

Smooth sailing ahead: The LMA's new Open Form Default Clause

23 September 2024

Earlier this month, the Lloyd's Market Association (LMA) released a new Lloyd's Open Form Default Clause for marine hull insurance policies to clarify procedures for the securing of emergency and non-standard tug services.

The clause, which was produced in collaboration with the International Chamber of Shipping, addresses challenges which the maritime sector faced with the Lloyd's Open Form, including:

- ensuring it is clear that in emergency situations, ship owners and masters can use the Lloyd's Open Form to obtain salvage services;
- laying out a clear procedure to be followed in emergency situations where there is no risk of imminent danger;
- laying out a clear procedure for the notification of insurers, and consultation with them as to the appropriate form of contract.
- communication between shipowners and underwriters, and inefficiency surrounding salvage processes.

The clause will officially be released by the LMA shortly.

Contents

The Word, September 2024	→
Latest short-term insurance trends	→
Oklahoma earthquake: Racial discrimination in adjudication	→
Local authority insurers: Vicarious liability in kinship carer abuse	→
The LMA's new Open Form Default Clause	→
LMA binders' consultation	→
PFAS: The issue that won't go away	→
Will the Online Safety Act help reduce Google ad spoofing in insurance?	→

Author

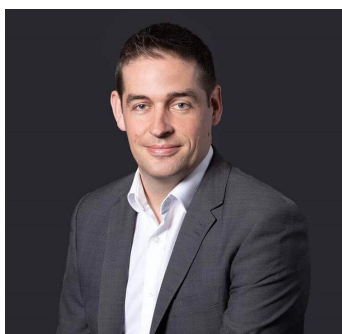


Mark Hickson

Head of Business Development

onlineteaminbox@brownejacobson.com

+44 (0)370 270 6000



Tim Johnson

Partner

tim.johnson@brownejacobson.com

+44 (0)115 976 6557

Related expertise

Services

Policy drafting and distribution

Property damage and business interruption