board not caused by collision (5) Liability for loss of or damage to any other vessel or craft, or to property on such other vessel or craft, not caused by collision, provided such liability does not arise by reason of a contract made by the assured. Where there would be a valid claim hereunder but for the fact that the damaged property belongs to the Assured, the Assurer shall be liable as if such damaged property belonged to another, but only for the excess over any amount recoverable under any other insurance applicable on the property.

Damage to docks, piers, etc. (6) Liability for damage to any dock, pier, harbor, bridge, jetty, buoy, lighthouse, breakwater, structure, beacon, cable, or to any fixed or movable object or property whatsoever, except another vessel or craft, or property on another vessel or craft.
Where there would be a valid claim hereunder but for the fact that the damaged property belongs to the Assured, the Assurer shall be liable as if such damaged property belonged to another, but only for the excess over any amount recoverable under any other insurance applicable on the property.

Removal of wreck (7) Liability for cost or expenses of, or incidental to, the removal of the wreck of the vessel named herein when such removal is compulsory by law, provided, however, that:

(a) There shall be deducted from such claim for cost or expenses, the value of any salvage from or which might have been recovered from the wreck, inuring, or which might have inured, to the benefit of the Assured.

(b) The Assurer shall not be liable for such costs or expenses which would be covered by full insurance under the American Institute Time (Hulls) Form - Current Revision - or in case insurance hereunder is upon a towing vessel(s) American Tug Form - Current Revision, or claims arising out of hostilities or war-like operations, whether before or after declaration of war.

Cargo (8) Liability for loss of, or damage to, or in connection with cargo or other property, excluding mail and parcel post, including baggage and personal effects of passengers, to be carried, carried, or which has been carried on board the vessel named herein:

Provided, however, that no liability shall exist under this provision for:

Specie, bullion, precious stones, etc.

(a) Loss, damage or expense arising out of or in connection with the custody, care, carriage or delivery of specie, bullion, precious stones, precious metals, jewelry, silks, furs, bank notes, bonds or other negotiable documents or similar valuable property, unless specially agreed to and accepted for transportation under a form of contract approved, in writing, by the Assurer.

Refrigeration

(b) Loss of, or damage to, or in connection with cargo requiring refrigeration unless the space, apparatus and means used for care, custody, and carriage thereof have been surveyed by a classification surveyor or other competent disinterested surveyor under working conditions before the commencement of each voyage and found in all respects fit, and unless accepted for transportation under a form of contract approved, in writing, by the Assurer.

Passengers' effects Stowage in improper places

(c) Loss, damage, or expense in connection with any passenger's baggage or personal effects, unless the form of ticket issued to the passenger shall have been approved, in writing, by the Assurer.

(d) Loss, damage, or expense arising from stowage of underdeck cargo on deck or stowage of cargo in spaces not suitable for its carriage, unless the Assured shall show that every reasonable precaution has been taken by him to prevent such improper stowage.

Deviation

(e) Loss, damage, or expense arising from any deviation, or proposed deviation, not authorized by the contract of affreightment, known to the Assured in time to insure specifically the liability therefore, unless notice thereof is given to the Assurer and the Assurer agrees, in writing, that such insurance is unnecessary.

Freight on cargo short delivered

(f) Freight on cargo short delivered, whether or not prepaid or whether or not included in the claim and paid by the Assured.

Misdescription of goods

(g) Loss, damage, or expense arising out of or as a result of the issuance of Bills of Lading which, to the knowledge of the Assured, improperly describe the goods or their containers as to condition or quantity.

Failure to surrender Bill of Lading

(h) Loss, damage, or expense arising out of delivery of cargo without surrender of Bill of Lading.

And provided further that:

(aa) Liability hereunder shall in no event exceed that which would be imposed by law in the absence of contract.

Protective clauses required in contract of affreightment

(bb) Liability hereunder shall be limited to such as would exist if the Charter Party, Bill of Lading or Contract of Affreightment contained the following clause (in substitution for the clause commonly known as the Jason Clause):

"In the event of accident, danger, damage or disaster before or after commencement of the voyage, resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequences of which, the shipowner is not responsible, by statute or contract or otherwise, the shippers, consignees or owners of the cargo shall contribute with the shipowner in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the cargo."

When cargo is carried by the vessel named herein under a bill of lading or similar document of title subject or made subject to the Carriage of Goods by Sea Act, April 16, 1936, liability hereunder shall be limited to such as imposed by said Act, and if the Assured or the vessel named herein assumes any greater liability or obligation than the minimum liabilities and obligations imposed by said Act, such greater liability or obligation shall not be covered hereunder.

Limit per package

When cargo is carried by the vessel named herein under a charter party, bill of lading or contract of affreightment not subject or made subject to the Carriage of Goods by Sea Act, April 16, 1936, liability hereunder shall be limited to such as would exist if said charter party, bill of lading, or contract of affreightment contained the following clauses: a clause lifting the Assured's liability for total loss or damage to goods shipped to Two Hundred and Fifty ($250) Dollars per package, or in case of goods not shipped in packages, per customary freight unit, and providing for pro rata adjustment on such basis for partial loss or damage; a clause exempting the Assured and the vessel named herein from liability for losses arising from unseaworthiness, even though existing at the beginning of the voyage, provided that due diligence shall have been exercised to make the vessel seaworthy and properly manned, equipped, and supplied; a clause providing that the carrier shall not be liable for claims in respect of cargo unless notice of claim is given within the time limited in such Bill of Lading and suit is brought thereon within the limited time prescribed therein; and such other protective clauses as are commonly in use in the particular trade; provided the incorporation of such clauses is not contrary to law.

The foregoing provisions as to the contents of the Bill of Lading and the limitation of the Assurer's liability may, however, be waived or altered by the Assurers on terms agreed in writing.

Assured's own cargo

(cc) Where cargo on board the vessel named herein is the property of the Assured, such cargo shall be deemed to be carried under a contract containing the protective clauses described in the preceding paragraph, and such cargo shall be deemed to be fully insured under the usual form of cargo policy, and in case of loss thereof or damage thereto the Assured shall be insured hereunder in respect of such loss or damage only to the extent that they would have been covered if said cargo had belonged to another, but only in the event and to the extent that the loss or damage would not be recoverable under a cargo policy as hereinbefore specified.

Cotton Bills of Lading

(dd) The Assured's liability for claims under Custody Cotton Bills of Lading issued under the conditions laid down by the Liverpool Bill of Lading Conference Committee, is covered subject to previous notice of contract and payment of an extra premium of two ($.02) cents per ton gross register per voyage, but such additional premium shall be waived provided every bale is re-marked at port of shipment on another portion of the bale.

Land transportation not included

(ee) No liability shall exist hereunder for any loss, damage or expense in respect of cargo or other property being transported on land or on another vessel.

No liability shall exist hereunder for any loss, damage or expense in respect of cargo before loading on or after discharge from the vessel named herein caused by flood, tide, windstorm, earthquake, fire, explosion, heat, cold, deterioration, collapse of wharf, leaky shed, theft or pilferage unless such loss, damage or expense is caused directly by the vessel named herein, her master, officers or crew.

Customs, immigration or other fines or penalties

(9) Liability for fines and penalties, including expenses necessarily and reasonably incurred in avoiding or mitigating same, for the violation of any of the laws of the United States, or of any State thereof, or of any foreign country; provided, however, that the Assurer shall not be liable to indemnify the Assured against any such fines or penalties resulting directly or indirectly from the failure, neglect, or default of the Assured or his managing officers or managing agents to exercise the highest degree of diligence to prevent a violation of any such laws.

Mutiny or other misconduct

(10) Expenses incurred in resisting any unfounded claim by the master of the crew or other persons employed on the vessel named herein, or in prosecuting such persons in case of mutiny or other misconduct.

Extraordinary expenses in case of quarantine, etc.

(11) Liability for extraordinary expenses resulting from outbreak of plague or other contagious disease, including such expenses incurred for disinfection of the vessel named herein or persons on board, or for quarantine, but excluding the ordinary expenses of loading and/or discharging, and the wages and provisions of crew and passengers; each claim under this provision is subject to a deduction of Two Hundred ($200) Dollars. It is provided further, however, that if the vessel named herein be ordered to proceed to a port when it is or should be known that calling there will subject the vessel to the extraordinary expenses above mentioned, or to quarantine or disinfection there or elsewhere, the Assurer shall be under no obligation to indemnify the Assured for any such expenses.

Deviation for purpose of landing injured or ill (12) Net loss due to deviation incurred solely for the purpose of landing and injured or sick seaman in respect of port charges incurred, insurance, bunkers, stores, and provisions consumed as a result of the deviation.

Cargo's proportion of general average (13) Liability for, or loss of, cargo's proportion of general average, including special charges, in so far as the Assured cannot recover same from any other source; subject however, to the exclusions of Section (8) and provided, that if the Charter Party, Bill of Lading, or Contract of Affreightment does not contain the quoted clause under Section 8 (bb) the Assurer's liability hereunder shall be limited to such as would exist if such clause were contained therein.

