

## IMCC CLAIMS HANDLING GUIDELINES

### Marine Hull Insurance

**THESE GUIDELINES SHALL NOT BE LEGALLY BINDING ON THE PARTIES CONCERNED BUT SHOULD BE REGARDED PURELY AS A STATEMENT OF BEST PRACTICE TO WHICH THOSE INVOLVED IN THE HANDLING OF HULL INSURANCE CLAIMS SHOULD ASPIRE**

#### *Objective of this Document*

These Guidelines are intended to promote the efficient handling of Marine Hull Claims for the mutual benefit of Underwriters and Assureds. They are not intended, and shall not be applied, to override existing procedures or regulations required in any particular insurance market but should be regarded as a statement of best practice to which those involved in the handling of hull insurance claims should aspire.

Individual guidelines shall not be applied in preference to any specific conditions of the policy and in no case shall the application of these Guidelines increase the liability of Underwriters beyond that provided for in the policy.

Where these Guidelines specify time limits for certain actions, these should be regarded as expectations only.

#### *Recommended Practices*

1. The Claims Leader identified in the underwriting slip or the invitation to quote shall have the authority of all Following Underwriters to act in their joint best interests in relation to the notification, handling and settlement of claims arising under the insurance.

[NOTE: In relation to placements in the London Market, the Claims Leader shall be deemed to be the Agreement Parties.]

2. All claims shall be notified to the Claims Leader by the Assured or their Broker. The Claims Leader shall be responsible for:
  - (a) Instructing surveyors or other appropriate experts (including average adjusters and lawyers as necessary) to act on behalf of all Underwriters.
  - (b) Establishing reserves for the claim and claim expenses.
  - (c) Agreeing interim and final claim settlements within the conditions of the insurance and recommending such settlements to the Following Underwriters. However, in no event will the Claims Leader be responsible for the payment of the Following Underwriters share of any claim.
  - (d) Negotiating and recommending compromised settlements and submitting same for the consideration of the Following Underwriters. However, for the avoidance of doubt, in no event shall any agreement to compromise any claim be binding on Following Underwriters.
  - (e) Considering, pursuing and agreeing recoveries from third parties.

(c) & (d) above shall not apply if they conflict with any applicable Follow Clause.

3. The Claims Leader, in association with the Brokers where appropriate, shall use their best endeavours to provide Following Underwriters with the comprehensive casualty information as detailed in Appendix 1 hereto and update Following Underwriters when there is a material change.
  4. The Claims Leader shall exercise discretion in the circulation of the reports of surveyors or other experts however they shall endeavour to respond promptly to requests from Following Underwriters for additional information and/or documentation.
  5. The Claims Leader shall respond to any average adjustment or claims presentation submitted by or on behalf of the assured as expeditiously as possible; the expectation being that a response should be provided within 10 working days.
  6. The Following Underwriters will reimburse to the Claims Leader their proportionate share of disbursements incurred pursuant to the Claims Leader's responsibilities under these Guidelines.
  7. The Claims Leader shall be entitled to charge a reasonable fee for preparing the average adjustment where the services of an independent average adjuster are not utilized. The Claims Leader shall also be entitled to charge a reasonable fee for handling the claim on behalf of the Following Underwriters but only when in accordance with local law or the applicable insurance conditions.
-

**APPENDIX 1**

**IMCC CLAIMS HANDLING GUIDELINES - CASUALTY INFORMATION**

Leading Underwriter / Agreement Parties, Contact Details and References:

Broker Contact Details and Reference:

Assured:

Vessel:

Date and circumstances of loss:

Type of loss:

Claim reserve – including an explanation of the basis of such reserve (e.g. net or gross & repair costs + % or estimated total claim)

Expenses reserve:

Current position:

Prospects of recovery:

Date:

Advice No: