



## INSTITUTE OF SEATRANSPORT

are pleased to give you advance notice of their next

### LECTURES & WORKSHOPS ON PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS HANDLING

It is recognized that claims handling is the showcase on the subject of insurance. Marine Insurance claims, hull claims in particular, are likely to be complicated that would require services of skilled claims practitioners.

With this in mind we are, in conjunction with [Asia Maritime Adjusting \(Hong Kong\)](#), one of the two professional average adjusting firms in Hong Kong, in the process of organizing a series of four 1-day courses to provide a masterclass on the practical application of the principles of marine insurance in handling, adjusting and settling hull claims according to the law and practice of the United Kingdom, which are similar to that of Hong Kong – though where appropriate the major differences between the English and the American, Chinese and Norwegian conditions would be highlighted.

#### Target Participants

These courses should particularly appeal to claims executives working in offices of ship-owners, ship-managers, insurance companies, insurance brokers etc., as well as maritime claims service providers like surveyors, lawyers and adjusters and also for any practitioners in the maritime industry who may be interested in and/or wish to enrich/refresh their knowledge in insurance claims.

**The Four One (1) day Courses** – The main features of the Syllabus are detailed in [Appendix A](#)

Course I	<i>Claims in the context of ITC-Hulls 1/10/83 with emphasis on Particular Average</i>
Course II	<i>General Average per York-Antwerp Rules and Salvage per Lloyd's Open Form</i>
Course III	<i>Total Loss and Sue &amp; Labour Charges in terms of ITC-Hulls 1/10/83</i>
Course IV	<i>Collision Liability and Marine Insurance</i>

These courses will be held on about a bi-monthly basis. Each course would last for at least 6 solid hours reviewing the underlying law and principles and emphasizing on practices and procedures to follow when dealing with various types of claims arising from maritime casualties covered by policies of marine insurance on Hull – from casualty to settlement, and recoveries from third parties, identifying who does what. There will be workshops and case studies on each type of claim, examining the preparation/adjustment thereof.

### **Proposed Dates**

Course I	Saturday, 5 <sup>th</sup> October 2019 (confirmed)
Course II	Saturday, 23 <sup>rd</sup> November 2019
Course III	Saturday, 18 <sup>th</sup> January 2020
Course IV	Saturday, 21 <sup>st</sup> March 2020

### **Duration**

Registration	09:00 – 09:15
Lecture	09:15 – 10:45   11:00 – 12:30   13:45 – 15:15   15:30 – 17:00
Lunch	12:30 – 13:45

### **Course Venue**

Leighton Room, 1/F Clubhouse Building, Craigengower Cricket Club  
188 Wong Nai Chung Road, Happy Valley, Hong Kong

### **Course Fees**

We would limit the number of participants for each course to 30. For each course we would charge a fee of HK\$1,500 per person with the following concession:

- (a) For members of the Institute of Seatransport - HK\$1,200.00 per person per Course
- (b) For members of the Marine Insurance Club - HK\$1,200.00 per person per Course

The fee includes attendance and documentation; lunch, coffee and tea are borne by Asia Maritime Adjusting (Hong Kong). Payment receipt will be issued to each paid participant.

The fees collected, less costs, will be placed in the Education Funds of the Institute of Seatransport.

### **Aims & Objectives**

The Institute has been planning to run series of courses of such dimension and depth that would help strengthen the marine insurance claims services of Hong Kong under the Greater Bay Area, to achieve the objectives of speed, economy, accuracy of settlement, and indeed a satisfied Insurer (and Reinsurer) and Assured. We are pleased to have had the dedicated support of **Asia Maritime**

**Adjusting (Hong Kong)** in realizing this vision. We believe that these expert designed training courses will help build up and maintain a pool of skilled personnel in Hong Kong that would support its future development in marine insurance. As a follow-up, participants will be encouraged to form informal Hull Claims Forums and/or Discussion Groups where they can meet up from time to time to catch up, sharing experience in and exchanging views on day-to-day hull claims problems arising.

Subject to the feedbacks in due course and the availability of quality lecturer(s), we would consider to repeat the series every two years.

#### **Award of Certificate of Attendance**

Each course stands on its own and participants who achieve the 6-hour attendance of the individual course will be awarded a Certificate of Attendance of that specific course.

In the meantime, we are applying for (a) the Law Society CPD points and (b) inclusion of the course on the list of pre-approved maritime-related courses / examinations under the Professional Training and Examination Refund Scheme of Maritime and Aviation Training Fund (MATF ProTERS) - to be confirmed.

#### **Instructors** – as detailed in Appendix B

The key instructor is Raymond T C Wong, highly qualified and experienced professional average adjuster and frequent speaker/lecturer on maritime claims related topics. He will be assisted by William Lai, a fellow average adjuster and a member of the Institute of Chartered Shipbrokers, and Wong Cho Hor, a Logistics & Projects Consultant with a range of maritime practice experience. Other senior practitioners of the maritime industry will be invited to share their experience in the case studies and discussion sessions.