Costs and charges (14) Costs, charges, and expenses, reasonably incurred and paid by the Assured in defense against any liabilities insured against hereunder in respect of the vessel named herein, subject to the agreed deductibles applicable, and subject further to the conditions and limitations hereinafter provided.

GENERAL CONDITIONS AND/OR LIMITATIONS

Prompt notice of claim Warranted that in the event of any occurrence which may result in loss, damage and/or expense for which this Assurer is or may become liable, the Assured will use due diligence to give prompt notice thereof and forward to the Assurer as soon as practicable after receipt thereof, all communications, processes, pleadings and other legal papers or documents relating to such occurrences.

Settlement of claims The Assured shall not make any admission of liability, either before or after any occurrence which may result in a claim for which the Assurer may be liable. The Assured shall not interfere in any negotiations of the Assurer, for settlement of any legal proceedings in respect of any occurrences for which the Assurer is liable under this policy; provided, however, that in respect of any occurrence likely to give rise to a claim under this policy, the Assured are obligated to and shall take steps to protect their (and/or the Assurer's) interests as would reasonably be taken in the absence of this or similar insurance. If the Assured shall fail or refuse to settle any claim as authorized by Assurer, the liability of the Assurer to the Assured shall be limited to the amount for which settlement could have been made.

Assured to assist with evidence in defense, etc. Whenever required by the Assurer the Assured shall aid in securing information and evidence and in obtaining witnesses and shall cooperate with the Assurer in the defense of any claim or suit or in the appeal from any judgment, in respect of any occurrence as hereinbefore provided.

Law costs The Assurer shall not be liable for the cost or expense of prosecuting or defending any claim or suit unless the same shall have been incurred with the written consent of the Assurer, or the Assurer shall be satisfied that such approval could not have been obtained under the circumstances without unreasonable delay, or that such costs and charges were reasonably and properly incurred, such cost or expense being subject to the deductible. The cost and expense of prosecuting any claim in which the Assurer shall have an interest by subrogation or otherwise, shall be divided between the Assured and the Assurer, proportionately to the amounts which they would be entitled to receive respectively, if the suit should be successful.

The Assurer shall be liable for the excess where the amount deductible under this policy is exceeded by (A) the cost of investigating and/or successfully defending any claim or suit against the Assured based on a liability or an alleged liability of the Assured covered by this insurance, or (B) the amount paid by the Assured either under a judgment or an agreed settlement based on the liability covered herein including all costs, expenses of defense and taxable disbursements.

Subrogation The Assurer shall be subrogated to all the rights which the Assured may have against any other person or entity, in respect of any payment made under this policy, to the extent of such payment, and the Assured shall, upon the request of the Assurer, execute all documents necessary to secure to the Assurer such rights.

The Assurer shall be entitled to take credit for any profit accruing to the Assured by reason of any negligence or wrongful act of the Assured's servants or agents, up to the measure of their loss, or to recover for their own account from third parties any damage that may be provable by reason of such negligence or wrongful act.

Cover elsewhere

Provided that where the Assured is, irrespective of this insurance, covered or protected against any loss or claim which would otherwise have been paid by the Assurer, under this policy, there shall be no contribution by the Assurer on the basis of double insurance or otherwise.

Assignments

No claim or demand against the Assurer under this policy shall be assigned or transferred, and no person, excepting a legally appointed receiver of the property of the Assured, shall acquire any right against the Assurer by virtue of this insurance without the expressed consent of the Assurer.

Actions against Assurers

No action shall lie against the Assurer for the recovery of any loss sustained by the Assured unless such action is brought against the Assurer within one year after the final judgement or decree is entered in the litigation against the Assured, or in case the claim against the Assurer accrues without the entry of such final judgement or decree, unless such action is brought within one year from the date of the payment of such claim.

Time limitation

The Assurer shall not be liable for any claim not presented to the Assurer with proper proofs of loss within six (6) months after payment thereof by the Assured.

Cancellation provisions;

(a) If the vessel named herein should be sold or requisitioned and this policy be cancelled and surrendered, the Assurer to return TO BE AGREED for each thirty (30) consecutive days of the unexpired term of this insurance.

(b) In the event of non--payment of premium within sixty (60) days after attachment, this policy may be cancelled by the Assurer upon five (5) days' written notice being given the Assured.

(c) In the event that Sections 182 to 189, both inclusive, of U. S. Code, Title 46, or any other existing law or laws determining or limiting liability of shipowners and carriers, or any of them, shall, while this policy is in force, be modified, amended or repealed, or the liabilities of shipowners or carriers be increased in any respect by legislative enactment, the Assurer shall have the right to cancel said insurance upon giving thirty (30) days' written notice of their intention so to do, and in the event of such cancellation, make return of premium upon a pro rata daily basis.

Notwithstanding anything to the contrary contained in this policy, no liability attaches to the Assurer:

For any loss, damage, or expense which would be payable under the terms of the American Institute Time (Hulls) Form - Current Revision - or in case insurance hereunder is upon a towing vessel(s) American Institute Tug Form - Current Revision form of policy on hull and machinery, etc., if the vessel were fully covered by such insurance sufficient in amount to pay such loss, damage or expense.

For any loss, damage or expense sustained by reason of capture, seizure, arrest, restraint or detainment, or the consequence thereof or of any attempt threat; or sustained in consequence of military, naval or air action by force of arms, including mines and torpedoes or other missiles or engines of war, whether of enemy or friendly origin; or sustained in consequence of placing the vessel in jeopardy as an act or measure of war taken in the actual process of a military engagement, including embarking or disembarking troops or material of war in the immediate zone of such engagement; and any such loss, damage and expense shall be excluded from this policy without regard to whether the Assured's liability therefore in based on negligence or otherwise, and whether before or after a declaration of war.

For any loss, damage, or expense arising from the cancellation or breach of any charter, bad debts, fraud of agents, insolvency, loss of freight hire or demurrage, or as a result of the breach of any undertaking to load any cargo, or in respect of the vessel named herein engaging in any unlawful trade or performing any unlawful act, with the knowledge of the Assured.

For any loss, damage, expense, or claim arising out of or having relation to the towage of nay other vessel or craft, whether under agreement or not, unless such towage was to assist such other vessel or craft in distress to a port or place of safety, provided, however, that this clause shall not apply to claims under this policy for loss of life or personal injury to passengers and/or members of the crew of the vessel named herein arising as a result of towing.

For any claim for loss of life or personal injury in relation to the handling of cargo where such claim arises under a contract of indemnity between the Assured and his sub-contractor.

It is expressly understood and agreed if an when the Assured under this policy has any interest other than as a shipowner in the vessel or vessels named herein, in no event shall the Assurer be liable hereunder to any greater extent than if such Assured were the owner and were entitled to all the rights of limitation to which a shipowner is entitled.

Unless otherwise agreed by endorsement to this policy, liability hereunder shall in no event exceed that which would be imposed on the Assured by law in the absence of contract.

Liability hereunder in respect of any one accident or occurrence is limited to the amount hereby insured.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

SECTION PL

Where the word "policy" appears herein, it shall be deemed to read "section".

THIS SECTION IS A SEPARATE INSURANCE BUT IS SUBJECT ALWAYS TO THE OTHER TERMS AND CONDITIONS STATED IN THIS POLICY EXCEPT FOR THE TERMS AND CONDITIONS ATTACHED TO AND FORMING PART OF SECTIONS HM, PI AND XP.

GREAT AMERICAN. INSURANCE GROUP

ADMINISTRATIVE OFFICES
301 E 4th Street • Cincinnati, OH 45202-4201
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GAI 2264 (Ed. 10 03)

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POLLUTION POLICY DECLARATIONS PAGE

NAMED INSURED AND ADDRESS: STATE OF LOUISIANA C/O OFFICE OF RISK MANAGEMENT P.O. BOX 94095, CAPITOL STA. BATON ROUGE, LA 70804	**POLICY PERIOD:** 12:01 A.M. Standard Time at the address of the Named Insured shown at left. From 07/01/2011 To 07/01/2012
IN RETURN FOR PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.	**AGENT'S NAME AND ADDRESS:** GULF COAST MARINE, LLC 2626 N ARNOULT RD STE 300 METAIRIE, LA 70002 - 5959

Insurance is afforded by company indicated below:
(A capital stock corporation)

Great American Insurance Company of New York

This Policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this Policy, together with such provisions, stipulations and agreements as may be added hereto.

		PREMIUM
Pollution Coverage	$	55,000.00
Total Policy Premium	$	55,000.00

Loss, if any, payable to Insured or Order. Loss notice must be sent to:

Great American Insurance Company
Ocean Marine Claims
P. O. Box 2468
Cincinnati, OH 45201
Telephone # (800) 426-9697
In the event of an incident, please contact our Emergency Response Team at:
Toll Free: 877 - GAREACT (877 - 427 - 3228)
Direct Dial: 610 - 725 - 8286

FORMS AND ENDORSEMENTS applicable to all Coverage Forms and made part of this policy at time of issue are listed on the attached Forms and Endorsements Schedule, GAI 22 97 (01/01).

