MARINE HULL & MACHINERY INSURANCE

SCOPE OF COVER

The marine Hull policy covers the following:

- Hull:-It means the body of the ship(outer portion)
- Machinery: -Like engine, boiler etc.
- Equipment's, Stores etc. on board
- Against Total loss(Actual/Constructive):-ITC 1.10.8-Total Loss Only
- Partial Loss, ship's proportion of G.A and salvage charges, Sue and labour expenses , ship-owners liabilities towards other vessels arising out of collision .
- It also Covers 3/4th and 4/4th collision liability.
- The earnings of the vessels described as "Freight" can be covered up to 25% of H & M value provided no additional insurances on the disbursement s are placed.
- The ship-owners expenses incurred in fitting and provisioning the vessel and other items not included in the hull valuation are covered under "Disbursement and Increased Value" insurance. The sum insured is limited to 25% of H & M value (provided no additional insurance is of freight is placed). Briefly stated that combined sum insured for "Freight Insurance" and Disbursement and Increased Value" should not exceed 25% of H& M value.
- Time Policy covers defines specific time and date. It ordinarily does not exceed 12 months.
- Voyage Policy covers entire voyage from one port to final destination of the port.

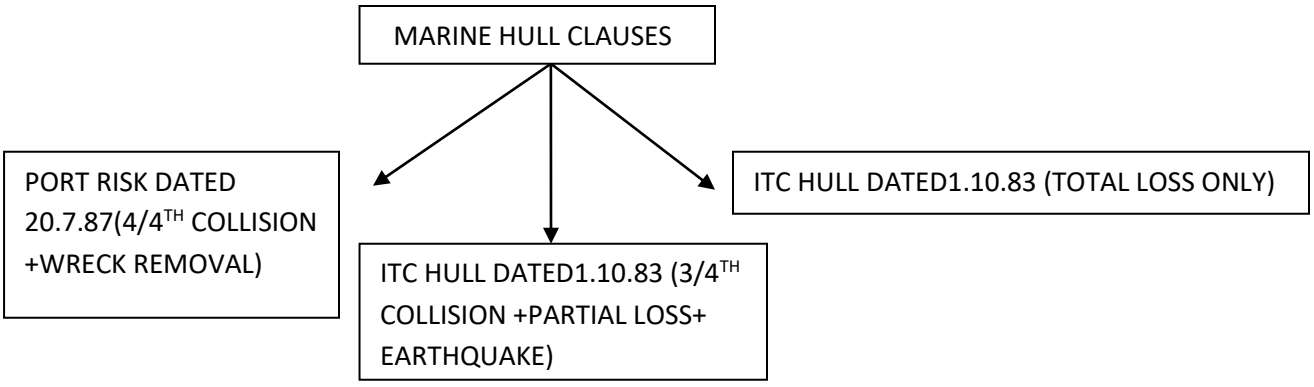
FEATURES OF MARINE HULL INSURANCE

- Marine hull Policies are time bound policies.
- These are issued as agreed value policies.
- These policies are not freely assignable. Consent of hull underwriters is essential.
- Basis of indemnity is
    i. Provision of new for old.(Clause 14 of ITC Hull Dated 1.10.83)
    ii. In case of TL/CTL the full sum insured without deduction for normal wear and tear and without applying deductible excess.(Clause 12 of ITC Hull Dated 1.10.83)
- Sum Insured does not get reduced with the payment of partial loss claim.

-The total amount of successive partial losses may exceed the Sum Insured.

- Collision Liability is a supplementary Contract: -Cover for damage/loss to other vessel in addition to damage/loss to insured vessel. (Clause 8 of ITC Hull Dated 1.10.83)
- Sue and labor charges are paid in addition to the claim amount payable even if policy covers for T.L/CTL.(Clause 13 due of assured- of ITC Hull Dated 1.10.83)
- The survey fees is payable by Hull underwriters if it is later on found that the claim is within the deductible excess of the policy.
- Inland vessels are based on GRT.
- Ocean Going Vessels are rated based on GRT, BHP, and DWT.
- The insured is required to submit the valuation report for all the vessels at the time of
    a. At the time of attachment of a new acquisition of the fleet.
    b. At the time of change in vessel's sum insured for any reason whatsoever

MARINE HULL CLAUSES



- **RESTRICTED COVER:-**Institute Time Clauses Hull Total Loss only (including salvage, salvage charges and sue & labor) dated 1.10.83