#### **APPENDICES**

Appendix A Main features of the Syllabus

Appendix B About the Instructors

The Flyer for the first Course to be held on 5<sup>th</sup> October 2019 will be sent out shortly.

**Enquiries:** Ms. Clair Wong T 2581 0003 E [info@seatransport.org](mailto:info@seatransport.org)

1/8/2019

**APPENDIX A**

**LECTURES & WORKSHOPS ON PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS HANDLING**

Masterclass on the practical application of the principles of marine insurance in handling, adjusting and settling hull claims according to the law and practice of the United Kingdom, which are similar to that of Hong Kong – though where appropriate the major differences between the English and the American, Chinese and Norwegian conditions would be highlighted.

**Main Features of the Syllabus**

**Course I PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS**

*in the context of ITC-Hulls 1/10/83 with emphasis on Particular Average*

- Review scope of insurance and losses/risks covered and excluded by ITC-Hulls 1/10/83
- Examine Institute Additional Perils Clauses - Hulls 1/10/83
- Proximate Cause of Damage and Incidence of Loss
- Measure of Indemnity and Reasonable Cost of Repairs
  - Examine the statutory provision of the Marine Insurance Act, 1906, section 69
  - Review relevant legal decisions/definitions
  - Examine the concept of the prudent “uninsured” shipowner
  - Look particularly at AAA Rules of Practice A4
  - Discuss taking repair tenders, Clause 10 of ITC
  - Examine what items can be included in the reasonable cost of repairs
    - Certain AAA Rules of Practice, viz. – Rules A1, A3, D1, D5, D6, D8.
    - Policy provisions – Clauses 12, 13, 14, 15, 16, 17 and 18 of ITC (discussing certain Owners’ Special Clauses commonly used in the market)
- Claims Procedures - From Casualty to Settlement
  - Role of Underwriters’ Surveyor and Owners’ Superintendent
- Case Study – Providing details of a particular casualty acting as an example to discuss on one hand, the fundamental aspects in relation to proving that a claim on a policy exists and, on the other hand, to deal with aspects which can have an important effect on the amount which can be recovered under the policy
- Insurers’ defences
- Subrogation Right and Recovery from Third Party
- Highlight major differences between the English and the American, Chinese and Norwegian conditions
- Workshop - Adjusting Particular Average – involving:
  - Division of dry-docking and general services required for repairs
  - Removal expenses
  - Progressive damage and unknown contact damage
  - Abortive repairs
  - Replacement of condemned parts

## **Main Features of the Syllabus**

### **Course II PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS**

#### *General Average per York-Antwerp Rules and Salvage per Lloyd's Open Form*

To set the scene and provide the basic ground work on Salvage under LOF (Lloyd's Open Form) and General Average per YAR (York-Antwerp Rules) - to explore the main principles of the method of allocation and spreading the costs of dealing with a maritime casualty among those parties who benefit by ship and cargo being saved.

- A resume of the concept of Salvage and development in relation to environmental concerns; distinctions:
  - Salvage – no cure no pay; several liability
  - Contracts for salvage services
  - Special Compensation and SCOPIC
- LOF 2011 and where a claim for salvage arises ... security, evidence collection, negotiations / arbitration, and settlement – Rule VI of the YAR
- Understand the fundamental principles and essential features of General Average
  - Recognizing General Average – conditions need to be present
  - What are the contributing interests and their contributory values
  - Losses allowable: Sacrifices, Expenditures, Substituted Expenses
  - Security for payment of General Average
  - Defences to payment of General Average under Rule D of YAR
- Examine York-Antwerp Rules; note differences between YAR 1974, as amended 1990 / YAR 1994 / YAR 2016 – reviewing recent leading legal decisions on GA allowances
- Pre-casualty activities
  - H&M Policy – GA Absorption Clause
  - Contract of Carriage – Which set of YAR would shipowners prefer?
  - Place of Adjustment – to support Hong Kong as an international adjusting centre?
- Post casualty activities – followed by a case study
- Discuss some issues arising, including:
  - GA Declaration
  - Salvage operations
  - Salvage and GA security on container ships
  - Environmental damage, oil pollution
  - Port of refuge expenses
  - Substituted expenses
  - Insurances on subsidiary interests, in particular, insurance on Average Disbursements
  - Abandonment of voyage
  - Ballast General Average
  - Time Bar
  - Recovery from third party
  - Role of Average Adjuster

## Main Features of the Syllabus

- Practical examples of GA adjustment - followed by workshop discussing the complexities when calculating the GA adjustment
- Indemnity against H&M Insurers
- Claim on the Excess Liabilities Insurance (for unrecovered GA/Salvage by reason of under-insurance)
- Claim on P&I – recovered Cargo’s proportion of GA by reason of breach of contract