SCHEDULE OF VESSELS

VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
1	Steel Ferry Name: NEW ROADS 360-003	200	$ 5,000,000	$ 500.00

SCHEDULE OF VESSELS				
VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
2	Steel Ferry Name: ASCENSION 360-006	200	$ 5,000,000	$ 500.00
3	Steel Ferry Name: ACADIA 360-007	200	$ 5,000,000	$ 500.00
4	Steel Ferry Name: ST. CHARLES 360-008	200	$ 5,000,000	$ 500.00
5	Steel Ferry Name: FELICIANA 360-013	200	$ 5,000,000	$ 500.00
6	Steel Ferry Name: IBERVILLE 360-014	200	$ 5,000,000	$ 500.00
7	Steel Ferry Name: CAMERON II 360-017	200	$ 5,000,000	$ 500.00
8	Steel Ferry Name: ST. FRANCISVILLE	200	$ 5,000,000	$ 500.00
9	Steel Barge Name: F.L.P. 304-001	200	$ 5,000,000	$ 500.00
10	Steel Barge Name: F.L.P. 304-002	200	$ 5,000,000	$ 500.00
11	Steel Barge Name: F.L.P. 304-003	200	$ 5,000,000	$ 500.00
12	Steel Barge Name: F.L.P. 304-004	200	$ 5,000,000	$ 500.00
13	Steel Barge Name: F.L.P. 304-007	200	$ 5,000,000	$ 500.00
14	Steel Barge Name: F.L.P. 304-008	200	$ 5,000,000	$ 500.00
15	Steel Barge Name: F.L.P. 304-009	200	$ 5,000,000	$ 500.00
16	Steel Barge Name: FERRY PONTOON 305-023	200	$ 5,000,000	$ 500.00
17	Steel Barge Name: STEEL CABLE BARGE 305-030	200	$ 5,000,000	$ 500.00
18	Steel Research Vessel Name: FISK EUI12007 H707		$ 5,000,000	$ 500.00
19	Steel Miscellaneous Vessel Name: MISS JENA 974-63-2368		$ 5,000,000	$ 500.00
20	Steel Barge Name: F.L.P. 305-041	200	$ 5,000,000	$ 500.00

SCHEDULE OF VESSELS				
VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
21	Steel Barge Name: FERRY POTOON 305-050	200	$ 5,000,000	$ 500.00
22	Steel Barge Name: F.L.P. 305-058	200	$ 5,000,000	$ 500.00
23	Steel Barge Name: F.L.P. 305-068	200	$ 5,000,000	$ 500.00
24	Steel Miscellaneous Vessel Name: M.P.B. 412-02-0038-1	200	$ 5,000,000	$ 500.00
25	Steel Miscellaneous Vessel Name: M.P.B. 829-20-0001-1	200	$ 5,000,000	$ 500.00
26	Steel Research Vessel Name: COASTAL PROFILER	200	$ 5,000,000	$ 500.00
27	Steel Miscellaneous Vessel Name: M.P.B. 857-66-0572-1	200	$ 5,000,000	$ 500.00
28	Steel Miscellaneous Vessel Name: M.P.B. 382-04-0235-1	200	$ 5,000,000	$ 500.00
29	Steel Miscellaneous Vessel Name: M.P.B. 801-09-0117-1	200	$ 5,000,000	$ 500.00
30	Steel Miscellaneous Vessel Name: MP.B. 195-30-0093-1	200	$ 5,000,000	$ 500.00
31	Steel Miscellaneous Vessel Name: M.P.B. 824-18-0008-1	200	$ 5,000,000	$ 500.00
32	Steel Miscellaneous Vessel Name: M.P.B. 232-01-1662-1	200	$ 5,000,000	$ 500.00
33	Steel Miscellaneous Vessel Name: M.P.B. 230-03-0955-1	200	$ 5,000,000	$ 500.00
34	Steel Barge Name: F.L.P. 305-069	200	$ 5,000,000	$ 500.00
35	Steel Tugboat Name: W. PRESCOTT FOSTER	50	$ 5,000,000	$ 500.00
36	Steel Tugboat Name: W.F. COOPER 360-257	50	$ 5,000,000	$ 500.00
37	Steel Tugboat Name: ROSS A. GRAND 360-261	50	$ 5,000,000	$ 500.00
38	Steel Tugboat Name: D.W. GRIFFITH 360-262	50	$ 5,000,000	$ 500.00
39	Steel Miscellaneous Vessel Name: MR. BOB 345-505	50	$ 5,000,000	$ 500.00

SCHEDULE OF VESSELS				
VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
40	Steel Ferry Name: ST. JOHN 360-005	50	$ 5,000,000	$ 500.00
41	Steel Ferry Name: THOMAS JEFFERSON 360-010	50	$ 5,000,000	$ 500.00
42	Steel Ferry Name: LOUIS B. PORTERIE 360-011	50	$ 5,000,000	$ 500.00
43	Steel Ferry Name: CAPT. NEVILLE LEVY	50	$ 5,000,000	$ 500.00
44	Steel Ferry Name: SEN. ALVIN STUMPF 360-022	50	$ 5,000,000	$ 500.00
45	Steel Ferry Name: COL. FRANK X. ARMINGER	50	$ 5,000,000	$ 500.00
46	Steel Dock barge Name: LANDING PONTOON 304-010	50	$ 5,000,000	$ 500.00
47	Steel Dock barge Name: LANDING PONTOON 304-011	50	$ 5,000,000	$ 500.00
48	Steel Dock barge Name: LANDING PONTOON 304-012	50	$ 5,000,000	$ 500.00
49	Steel Dock barge Name: LANDING PONTOON 304-013	50	$ 5,000,000	$ 500.00
50	Steel Dock barge Name: LANDING PONTOON 304-014	50	$ 5,000,000	$ 500.00
51	Steel Barge Name: WORK BARGE 304-015	50	$ 5,000,000	$ 500.00
52	Steel Dock barge Name: LANDING PONTOON 304-016	50	$ 5,000,000	$ 500.00
53	Steel Barge Name: WORK BARGE 305-084	50	$ 5,000,000	$ 500.00
54	Steel Tugboat Name: BLUE LENIOR 360-259	50	$ 5,000,000	$ 500.00
55	Steel Research Vessel Name: PELICAN (SIGHTSEER)	50	$ 5,000,000	$ 500.00
56	Steel Deck Barge Name: SEISMIC 26.5 FT	50	$ 5,000,000	$ 500.00
57	Steel Barge Name: LANDING PONTOON 018-051	50	$ 5,000,000	$ 500.00
58	Steel Barge Name: LANDING PONTOON 018-052	50	$ 5,000,000	$ 500.00

SCHEDULE OF VESSELS				
VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
59	Steel Deck Barge Name: PILOT HOUSE 36 FT.	50	$ 5,000,000	$ 500.00
60	Steel Miscellaneous Vessel Name: CANVASBACK	50	$ 5,000,000	$ 500.00
61	Steel Barge Name: DRAGLINE BARGE 80 FT.	50	$ 5,000,000	$ 500.00
62	Steel Barge Name: BARGE 26.5 FT 53-0020701	50	$ 5,000,000	$ 500.00
63	Steel Barge Name: STEEL BARGE-80 FT. WLF400	50	$ 5,000,000	$ 500.00
64	Steel Research Vessel Name: SKIP JACK LA-664-PR-28 FT	50	$ 5,000,000	$ 500.00
65	Steel Spud Barge Name: SPUD BARGE #1 - 80 FT.	50	$ 5,000,000	$ 500.00
66	Steel Barge Name: DREDGE BARGE - 30 FT.	50	$ 5,000,000	$ 500.00
67	Steel Tugboat Name: BRANT (MITZI EVELYN)	50	$ 5,000,000	$ 500.00
68	Steel Miscellaneous Vessel Name: SEA HORSE 971-61-1684	50	$ 5,000,000	$ 500.00
69	Steel Research Vessel Name: TARPON	50	$ 5,000,000	$ 500.00
70	Steel Boston Whaler Name: LADY FISH LA-0782-PU	50	$ 5,000,000	$ 500.00
71	Steel Quarters Barge Name: JOSEPH ROBIN	50	$ 5,000,000	$ 500.00
72	Steel Miscellaneous Vessel Name: MR. MCLIHENNY	50	$ 5,000,000	$ 500.00
73	Steel Miscellaneous Vessel Name: PERCY VIOSCA	50	$ 5,000,000	$ 500.00
74	Steel Research Vessel Name: PELICAN LA-812-PT	50	$ 5,000,000	$ 500.00
75	Steel Research Vessel Name: ACADIANA 692280	50	$ 5,000,000	$ 500.00
76	Steel Miscellaneous Vessel Name: USS KIDD	50	$ 5,000,000	$ 500.00
77	Aluminum Patrol Boat Name: PATROL BOAT #1 32 FT.	100	$ 5,000,000	$ 500.00

