

Chrysalis Premium Worksheet

Policy No: _____

Named Insured: _____

Policy Period: _____

Sector: Offshore Exploration and Production

Sector Limitations:

“Use or Association Limitation” applicable to the Offshore Exploration and Production Sector is: Exploration, development, production, processing and on-site storage of hydrocarbons.

“Location Limitation” applicable to the Offshore Exploration and Production Sector is: Offshore as defined in the Policy.

Offshore Exploration and Production Applicable Unmodified Gross Assets (as at Policy Inception):

(i) Offshore Exploration & Production Sector
Unmodified Gross Assets (as defined in
the Policy) as at Policy Inception USD _____

Minus

(ii) The gross value included in (i) above of
Construction Property (as defined in
Endorsement C) that is not scheduled
as covered by Endorsement K USD _____

USD _____

Premium for First 12 Months:

Total premium for first 12 months: USD _____

Premium for Second 12 Months:

The greater of the premium for the first 12 months or the product of that premium and the ratio of Offshore Exploration and Production Sector Unmodified Gross Assets at anniversary date divided by Offshore Exploration and Production Sector Unmodified Gross Assets at inception.

The Named Insured agrees to file with Chrysalis a report of Unmodified Gross Assets, broken down by Sector, within 180 days of the end of the Assured's year for financial reporting purposes. Chrysalis at any time shall be permitted to audit the Named Insured's Unmodified Gross Assets, and the Named Insured shall provide all cooperation reasonably requested by Chrysalis in connection therewith and shall endeavor to obtain such cooperation from its chartered accountants or certified public accountants. If the Named Insured inadvertently fails to report any Unmodified Gross Assets to Chrysalis, coverage in respect thereof and otherwise shall not be prejudiced, but the Named Insured shall be required to pay all premiums which would have been due had Unmodified Gross Assets been correctly reported.

Tax:

Premiums payable by the Named Insured as hereinabove set forth shall be net of any withholding or other taxes, other than United Kingdom taxes, thereon or with respect thereto, and shall also be net of United Kingdom Insurance Premium Tax if any is applicable, and the Named Insured shall indemnify and make whole the Facility underwriters for and against any such taxes.

Premium Payment:

The Named Insured undertakes that the premium for the first 12 months will be paid in full to Chrysalis within days after inception of the Policy, and that the premium for the second 12 months shall be paid in full to Chrysalis within days after the anniversary date of the Policy.

If premium due under the Policy has not been paid to Chrysalis within the stipulated time, Chrysalis shall have the right to cancel the Policy by notifying the Named Insured in writing. In the event of cancellation, the premium due to Chrysalis shall be the sum of (i) pro rata premium for the period that Chrysalis is on risk, and (ii) 50% of pro rata premium for the period commencing at the cancellation date and expiring 24 months after inception of the Policy. However, the full Policy premium shall be payable to Chrysalis in the event of a loss or occurrence prior to the date of cancellation which gives rise to a valid claim.

It is agreed that Chrysalis shall give not less than days prior notice of cancellation to the Named Insured. If premium due is paid in full to Chrysalis before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this Premium Payment provision which will remain in full force and effect.