## Course III PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS

### *Total Loss and Sue & Labour Charges in terms of ITC-Hulls 1/10/83*

- Consider provisions of MIA, 1906
  - Actual Total Loss – sec. 56, 57 and 58
  - Constructive Total Loss – sec. 60
  - Notice of Abandonment – sec. 61 and 62
- Actual Total Loss – missing ship, sinking – burden of proof
- Constructive Total Loss – a n analysis of Clause 19 of ITC
- Examples of how the principles operates
- Usual course taken by Assured and Insurers in CTL situation
- A consideration of the costs which may be aggregated to make the vessel a CTL on figures, and those costs which may not be included (with reference to some legal decisions)
- Claim documents for Total Loss of vessel
- Other total losses, related to CTL – arranged, compromised and commercial total losses
- Other policy provisions, e.g. Nordic Plan, concerning Constructive Total Loss
- A review of MIA sec.63 on the effect of abandonment
- Rights and liabilities of Underwriters on payment of a CTL
  - Claims in addition to a CTL against proceeds
- Features of Sue and Labour
- Discussion and analysis of Clause 13 of the ITC – Duty of Assured (Sue and Labour) Clause
  - Provisions of MIA sec.78(4)
  - Who recovers what and why under such clauses
  - Nature and extent of duty
  - Underinsurance
  - Expenses incurred trying to save ship and cargo where there is a total loss
  - Few recent legal decisions
- Insurers’ defences
- Examination of Adjustments of CTL of the vessel and Claim under Clause 13.5 of ITC

## Main Features of the Syllabus

### Course IV PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS

#### *Collision Liability and Marine Insurance*

- Collision defined – general principles
- Claims which may arise
- Which Insurers cover what
- Claims handling - outline the practical and legal steps to be followed by Ship (and Cargo) after a collision
- Measure of Indemnity – assess and prepare claims against wrong-doer
- An analysis of the 3/4ths Collision Liability Clause – Clause 8 of ITC – a resume of the cover provided together with the detailed exclusions
- Examine principles of the practical applications of single and cross liabilities with examples
- Workshop - Examples of claims under the Clause, the division of costs and the application of recoveries
- Position when limitation of liability involved
- General
  - Time Limits
  - Where the H&M Policy excludes Collision Liability absolutely
  - Claim on Excess Liabilities Insurance
  - Position of Cargo Interests

**APPENDIX B**

**LECTURES & WORKSHOPS ON PRACTICAL ASPECTS OF HULL INSURANCE CLAIMS HANDLING**

**About the Instructors**

- **Mr. Raymond T C Wong**  
Principal, Asia Maritime Adjusting (Hong Kong)

Fully qualified in 1980 by examination, and became the first Chinese Fellow of the British Association of Average Adjusters (better known as AAA). He has been sitting on the Advisory & Dispute Resolution Panel of the AAA.

Raymond started his career in 1966 with the oldest average adjusting firm, Messrs. William Richards & Sons, currently named Richards Hogg Lindley of which he was an equity partner prior to its incorporation and following its acquisition by Charles Taylor plc., he was appointed to sit on the latter's Board of Directors between 1999/2008.

After retirement from the firm he had worked for some 46 years, Raymond continued his service and commitment to the maritime and insurance communities and in 2015, in conjunction with colleagues in the region, set up Asia Maritime Adjusting (Hong Kong).

Raymond is a regular lecturer/speaker on general average and maritime claims related topics. He is the current chairman of the Institute of Seatriansport (established in 1984) – an institutional member of the HK Maritime Port Board; an honorary advisor of the HK Logistics Management Staff Association (established in 1986), a founder member and former chairman of the Marine Insurance Club (established in 1979), and a founder and former committee member of the HK Maritime Law Association (established in 1987).

- **Mr. William Lai**  
Fellow of the AAA; also qualified as a Member of the Institute of Chartered Shipbrokers.

William graduated from the Hong Kong University of Science and Technology in Industrial Engineering and Logistics Management. He has been with the maritime industry since 2005, working variously in shipping (liner) agency, ship broking and marine insurance broking (for both underwriting and claims handling) before commencing to practise in average adjusting in November 2014. Having satisfied the demands of the examiners of the Association of Average Adjusters, he was elected a Fellow of the Association at its general meeting in May 2019. He is currently an Executive Committee member of the Marine Insurance Club and also the Hong Kong Logistics Management Staff Association.

- **Mr. Wong Cho Hor**  
Logistics & Projects Consultant and Director of Five Oceans Maritime Ltd.

Wong Cho Hor read Economics & International Relations at University College London. He began his career in 1973 and has experience in a range of maritime practice, on corporate, ship acquisition, financing, ship-management (shipbuilding & Repairs, Technical & Maintenance, Marine Insurance, Chartering, Operations & Agency, Legal & Disputes) and project financing (Harbour and other infrastructures). He served as a Director of the Charterers P&I Club. He is currently an Executive Committee member of the Hong Kong Logistics Management Staff Association. He was appointed Sector Specialist for Transport & Logistics by the Hong Kong Council for Accreditation of Academic Qualifications until 31 December 2013. He released the Belt & Road Initiative General Theory (BRIGT) in June 2018. He was from 2014 the Administrator of the Interdisciplinary Maritime Practice (IMP) (24 monthly sessions) and Belt & Road Initiative Forum (RBIF) (4 bimonthly sessions) Workshop Series with Mr. Raymond Wong as Chair of Panel of Moderators.