SCHEDULE OF VESSELS				
VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
78	Aluminum Patrol Boat Name: PATROL BOAT #2 32 FT.	100	$ 5,000,000	$ 500.00
79	Aluminum Patrol Boat Name: PATROL BOAT #3 32 FT.	100	$ 5,000,000	$ 500.00
80	Aluminum Patrol Boat Name: PATROL BOAT #4 32 FT.	100	$ 5,000,000	$ 500.00
81	Steel Boston Whaler Name: JUSTICE BOSTON WHALER		$ 5,000,000	$ 500.00
82	Aluminum Patrol Boat Name: PATROL BOAT #5 32 FT.	100	$ 5,000,000	$ 500.00
83	Aluminum Patrol Boat Name: PATROL BOAT #6 32 FT.	100	$ 5,000,000	$ 500.00
84	Aluminum Patrol Boat Name: PATROL BOAT #7 32 FT.	100	$ 5,000,000	$ 500.00
85	Aluminum Patrol Boat Name: PATROL BOAT #8 27 FT.	100	$ 5,000,000	$ 500.00
86	Aluminum Patrol Boat Name: PATROL BOAT #9 27 FT.	100	$ 5,000,000	$ 500.00
87	Steel Barge Name: F.L.P. 305-035	200	$ 5,000,000	$ 500.00
88	Steel Boston Whaler Name: BOSTON WHALER 320 CUDDY		$ 5,000,000	$ 500.00
89	Aluminum Patrol Boat Name: PATROL BOAT #11	100	$ 5,000,000	$ 500.00
90	Aluminum Patrol Boat Name: PATROL BOAT #12 32 FT.	100	$ 5,000,000	$ 500.00
91	Aluminum Patrol Boat Name: PATROL BOAT #13 32 FT.	100	$ 5,000,000	$ 500.00
92	Aluminum Patrol Boat Name: PATROL BOAT #14 32 FT.	100	$ 5,000,000	$ 500.00
93	Aluminum Patrol Boat Name: PATROL BOAT #15 32 FT.	100	$ 5,000,000	$ 500.00
94	Aluminum Patrol Boat Name: PATROL BOAT #16 32 FT.	100	$ 5,000,000	$ 500.00
95	Aluminum Patrol Boat Name: PATROL BOAT #17 32 FT.	100	$ 5,000,000	$ 500.00
96	Aluminum Patrol Boat Name: PATROL BOAT #18 32 FT.	100	$ 5,000,000	$ 500.00

SCHEDULE OF VESSELS				
VESSEL #	DESCRIPTION/NAME	GRT	AMOUNT OF INSURANCE	PREMIUM
97	Aluminum Patrol Boat Name: PATROL BOAT #19 40 FT.	100	$ 5,000,000	$ 500.00
98	Aluminum Patrol Boat Name: PATROL BOAT #20 40 FT.	100	$ 5,000,000	$ 500.00
99	Steel Quarters Barge Name: LIVING QUARTERS BARGE		$ 5,000,000	$ 500.00
100	Steel Deck Barge Name: DECK BARGE - 120 FT #2935		$ 5,000,000	$ 500.00
101	Steel Barge Name: UTILITY BARGE - 80 FT.		$ 5,000,000	$ 500.00
102	Steel Barge Name: CARGO BARGE - 30 FT.		$ 5,000,000	$ 500.00
103	Steel Deck Barge Name: PILOT HOUSE BARGE-36 FT		$ 5,000,000	$ 500.00
104	Steel Deck Barge Name: ALUM DECK BARGE 28 FT		$ 5,000,000	$ 500.00
105	Steel Miscellaneous Vessel Name: BARRACUDA 32 FT.		$ 5,000,000	$ 500.00
106	Steel Miscellaneous Vessel Name: DORADO 33 FT.		$ 5,000,000	$ 500.00
107	Steel Miscellaneous Vessel Name: THE MEXICAN GULF 39 FT.		$ 5,000,000	$ 500.00
108	Steel Miscellaneous Vessel Name: CAJUN ODYSEA 33 FT.		$ 5,000,000	$ 500.00
109	Steel Miscellaneous Vessel Name: OIL RESPONSE BOAT #1		$ 5,000,000	$ 500.00
110	Steel Crane Barge Name: DRAGLINE CRANE 130'		$ 5,000,000	$ 500.00

GREAT AMERICAN INSURANCE GROUP
ADMINISTRATIVE OFFICES
301 E 4th Street • Cincinnati, OH 45202-4201
513.369.5000
www.GreatAmericanInsurance.com

GAI 2297 (Ed. 01 01)

Policy: OMH 3490912 14

OCEAN MARINE FORMS AND ENDORSEMENTS SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

		AMENDED		
	FORM AND EDITION	**Effective Date ADDED**	**Effective Date DELETED**	**FORM DESCRIPTION**
1.	GAI2196 01/11			VESSEL OWNER POLLUTION COV (B)
2.	GAI2264 10/03			POLLUTION POLICY DECLARATIONS
3.	GAI2298 01/01			DEDUCTIBLE CLAUSE

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MARINE INSURANCE POLICY
VESSEL OWNER POLLUTION COVERAGE (B)

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DECLARATIONS PAGE - The Declarations Page provides the specific information on the insurance you have chosen to protect your liability as per terms of this policy.

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GAI 2196 (Ed. 01 11)

MARINE INSURANCE POLICY
VESSEL OWNER POLLUTION COVERAGE (B)

AGREEMENT

We will provide the insurance in this Policy in consideration of the payment of the premium to Us.

This Policy consists of Sections **A** through **E**. Please read each section of this Policy carefully.

SECTION A: DEFINITIONS

In this policy, "You" and "Your" refer to the Named Insured shown in the "Declarations Page." "We," "Us" and "Our" refer to the Company providing this insurance. In addition, certain words and phrases are defined as follows:

1. **CERCLA** - Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, et seq.,
2. **INCIDENT** - An Incident is an accidental discharge or the substantial threat of an accidental discharge into the navigable waters of the United States for which You are liable under **OPA90** or **CERCLA** or **FWPCA** and for which coverage is provided in this Policy.
3. **FWPCA** - Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1321, et seq.
4. **OPA90** - The Oil Pollution Act of 1990, P.L. 101-380; 33 U.S.C. 2701, et seq.
5. **DEFENSE COSTS** - Legal fees and expenses paid by You with our prior written approval to defend a liability covered by this Policy.
6. All other terms are to be interpreted in accord with their generally accepted meaning within the marine insurance industry.

SECTION B: COVERAGES

The Coverage applies separately for each scheduled Vessel for an Incident during the effective period of this Policy. You are not covered for any Vessel not scheduled or for any Incident or event outside the Policy Effective period.

Subject to all the terms and conditions in this Policy, We will indemnify You up to the Amount of Insurance for a scheduled Vessel for an accidental discharge or the substantial threat of an accidental discharge into the navigable waters of the United States for the following:

1. **OPA90** (Federal) - Removal costs and expenses paid by You and for which You are designated liable under Section 1002 of **OPA90** (33 U.S.C. Section 2702), for a discharge of oil as defined in Section 1001 (23), or to avoid the substantial threat of discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive economic zone of the United States.
2. **OPA90** (State) - Removal costs and expenses identified in Section 1002 (33 U.S.C. Section 2702) of **OPA90** paid by You and for which You are liable under the law of a State or territory of the United States but only to the extent that such costs and expenses can be recovered under Section 1002 of **OPA90**.

3. **CERCLA** - Costs and expenses You paid for which you were liable under 107 (a)(1)(A) and (B) of **CERCLA** (42 U.S.C.) Section 9607 (a)(1)(A) specifically for "removal", "response", or "remedial action" as defined and applied under Section 101 (23) - (25) of **CERCLA** (42 U.S.C.)Section 9601 (23).-(25). This coverage includes claims for contributions under Section 1013 (f)(1) of **CERCLA** (42 U.S.C. Section 9613 (f)(1)).

4. **STAND BY** - We will standby firefighting or salvage efforts for a covered vessel but **ONLY** to the extent necessary to stop the discharge or release, or to prevent a substantial threat of a discharge or release, for which there would be coverage under **OPA90**, **CERCLA**, or the **FWPCA**.

5. **Spill Management** - Where an incident has occurred, We shall conduct **SPILL MANAGEMENT AND INCIDENT CONNECTED FUNCTIONS** on Your behalf. Your complete cooperation is a condition of coverage under this Policy. Failure to provide complete cooperation in the spill management and response and in responding to the concerned governmental authorities shall void the Policy coverage.

6. **Defense Costs** - We will also pay Defense Costs. We have no obligation to pay defense costs or to defend against a claim for a liability not covered under this Policy whether made in connection with or as part of a covered claim. We have the right, but not the duty, to assume Your defense against any claim alleging You have a liability covered under this Policy. In the event We determine to assume the defense of a claim against You, We shall control the defense and any settlement. Our obligation to pay Defense Costs whether we assume the defense or not terminates when the Amount of Insurance is exhausted either by payment or by tender.

7. **Limited Administrative Penalties** - Your liability under the Section 1321(b)(6)(A)(i) of the Federal Water Pollution Control Act (**"FWPCA"**) for civil administrative penalties up to a maximum amount of two hundred and fifty thousand dollars ($250,000) per Incident. This is a separate limit from the amount of insurance shown elsewhere in the Policy under any other section of **FWPCA** or any other law, regulations, etc. This Policy does not cover any other penalties or charges.

8. **Public Relations** - Sixty percent of the costs and expenses paid by You with our prior written consent for public relations during the removal phase of an oil spill covered by this Policy. The limit of insurance payable by this Policy for this coverage is one hundred thousand dollars ($100,000) per Incident, per Vessel, separate from the amount of insurance shown elsewhere in the Policy.

SECTION C: AMOUNT OF INSURANCE

The Amount of Insurance stated in the Declarations Page is the most we will pay under this Policy for the total of coverages **B.1.** through **B.6.** for any one Vessel for any one Incident. Each Scheduled Vessel is separately insured for its corresponding Amount of Insurance for each Incident. Expense limits are included in the Policy limit.

If, after an incident, You are entitled to Limitation of Liability Act (46 U.S.C. Section 181.et seq.), the Amount of the Insurance payable for that incident under this Policy will be the lesser of:

1. The amount to which Your liability is limited under the Limitation of Liability Act, or

2. The total **AMOUNT OF INSURANCE**.

SECTION D: LIMITATIONS OF COVERAGE

You are not insured against:

1. Any claim, cost, expense or liability other than Section 1002 of **OPA90** (33 U.S.C. Section 2702) or **CERCLA as defined in Section B.3.**

2. Any claim, cost, expense or liability of any nature arising from:

a) Willful misconduct by You, Your employees, agents or those for whom you are responsible, whether directly or indirectly, and whether in whole or in part, even if such would otherwise be covered hereunder. (Willful means an intentional act or omission or behavior that is so careless or reckless as to show an indifference to consequences.)

b) Any liability or increased liability for not:

(1) properly or timely reporting an Incident as required by applicable law;

(2) providing cooperation or assistance requested by an authorized government official or agency in connection with an Incident covered hereunder; or,

(3) complying with an order issued by an authorized government official or agency in connection with an Incident covered hereunder.

c) Act or acts of war.

d) Radioactive materials and/or a nuclear incident.

e) Claim for personal illness, disability, physical, mental, bodily injury or personal injury; and/or wrongful death claims or liability under any workman's compensation law or similar law.

f) Any contractual obligation.

g) Fines or penalties except those covered by Section B.7.

h) Any activity involving drilling, wells, mines, exploration, oil, mineral or resource drilling or extraction, or exploration activities.

i) Any injury or damage either expected or intended by You.

j) Punitive, exemplary or similar such damages, or any increase beyond compensatory damages.

k) Any criminal prosecution or liability.

l) Any criminal penalties or liabilities of any character.

m) Liability under the laws of any State or subdivision thereof beyond that covered under Section B.2.

SECTION E: GENERAL CONDITIONS APPLICABLE TO ENTIRE POLICY

The following are conditions precedent to the insurance provided in this Policy. The Failure to comply with any of these conditions for whatever reason relieves this Policy from responding in full. A condition of this Policy can only be waived by Our express written statement. Our decision to waive any one condition does not constitute a waiver of any other condition unless expressly stated by us in writing.

1. **NOTICE:** It is a condition of this insurance that You provide Us with **IMMEDIATE TELEPHONE NOTICE** of an Incident or any event(s) potentially covered by this Policy at:

Toll Free: 877-GAREACT (877-427-3228)
Direct Dial: 610-725-8286

Claims advices that do not involve an immediate threat of discharge should be reported to:

GREAT AMERICAN INSURANCE COMPANY OCEAN MARINE CLAIMS
P.O. BOX 2468
CINCINNATI, OHIO 45201
TELEPHONE #(800) 426-9697

You must also immediately forward to Us all relevant documents including any designations of responsibility, claims, communications, pleadings or legal papers relating to an Incident or potentially covered claim. We will not have any responsibility under this Policy if you fail to provide us with Immediate Telephone Notice of an Incident that may be covered under this Policy.

2. **COMPLIANCE:** It is a condition of this insurance that each Vessel be seaworthy and in compliance with all applicable laws and regulations throughout the effective term of this Policy. Failure to comply with this condition for whatever reason relieves this Policy from responding in full.

3. **SUE AND LABOR:** As soon as You are aware of any event(s) including an Incident, a discharge or the substantial threat of a discharge, or the release or a threatened release, or a claim, for which there would be coverage under this Policy, You must immediately take all steps to prevent or to minimize Your liability for such. We will indemnify You for Your reasonable incurred expenses, consistent with Section E: General Condition 4, and agreed to by Us or our authorized representatives provided proper Notice is given to Us.

4. **INSURED RESPONSE:** We shall reimburse You for the actual costs and expenses incurred and paid by You for actions taken with our consent to avoid or to mitigate a covered liability provided IMMEDIATE TELEPHONE NOTIFICATION is given. Subsequent to Your initial actions in response, any mitigation actions are subject to Our written express pre-approval. When You, or any entity affiliated with or commonly owned or managed by You, responds to an Incident or incurs costs or expenses, the claim under this Policy shall be limited to the actual incurred overhead cost and out of pocket expense, without increase or markup. You shall be compensated for the use of Your equipment or that of entities affiliated with or commonly owned or managed by You, only when approved by Us in advance at agreed rates which shall be consistent with the overhead cost for that equipment. You shall be compensated for the use of Your employees or those of entities affiliated with or commonly owned or managed by You, only when approved by Us in advance at agreed rates to be consistent with the overhead cost for those employees. You must document all costs and expenses claimed and maintain a daily log of the activity, labor and equipment claimed for. You may not recover a cost or expense that would have been incurred independent of the Incident or event(s) giving rise to the claim.

5. **COOPERATION:** Your complete cooperation with Us, our representatives and the Emergency Response Team in responding to an Incident, and in responding to any claim alleging a liability covered hereunder, is a condition of this insurance.

6. **ASSISTANCE:** Your assistance and cooperation in response to any claim covered under this Policy is a condition of this insurance. You must preserve attorney/client privileges that may apply with attorneys retained by Us in regard to an Incident and must maintain the confidentiality of communications between You and the attorneys in regard to an Incident for which You claim coverage under this Policy. You agree to share with us all attorney reports or advices relative to our common interests. These obligations apply whether or not such attorneys are selected by Us or by You.

7. **NO ADMISSION:** In the event of an incident, You must not make any admission of liability. Where an authorized official under **CERCLA** or **OPA90** requests information, You may provide such information.

8. **AUTHORIZED SETTLEMENT LIMITATION:** If We authorize a sum for the settlement of claim or liability insured under this Policy, and You do not for any reason promptly offer or approve that settlement, then our maximum liability for that claim shall be the sum We authorized. This Policy shall be relieved of any further response, and You shall thereafter be liable for any further defense, costs, or liability(s).

9. **SUBROGATION:** We will be subrogated to all of Your rights against any other person, thing or entity upon payment under this Policy. You will not do or omit to do anything that may prejudice those rights. You will

cooperate with Us fully and do all things that may be necessary to help Us enforce such rights, including but not limited to:

i) signing all documents necessary for Us to enforce those rights;

ii) providing Us or counsel with legal papers, documentation, witnesses, etc. as needed;

iii) authorize Us to commence suit or arbitration (at our cost and expense) in Your name.

10. **INSPECTION AND INVESTIGATION:** We have the right but not the obligation to inspect Your scheduled vessels, Your property and Your operations at any time during normal business hours, but this right or any report that may issue shall not be a determination of the adequacy or safety of the subject of any such inspection.

11. **PROTECTION & INDEMNITY INSURANCE:** It is a condition of this insurance that you have and maintain Protection & Indemnity insurance, including coverage for Wreck Removal, throughout the effective period of this policy for each scheduled Vessel. The Failure to comply with this condition for whatever reason relieves this Policy from responding in full. This Policy does not cover Wreck Removal.

12. **OTHER INSURANCE:** In the event you have any other insurance with respect to any liability or claim covered under this Policy, then this Policy shall not participate on a contributory, pro rata or any other basis and shall be relieved of responding in full, until all other insurance is exhausted. This insurance shall only respond excess of all other insurance independent of any similar provision in any other insurance.

