

## Letter of Indemnity

To: The Underwriters of Policy No: \_\_\_\_\_ dated \_\_\_\_\_ ("the Policy")

From: [Contractor's name and address]

Date: \_\_\_\_\_

Dear Sirs,

[Ship Name] LOF (2011) dated \_\_\_\_\_ ("the LOF")

In consideration of you agreeing to underwrite the non-payment of the fees of the Arbitrator and Appeal Arbitrator (if any) appointed in relation to the LOF and the Council of Lloyd's by subscribing to the Policy we hereby irrevocably agree and undertake to:

- (a) fully indemnify you against any sums you may pay or become liable to pay arising out of or connected to a claim under the Policy; and,
- (b) to use our best endeavours to minimise the amount payable under the Policy and, without prejudice to the generality of the foregoing, to procure that the proportion of the proper fees and charges of the arbitrator and/or appeal arbitrator appointed in connection with the LOF and the proper fees and charges of the Council of Lloyd's relating to the LOF attributable to the salvaged interest secured and incurred in connection with the LOF shall be paid out of any salvage security given for that salvaged interest (whether held at Lloyd's or by the Contractor or his agent or otherwise) in priority to all other sums due to the Contractor under or by virtue of the LOF (such as the principal award, interest, costs, the costs of collecting security etc);
- (c) to pay to you any costs, expenses, interest, charges, penalties and other sums whatsoever that you may incur or pay in relation to the Policy.

The signatory of this Agreement and Undertaking personally confirms and warrants that the company on whose behalf he is signing this Agreement and Undertaking has duly authorised him to sign this document on the company's behalf.

It is further agreed that this Agreement and Undertaking shall be governed by and construed in accordance with English law and any dispute arising hereunder shall be subject to the exclusive jurisdiction of the English Courts.

Signed by: .....

Full name and address individual in print

[ ]

For and on behalf

Of [Contractor's full name and address]