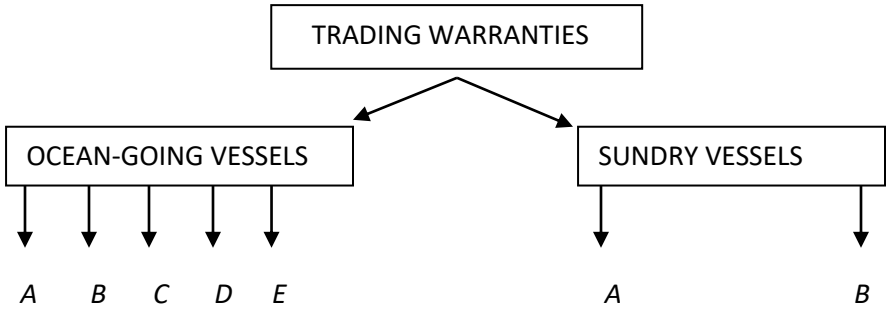
- **WIDER COVER:-**Institute Time Clauses Hull date d1.10.83. Under this, it provides the following coverage: -
    a) Partial Loss
    b) 3/4th collision liability
    - **WIDEST COVER: -** Institute Time Clauses 20.7.1987 Following coverage form part of this cover:-
        a) Partial Loss
        b) 4/4th collision liability
        c) Wreck Removal

    - Premium Installment Clause:-The facility is provided to the insured under this policy to collect the annual premium in 4 equal quarterly installments.
    - Classification And Maintenance of Class Clause.

STANDARD SET S OF COVER

- ITC Hull Total Loss Only (including salvage, salvage charges and sue and labour) dated 1.10.83
- Institute Time Hull Clauses 1.10.83(3/4 collision + partial Loss)
- Institute Time Clauses Hull dated 1.10.83 with 3/4th collision amended to 4/4th collision liability and Clause no.9 of Port risks dated 20.7.87
- Institute Time Clauses-Hull Port Risks Dated 20.7.87

TRADING WARRANTIES



Ocean Going Vessels: - Vessels which are registered under Merchant Shipping act.(MSA)

The vessels which are classed by one of the following classification societies and class maintained throughout the currency of the policy.

- Lloyd's Register
- American Bureau of Shipping
- Bureau Veritas
- China Classification Society
- Germanischer Lloyd
- Korean Register Of Shipping
- Russian Maritime Register Of Shipping
- Nippon Kaiji Kyokai
- Norske Veritas
- Registro Italiano
- Indian Register Of Shipping

SUNDRY HULL INSURANCE: -

- Vessels registered under Inland or coastal Vessels Act.(ICA/IVA)
- Vessels ply in inland waters (Brown waters) are rated under Sundry Hull Insurance.
- They are barges, Tugs, Dredgers, Pleasure crafts, yachts etc.
- Barges engaged in transfer of cargo from ships to shore and vice-versa.

TRADING WARRANTIES: -1-07-1976

These trading warranties are applicable only to Ocean Going Vessels and not to Sundry Vessels.

A. Warranted vessel plying only within the port limits of…….. With leave to proceed not beyond 12 N.M s from the entrance to the harbor/Port.
B. Institute warranties dated 1-7-1976 but trading limited to East and West coast of India, Pakistan, Srilanka and Bangladesh.
C. Institute warranties dated 1-7-1976 but trading limited to East And west Coasts Of India, Pakistan, Srilanka, Bangladesh and Burma with liberty to proceed Maldives Islands, Lakshadweep and Andaman and Nicobar Islands.
D. Institute Warranties dated 1-7-1976 but trading limited to not east of 110" East longitude and not west of 30" East longitude.
E. Institute Warranties dated 1-7-1976 but trading limited to not east of 180" East longitude and not West of 20" west longitude.
F. Institute Warranties Dated 1.7.1976

STANDARD TRADING WARRANTY

TRADING WARRANTY	Percentage OTL rate chargeable
"A"	60%
"B"	75%
"C"	80%
"D"	85%
"E"	90%

- **It means that Warranty "F" is the widest cover and "A" is the restricted Trade Warranty.**

TRADING LIMITS IN CASE OF SUNDRY VESSELS: -

- Vessel plying only within the port limits of…….(name of the port) with leave to proceed not beyond 12. N.M from the prominent point of the harbor/port as designated by Port Authorities /Custom Authorities/ Local Authorities.
- East Coast Of India
- West Coast of India
- These 3 conditions can be used in combination by loading the premium.