

CLAIMS HANDLING PROTOCOL

Marine Hull Insurance

The following shall apply unless specific terms to the contrary are incorporated in the policy document or specifically agreed between insuring underwriters.

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.
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) Ensuring that the Following Underwriters are advised of all claims notified under the insurance within 10 days of notification to them.
 - (c) Establishing reserves for the claim and claim expenses and ensuring that the Following Underwriters are advised as soon as practicable.
 - (d) Ensuring that the Following Underwriters are provided with updated information regarding the claim, including revised reserves for the claim and claim expenses:
 - (i) within 30 days of the initial notification to the Following Underwriters,
 - (ii) whenever there is a significant development, but
 - (iii) at least every six months.
 - (e) 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 settlement of any claim on behalf of the Following Underwriters.
 - (f) Negotiating and recommending compromised or commercial 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.
 - (g) Considering, pursuing and agreeing recoveries from third parties.

3. Notifications by the Claims Leader to the Following Underwriters should include the following information, as a minimum:
 - (a) Claim reference no.
 - (b) Assured
 - (c) Vessel
 - (d) Date and circumstances of loss
 - (e) Type of loss
 - (f) Claim reserve – including an explanation of the basis of such reserve (e.g. net or gross & repair costs + % or estimated total claim).
 - (g) Expenses reserve
 - (h) Current position
 - (i) Prospects of recovery

4. The Claims Leader shall exercise discretion in the circulation of the reports of surveyors or other experts.

5. The Claims Leader and the Following Underwriters shall pay their respective proportions of all claim settlements due to the Assured within 6 weeks of the Claims Leader's notification to the Assured or their Brokers of the acceptance of such claim.

6. The Following Underwriters will reimburse to the Claims Leader their proportionate share of expenses incurred pursuant to the Claims Leader's responsibilities under this Protocol.

7. In consideration of the services performed by the Claims Leader under the terms of this Protocol, the Claims Leader shall be entitled to charge a reasonable fee.

Hull Claims Protocol - IMCC 2006