13. **REPRESENTATIONS:** This is a Policy of Marine insurance. It is a condition to existence of this Policy and to the coverage that all information material to the risk insured is fully and accurately disclosed to Us. Any failure to fully and accurately disclose any material information or circumstance relating to the subject of this insurance, or with respect to any covered claim or Incident, entitled Us to void this Policy whether such failure is deliberate, negligent, inadvertent, innocent, or otherwise.

14. **AUDIT:** We may examine and audit Your books and records at any time during normal business hours as far as they relate to the subject matter of this Insurance Policy.

15. **DIRECT CLAIMS AGAINST US:** All terms, exclusions, conditions and limitations described in this Policy are applicable to any direct actions against Us concerning a liability of Yours covered, or potentially covered, by this Policy.

16. **IF WE ARE SUED DIRECTLY BECAUSE OF AN INCIDENT INVOLVING YOU:** In the event liability is imposed upon Us because of Your activities, We retain the right to pursue a recovery from You to the extent the action seeks recovery for claims not insured under this Policy, regardless of the reason or theory on which the sums are sought from Us.

17. **SUIT LIMITATION:** No suit, action, or claim against Us, under this Policy may be commenced unless all the requirements and conditions of this insurance have been complied with, and in no event later than ONE YEAR after the earlier of the following:

    a) The date final judgment or decree is entered against You for a liability allegedly covered under this **POLICY,** or

    b) The date You have made a payment to satisfy a liability allegedly covered by this **POLICY** even though a judgment or decree has not been entered against You in regard to that liability;

    c) The applicable Statute of Limitations of the State of New York.

18. **CAPTIONS AND HEADINGS:** The Captions and Headings used in this Policy and any endorsements are for convenience of reference only; they do not constitute a part of the Policy's coverage provisions.

19. **CANCELLATION:** This policy may be cancelled by either party giving the other party thirty (30) days notice in writing. If cancellation is at the election of the company, pro rata rates, if at the election of the assured, short rates will be charged. The company may cancel upon ten (10) days written notice in the event of non-payment of premium. If You cancel, You must send notice to Your agent/producer or:

    Great American Insurance Company
    Ocean Marine Claims
    P.O. Box 2468
    Cincinnati, Oh 45201

    We will notify You of any cancellation by mailing notice to You at the address noted on the Declarations Page of this Policy.

20. **TRANSFER OR YOUR INTEREST IN THIS POLICY:** Your rights and duties under this Policy cannot be assigned without our written consent. Upon any sale, transfer, or other change in ownership of any Vessel(s) named in the Declarations Page, this Policy will automatically be void as of that time and date and coverage will cease for that vessel, with a pro rata return premium granted.

21. **CONFORMING WITH STATUTE:** Any terms of this Policy in conflict with the law of any applicable law are hereby amended to conform with such law but only to the extent necessary to conform the Policy.

22. **CHOICE OF LAW:** This Policy shall be construed pursuant to, and the rights of the parties hereto shall be governed and controlled by, the General Maritime law of the United States and in the absence of an applicable rule of the General Maritime law of the United States, by the laws of the State of New York without regard to its choice of law rules.

23. **FORUM:** Any dispute of any nature with respect to this Policy or the coverage hereunder shall be adjudicated before the United States District Court for the Southern District of New York to which jurisdiction You and We agree to be subject.

24. **SIGNATORY CLAUSE:** This Policy is made and accepted subject to the foregoing provisions and stipulations and those hereinafter stated, which are hereby made a part of this Policy, together with such provisions, stipulations, and agreements as may be added hereto.

    In witness thereof, the Company has caused this Policy to be signed by its President and Secretary.

SECRETARY

PRESIDENT

Great American Insurance Company of New York
0010521

GREAT AMERICAN. INSURANCE GROUP

ADMINISTRATIVE OFFICES
301 E 4th Street • Cincinnati, OH 45202-4201
513.369.5000
www.GreatAmericanInsurance.com

GAI 2298 (Ed. 01 01)

Policy: OMH 3490912 14
Effective Date: July 1, 2011

Insured: STATE OF LOUISIANA

OCEAN MARINE GENERAL ENDORSEMENT

DEDUCTIBLE CLAUSE

IN CONSIDERATION OF THE PREMIUM CHARGED, IT IS UNDERSTOOD AND AGREED THAT THE SUM OF $1,000,000 SHALL BE DEDUCTED FROM THE TOTAL AMOUNT OF ANY AND/OR ALL CLAIMS RESULTING FROM ANY ONE ACCIDENT OR OCCURRENCE HEREUNDER.

Great American Insurance Company of New York
0010521

GREAT AMERICAN INSURANCE GROUP

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OCEAN MARINE DIVISION
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NEW YORK, NEW YORK 10006
(212) 510-0135
(212) 422-1063

CAPT. EDWARD F. WILMOT
DIVISION VICE PRESIDENT

GREAT AMERICAN EMERGENCY RESPONSE TEAM
Providing Emergency Management Support to our Insureds in all Areas of Coverage

Great American Insurance Companies provide our Insureds with 24-hour emergency response service in the United States and internationally. The Great American Emergency Response Team (GA/ERT) utilizes experienced emergency managers and engages response contractors to ensure prompt, effective response to any covered incident in coordination with the regulatory agencies.

In the event of an incident, regardless of its size, it is very important that we be notified immediately. One toll-free telephone call to 1-877-GAREACT (427-3228), or 1-610-526-0454 for international callers, will place our Insured in direct contact with one of our Emergency Managers. Once the necessary information has been exchanged, assistance with required regulatory liaison is provided and Great American notifications will be made. A Response Contractor will be activated and dispatched to the scene. It should be understood that for non-US spill response, the contractor resources are less available and in many countries the Government will take a lead role in organizing and directing the response. Great American will be active in every response, regardless of the location.

Our Emergency Manager will coordinate with the local regulatory agencies, response contractor(s), affected property owners and the covered Insured to provide a prompt and effective response to minimize the costs and liabilities. In the initial stages of a response, and in most minor incidents, the Emergency Manager coordinates all response actions from our Command Center. He or she will provide liaison to the agencies, direction to the contractor, communication with the Insured and monitoring of the response. Safety, site stabilization and protection of property and the environment remain the top priorities in the response. In the event of a non–US spill, a GA/ERT local representative will be activated to coordinate with the Insured, local government agencies and the cleanup resources.

As the incident warrants, the Emergency Response Team will be activated to ensure a safe, coordinated and prioritized response management at the site. Our Emergency Response Team is a national network of experienced emergency managers who possess the expertise and value the teamwork needed to control the situation. In addition to the United States they have experience in Central and South America, Africa and the Mid-East. Our response organization is based on the Incident Command System (ICS), which provides functional operational structure and enhances our communication with other response organizations that may be involved with the response. The Great American Emergency Response Team will establish command and control of an incident and maintain the organization and coordination of the operations, planning, logistics and financial functions required in a response of any magnitude. Specialists in media affairs, environmental issues and third party claims coordination are available to support the efforts as required.

Our knowledge of response resources and regulatory requirements ensures that the most effective contractors and technical support services are deployed. This response resources network includes the clean-up contractors, waste disposal services, logistic support services, environmental specialists and remediation contractors needed to maintain the response operations, as well as to coordinate with government agencies from activation to closure.

The Great American Emergency Response Team provides the experience and organization to coordinate and manage the response to an incident of any magnitude with professionalism and effectiveness.

Gulf Coast Marine, LLC
Marine Underwriters
Metairie, LA 70002

SECTION XP

Where the word "policy" appears herein, it shall be deemed to read "section".

THIS SECTION IS A SEPARATE INSURANCE BUT IS SUBJECT ALWAYS TO THE OTHER TERMS AND CONDITIONS STATED IN THIS POLICY EXCEPT FOR THE TERMS AND CONDITIONS ATTACHED TO AND FORMING PART OF SECTIONS HM, PI AND PL.

AMERICAN INSTITUTE OF MARINE UNDERWRITERS 8A
FOLLOWING FORM EXCESS MARINE LIABILITIES CLAUSES

(January 1, 2002)

To be attached to and form part of Policy No. GCM 11540 of the Subscribing Underwriters

1. **Insures** STATE OF LOUISIANA

(hereinafter called the "Assured") against excess liabilities of the Assured as hereinafter described and subject to the terms and conditions hereinafter set forth, in respect only of the liabilities or expenses for which a premium is shown in the following schedule:

	Sections	Covered	Premium Amount
(a)	Excess Protection and Indemnity	(X)	$ Included
(b)	Excess Collision Liability	( )	$
(c)	Excess Collision, Including Tower's Liability (where applicable)	(X)	$ Included
(d)	Excess General Average & Salvage	( )	$
(e)	Excess Sue and Labor Charges	( )	$
(f)	Excess Ship Repairer's Legal Liability	( )	$
(g)	Excess Charterer's Legal Liability	( )	$
(h)	Excess Wharfinger's and/or Safe Berth Liability	( )	$
(i)	Excess Pollution Liability	(X)	$ Included
		Total	$ As Agreed

2. **Period** At and from the 1st day of July, 2011
To the 1st day of July, 2012

Beginning with and ending with Noon, Central Standard Time at the mailing address of the Insured

3. **LIMIT OF LIABILITY**

Regardless of the number or types of liabilities insured against hereunder, or the number of vessels or risks involved, these underwriters shall not be liable under this Policy for more than Per Form any one accident or series of accidents arising out of the same event, but in no event shall the liability of these Underwriters under any individual section of this Policy exceed the Limit of Liability scheduled for that section in Column "A" below for any accident or series of accidents arising out of the same event.

EXCESS PROTECTION AND INDEMNITY

(a) These Underwriters agree to indemnify the Assured for all liability, loss, damage or expense insured against under the Protection and Indemnity policies described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and in the General Conditions as the "Primary Policies"); but this insurance is warranted free from claim hereunder unless such liability in respect of the same accident (or occurrence, if the limits of liability of the primary policies are written on an occurrence basis) exceeds the Limits of Liability of the Primary Policies in which event these Underwriters shall be liable only for the amount by which such liability exceeds such underlying Limits of Liability, but in no event for more than the Limit of Liability of this insurance.

EXCESS COLLISION LIABILITY

(b) These underwriters agree to indemnify the Assured for sums not recoverable in full by the Assured under the Collision Clause of the policies on Hull and Machinery (including Increased Value with excess liabilities, if any, or under any other policies insuring collision liability) described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and in the General Conditions as the "Primary Policies"), by reason of the Assured's collision liability exceeding the amount insured against collision liability as stated in the Primary Policies, but in no event for more than the Limit of Liability of this insurance.

EXCESS COLLISION INCLUDING TOWER'S LIABILITY

(c) These Underwriters agree to indemnify the Assured for sums not recoverable in full by the Assured under the Collision Clause incorporating tower's liability of the policies on Hull and Machinery (including Increased Value with excess liabilities, if any, or under any other policies insuring collision and tower's liability) described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and the General Conditions as the "Primary Policies"), by reason of the Assured's collision and/or tower's liability exceeding the amounts insured against collision and tower's liability as stated in the Primary Policies, but in no event for more than the Limit of Liability of this insurance. These Underwriters shall not be required to indemnify the Assured under Section (b) of this Policy with respect to any vessel insured under this Section (c).

EXCESS GENERAL AVERAGE AND SALVAGE

(d) These Underwriters agree to indemnify the Assured for General Average and Salvage not recoverable in full by the Assured under the policies on Hull and Machinery (including Increased Value with excess liabilities, if any), described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and in the General Conditions as the "Primary Policies"), by reason of the difference between the insured value of the vessel as stated in the Primary Policies for any reduced value arising from the deduction therefrom in the process of adjustment of any claim (which law or practice or the terms of the Primary Policies may have required) and the value of the vessel adopted for the purpose of contribution to General Average or Salvage charges, the liability under this Policy being such proportion of the amount not recoverable as the Limit of Liability of this insurance bears to the said difference or to the total sum insured against excess liabilities if it exceeds such difference, but in no event for more than the Limit of Liability of this insurance.

EXCESS SUE AND LABOR CHARGES

(e) These Underwriters agree to indemnify the Assured for Sue and Labor charges not recoverable in full by the Assured under the policies on Hull and Machinery (including Increased Value with excess liabilities, if any) described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and in the General Conditions as the "Primary Policies") by reason of the difference between the insured value of the vessel as stated in the Primary Policies for any reduced value arising from the deduction therefrom in the process of adjustment of any claim (which law or practice or the terms of the Primary Policies may have required) and the value of the vessel adopted for the purpose of ascertaining the amounts recoverable under the policies on Hull and Machinery (including Increased Value with excess liabilities, if any), the liability under this Policy being such proportion of the amount not recoverable as the Limit of Liability of this insurance bears to the said difference or to the total sum insured against excess liabilities if it exceeds such difference, but in no event for more than the Limit of Liability of this insurance.

EXCESS SHIP REPAIRER'S LEGAL LIABILITY

(f) These Underwriters agree to indemnify the Assured for all liability, loss, damage or expense insured against under the Ship Repairer's Legal Liability policies described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and the General Conditions as the "Primary Policies"), but this insurance is warranted free from claim hereunder unless such liability in respect of the same accident (or occurrence if the Limits of Liability of the Primary Policies are written on an occurrence basis) exceeds the Limits of Liability of the Primary Policies in which event these Underwriters shall be liable only for the amount by which such liability exceeds such underlying Limits of Liability, but in no event for more than the Limit of Liability of this insurance.

EXCESS CHARTERER'S LEGAL LIABILITY

(g) These Underwriters agree to indemnify the Assured for all liability, loss, damage or expense insured against under the Charterer's Legal Liability policies described in the Schedule of Underlying Insurances (hereinafter referred to in this section and the General Conditions as the "Primary Policies"), but this insurance is warranted free from claim hereunder unless such liability in respect of the same accident (or occurrence if the Limits of Liability of the Primary Policies are written on an occurrence basis) exceeds the Limits of Liability of the Primary Policies in which event these Underwriters shall be liable for the amount by which such liability exceeds such underlying Limits of Liability, but in no event for more than the Limit of Liability of this insurance.

EXCESS WHARFINGERS AND/OR SAFE BERTH LIABILITY

(h) These Underwriters agree to indemnify the Assured for all liability, loss, damage or expense insured against under the Wharfinger's and/or Safe Berth Liability policies described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and in the General Conditions as the "Primary Policies"), but this insurance is warranted free from claim hereunder unless such liability in respect of the same accident (or occurrence if the Limits of Liability of the Primary Policies are written on an occurrence basis) exceeds the Limits of Liability of the Primary Policies in which event these Underwriters shall be liable only for the amount by which such liability exceeds such underlying Limits of Liability, but in no event for more than the Limit of Liability of this insurance.

EXCESS POLLUTION LIABILITY

(i) These Underwrites agree to indemnify the Assured for all liability, loss, damage or expense insured against under the Pollution Liability policies described in the Schedule of Underlying Insurances (hereinafter referred to in this Section and in the General Conditions as the "Primary Policies"), but this insurance is warranted free from claim hereunder unless such liability in respect of the same accident (or occurrence if the Limits of Liability of the Primary Policies are written on an occurrence basis) exceeds the Limits of Liability of the Primary Policies in which event these Underwriters shall be liable only for the amount by which such liability exceeds such underlying Limits of Liability, but in no event for more than the Limit of Liability of this insurance.

GENERAL CONDITIONS

4. These Underwriters shall not be called upon to assume charge of the settlement or defense of any claim made or suit brought or proceeding instituted against the Assured, but these Underwriters shall have the right and shall be given the opportunity (without incurring any liability for costs or expenses thereof except as hereinafter provided) to associate with the Assured or the underwriters on the Primary Policies, or both, in defense and control of any claim, suit or proceeding which involves or appears likely to involve these Underwriters, in which event the Assured, the underwriters on the Primary Policies and these Underwriters shall cooperate in all matters in defense of such claim, suit or proceeding.

5. In the event the Assured or the Underwriters on the Primary Policies elect not to appeal a judgement in excess of the Limits of Liability as stated in the Primary Policies, these Underwriters may elect to make such an appeal at their sole cost and expense and shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall the liability of these Underwriters exceed the Limit of Liability of this insurance plus the cost and expense of any such appeal.

6. In the case of any payment made hereunder, these Underwriters may act together with all other interests (including the Assured) in the exercise of any rights of recovery against third parties with respect to the loss paid by the Assured, Underwriters on the Primary Policies and these Underwriters. The apportionment of any amounts which may be recovered from third parties shall follow the principle that any interest (including that of the Assured) that shall have paid an amount over and above any payment made hereunder by these Underwriters shall first be reimbursed up to the amount paid thereby; these Underwriters will then be reimbursed out of any balance remaining up to the amount paid thereby and hereunder; finally, the interests (including that of the Assured) of whom this policy is in excess are entitled to claim the balance, if any. Expenses necessary to the recovery of any such amounts shall be apportioned between the interests (including the Assured) concerned, in the proportion that their respective recoveries are finally settled.

7. It is a condition of this insurance that all Primary Policies, in which the Assured has an interest, are scheduled and that the said Primary Policies shall be maintained in full force and effect during the term of this policy and that no changes shall be made in the Primary Policies which broaden the insuring conditions thereof or reduce the amounts collectible thereunder. In the event there is no recovery available to the Assured under the Primary Policies, whether as a result of the bankruptcy or insolvency of the underwriters or any of them of the Primary Policies or otherwise, the coverage hereunder shall nonetheless apply only in excess of the applicable Limit of Liability specified in the Primary Policies. In the event of a breach of any of the aforesaid conditions, this policy shall be null and void, unless otherwise agreed in writing by these Underwriters. These Underwriters shall be furnished with copies of the Primary Policies and any amendments thereto at their request.

8. The term "Assured" is used severally and not collectively, but this inclusion herein of more than one Assured shall not operate to increase the liability of the these Underwriters.

9. The Assured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give prompt written or electronic notice thereof to these Underwriters.

~~10. Either these Underwriters or the Assured may cancel this insurance by giving the other thirty (30) days written notice, after which this Policy shall be of no force or effect. In the event of non-payment of premium thirty (30) days after attachment, or of any additional premium when due, this insurance may be cancelled by Underwriters upon ten (10) days written notice, after which this Policy shall be of no force or effect. Written or telegraphic notice sent to the Assured at its last known address shall constitute complete notice of cancellation. Such notice sent to the Assured in care of the broker who negotiated this Policy shall have the same effect as if sent directly to the Assured. If cancellation is at the Assured's option, the Underwriters will retain earned premium hereunder as per customary short rate table; if cancellation is at the Underwriters' option, pro rata unearned premium will be returned as soon as practicable. All returns shall be net.~~

11. This insurance shall cover only those excess liabilities specified in paragraph 1, for not exceeding the amounts specified under Limit of Liability in Column "A" below, being excess of Primary Limits in Column "B" below, but subject to the Terms and Conditions otherwise specified herein.

The listing below of Primary Policies which include risks not otherwise insured against under this Policy, shall not be deemed to be an acceptance by these Underwriters as protection against such risks, nor shall the Assured recover from these Underwriters any deductible or self insured retention under any Primary Policies.

Schedule of Insurances

Location or Vessel	Section(s) Applicable	Column "A" Excess Limit of Liability 1st Layer	Column "A" Excess Limit of Liability 2nd Layer	Column "B" Primary Limit of Liability
As Per Schedule	Section (a) - Excess P&I Section (c) - Excess Coll. Incl. Towers Section (i) - Excess Poll.	$24,000,000.00 3rd Layer $25,000,000.00	$25,000,000.00 4th Layer $25,000,000.00	$1,000,000.00 P&I & Coll./Tow. $5,000,000.00 Pollution

Any provisions required by law to be stated in policies issued by a subscriber hereto, shall be deemed to have been stated herein.

IN WITNESS WHEREOF, the subscribers hereunder each severally, but not jointly, and not on the part of one for the other or any of the others have caused this policy to be signed by a duly authorized representative, this 1st day of July, 2011.

It is expressly understood and agreed by the Assured by accepting this instrument that GULF COAST MARINE, LLC is not one of the Underwriters or Assurers hereunder and neither is nor shall be in any way or to any extent liable for any loss or claim whatever as insurer, but the Assurers hereunder are only those Underwriters whose names appear below.

STATE OF LOUISIANA (GCM 11540)

ASSURER	AMOUNT INSURED	PREMIUM	AUTHORIZED SIGNATURE FOR ASSURER
SECTION HM -- HULL & MACHINERY			
FIRST $1,000,000.00 --			
GCM H/M UNDERWRITING POOL 2011 COMPANIES AND INTERESTS:	40.00%	AS AGREED	
The Northern Assurance Co. of America 42.00% Direct Account 18.00% Reins. Account 24.00% Markel American Insurance Company 34.00% Direct Account 24.00% Reins. Account 10.00% ProCentury Insurance Company 24.00%			
ZURICH-AMERICAN INSURANCE COMPANY	20.00%	AS AGREED	
STARR INDEMNITY & LIABILITY COMPANY	15.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	15.00%	AS AGREED	
CATLIN INSURANCE COMPANY	10.00%	AS AGREED	
EXCESS OF LOSS (WITHIN HULL & MACHINERY)			
NEXT $1,000,000.00 X/S $1,000,000.00 E.V. --			
ZURICH-AMERICAN INSURANCE COMPANY	20.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	15.00%	AS AGREED	
STARR INDEMNITY & LIABILITY COMPANY	15.00%	AS AGREED	
CATLIN INSURANCE COMPANY	10.00%	AS AGREED	
MARKEL AMERICAN INSURANCE COMPANY	40.00%	AS AGREED	
			ON BEHALF OF ALL SUBSCRIBING UNDERWRITERS: GULF COAST MARINE, LLC BY:

Any provisions required by law to be stated in policies issued by a subscriber hereto, shall be deemed to have been stated herein.

IN WITNESS WHEREOF, the subscribers hereunder each severally, but not jointly, and not on the part of one for the other or any of the others have caused this policy to be signed by a duly authorized representative, this 1st day of July, 2011.

It is expressly understood and agreed by the Assured by accepting this instrument that GULF COAST MARINE, LLC is not one of the Underwriters or Assurers hereunder and neither is nor shall be in any way or to any extent liable for any loss or claim whatever as insurer, but the Assurers hereunder are only those Underwriters whose names appear below.

STATE OF LOUISIANA (GCM 11540)

ASSURER	AMOUNT INSURED	PREMIUM	AUTHORIZED SIGNATURE FOR ASSURER
EXCESS OF LOSS (WITHIN HULL & MACHINERY)			
NEXT $8,000,000.00 X/S $2,000,000.00 E.V. --			
ZURICH-AMERICAN INSURANCE COMPANY	20.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	15.00%	AS AGREED	
STARR INDEMNITY & LIABILITY COMPANY	15.00%	AS AGREED	
CATLIN INSURANCE COMPANY	25.00%	AS AGREED	
MARKEL AMERICAN INSURANCE COMPANY	12.50%	AS AGREED	
U. S. FIRE INSURANCE COMPANY	12.50%	AS AGREED	
SECTION PI -- PROTECTION & INDEMNITY			
$1,000,000.00 --			
GCM P/I UNDERWRITING POOL 2011 COMPANIES AND INTERESTS:	25.00%	AS AGREED	
The Northern Assurance Co. of America 35.00% Direct Account 17.50% Reins. Account 17.50% Markel American Insurance Company 47.50% Direct Account 17.50% Reins. Account 30.00% ProCentury Insurance Company 17.50%			
ZURICH-AMERICAN INSURANCE COMPANY	20.00%	AS AGREED	
STARR INDEMNITY & LIABILITY COMPANY	15.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	15.00%	AS AGREED	
CATLIN INSURANCE COMPANY	25.00%	AS AGREED	
			ON BEHALF OF ALL SUBSCRIBING UNDERWRITERS: GULF COAST MARINE, LLC BY: Dana L Duplessis

Any provisions required by law to be stated in policies issued by a subscriber hereto, shall be deemed to have been stated herein.

IN WITNESS WHEREOF, the subscribers hereunder each severally, but not jointly, and not on the part of one for the other or any of the others have caused this policy to be signed by a duly authorized representative, this 1st day of July, 2011.

It is expressly understood and agreed by the Assured by accepting this instrument that GULF COAST MARINE, LLC is not one of the Underwriters or Assurers hereunder and neither is nor shall be in any way or to any extent liable for any loss or claim whatever as insurer, but the Assurers hereunder are only those Underwriters whose names appear below.

STATE OF LOUISIANA (GCM 11540)

ASSURER	AMOUNT INSURED	PREMIUM	AUTHORIZED SIGNATURE FOR ASSURER
SECTION PL -- POLLUTION LIABILITY			
GREAT AMERICAN INSURANCE COMPANY	100%	AS AGREED	
SECTION XP -- EXCESS PROTECTION & INDEMNITY			
1ST LAYER ($24,000,000.00) --			
ZURICH-AMERICAN INSURANCE COMPANY	20.00%	AS AGREED	
NEW YORK MARINE & GENERAL INS. CO.	12.50%	AS AGREED	
MARKEL AMERICAN INSURANCE COMPANY	12.50%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	27.50%	AS AGREED	
LIBERTY INTERNATIONAL UNDERWRITERS	27.50%	AS AGREED	
2ND LAYER ($25,000,000.00) --			
CATLIN INSURANCE COMPANY	20.00%	AS AGREED	
NEW YORK MARINE & GENERAL INS. CO.	25.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	27.50%	AS AGREED	
CONTINENTAL INSURANCE COMPANY	27.50%	AS AGREED	
3RD LAYER ($25,000,000.00) --			
ZURICH-AMERICAN INSURANCE COMPANY	20.00%	AS AGREED	
NEW YORK MARINE & GENERAL INS. CO.	25.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	27.50%	AS AGREED	
LIBERTY INTERNATIONAL UNDERWRITERS	27.50%	AS AGREED	
4TH LAYER ($25,000,000.00) --			
U. S. FIRE INSURANCE COMPANY	20.00%	AS AGREED	
NEW YORK MARINE & GENERAL INS. CO.	25.00%	AS AGREED	
AGCS MARINE INSURANCE COMPANY	27.50%	AS AGREED	
CONTINENTAL INSURANCE COMPANY	27.50%	AS AGREED	
			ON BEHALF OF ALL SUBSCRIBING UNDERWRITERS: GULF COAST MARINE, LLC BY: