

AVERAGE ADJUSTING

15th December 2020



Presentation to
MARITIME PROFESSIONAL PROMOTION FEDERATION

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AGENDA

- The story of General Average and the York-Antwerp Rules
- Following a major maritime casualty ...

Claims that may arise – introducing Salvage & LOF

Numerous issues/questions may arise involving many parties

Transfer the risk by Insurance

- Marine Insurance - From Casualty to Settlement of Claims (Hull)
- Use of Average Adjusters

The British AAA founded 1869

Objectives

Qualifications and Examinations

Function of Average Adjusters

- Average Adjusting in Hong Kong

Since 1945, servicing different markets world-wide

Future (BRI/GBA opportunities)

Promotion, as an international average adjusting centre ?



GENERAL AVERAGE



Imagine trading BC 500...

Assume that at the time of the accident, the value of the property at risk was:

Ship	200
Merchant A	100
Merchant B	200
Merchant C	300
	<u>800</u>
and Cargo B <i>jettisoned</i> ..	<u>200</u>
Value saved	<u>600</u>





GENERAL AVERAGE

The loss would be adjusted as follows?

Ship	200	pays	67
Merchant A.....	100	pays	33
Merchant C.....	<u>300</u>	pays	100
	600	pays	--
Merchant B.....	<u>0</u>	pays	<u>--</u>
Total arrived value...	<u>600</u>	pays	<u>200</u>



The loss would be adjusted as follows:

				
Ship	200	pays	67	50
Merchant A.....	100	pays	33	25
Merchant C.....	<u>300</u>	pays	100	75
	600			
Merchant B (amount				
made good)	<u>200</u>	pays	--	<u>50</u>
	<u>800</u>	pays	<u>200</u>	<u>200</u>

Everyone whose property had been at risk sustained the same degree of loss, i.e. 25%.

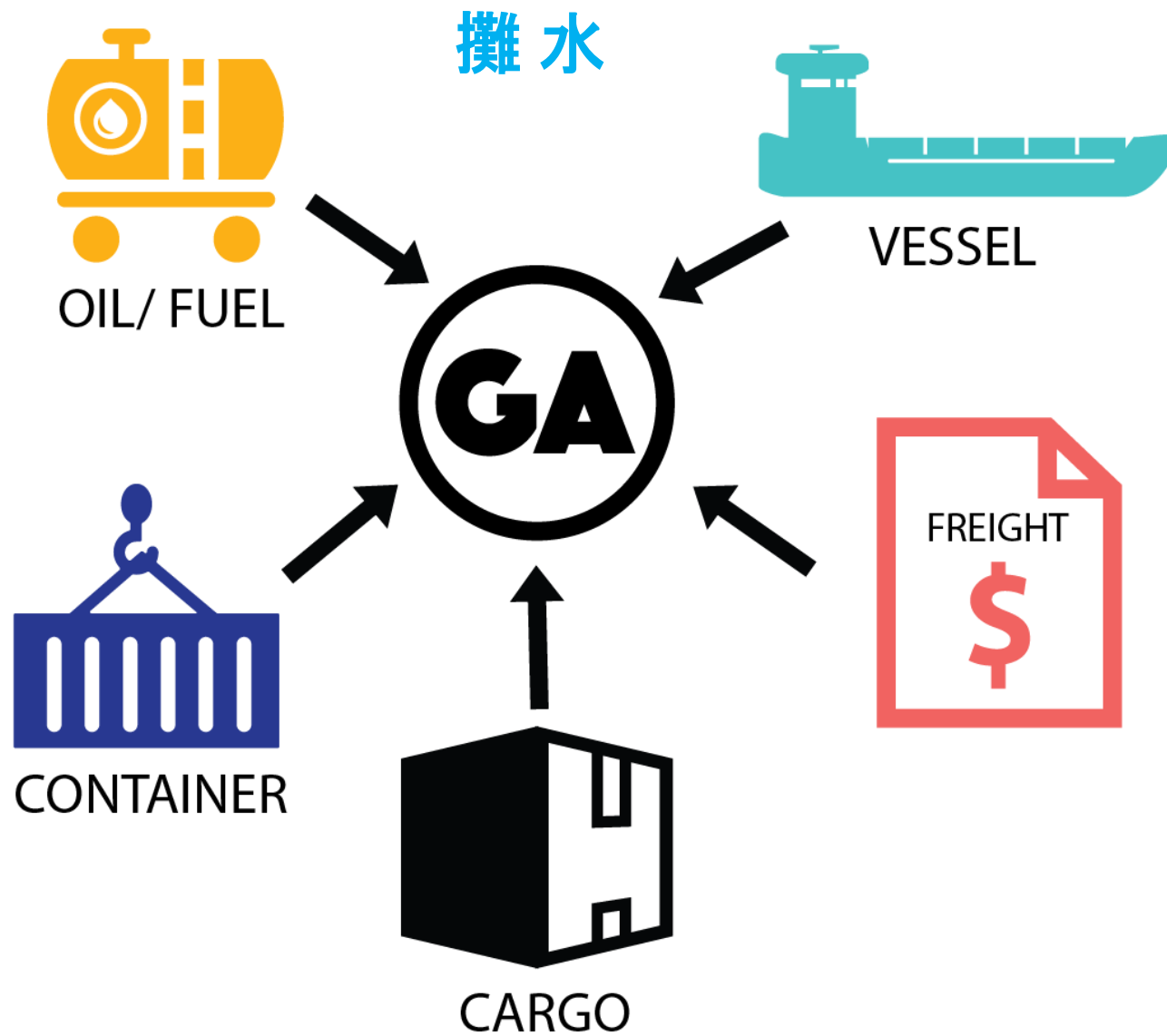


SO, WHAT IS GENERAL AVERAGE?



- A system of making good maritime losses based on equity, equity being the key word.
- Extraordinary sacrifice or expenditure *voluntarily* and *reasonably* made or incurred in time of *peril* to preserve property imperiled in the *common adventure*.
- Object of GA Act must be the preservation of the whole adventure.
- Adventure or some part thereof must be saved





- GA has, in essence, nothing whatever to do with the contract of affreightment.
- GA is independent of insurance (though a form of mutual insurance)
- About 14th/15th century – to explore means of transporting goods at sea without accompanying them; hence to invent contract
- Separate development of laws of GA in the various maritime countries, leading to (later part of the 19th century) the adoption of a common code, the York-Antwerp Rules - to promote uniformity in adjustment of GA “to the exclusion of any law and practice inconsistent therewith”



- York Rules 1864
- York/Antwerp Rules 1877
- YAR 1890
- YAR 1924 [CMI – Comité Maritime International 國際海事委員會]
- YAR 1950
- YAR 1974
- YAR 1974 as amended 1990
- **YAR 1994**
- YAR 2004
- YAR 2016

YAR is not a convention

Incorporation by reference in contract of carriage



- Shipowners' duty to have GA adjustment drawn up – Adjusters be appointed
- Shipowners' lien on cargo for security in the form of:
 - Bond (Receiver)
 - Average Guarantee (Insurer) or
 - Cash Deposit (Receiver) or
 - Bank Guarantee (Receiver) – very rarely
 - Commercial Invoice (Not part of security)
 - To Add?
 - Non-Separation Agreement
 - Jurisdiction Agreement
 - Time Bar wording



Nothing is 100% certain

Nothing is 100% safe

- Accidents maritime property exposed to have not changed:
 - fire
 - stranding
 - collision
 - heavy weather
 - jettison
 - explosion....

Catastrophes may fall on all types of vessels

Transfer the risk by Insurance



“Container Carrier” (64,254 grt; built 2001; carrying capacity 5,212 teu)

VOYAGE:

From Far East ports to European ports via Singapore with cargo stuffed in 3,196 containers (4,958 teu)

CASUALTY:

6th August 2006 – Explosion followed by fire off Singapore.

Salvage under LOF 2000; towed into Singapore; containers discharged and sound cargo forwarded to destinations by forwarding vessels; vessel sold for scrap to Chinese ship broker at US\$3m. (Vessel subsequently rebuilt in China.)

LOSSES:

- Hull Loss – Constructive Total Loss USD80m (Sold for scrap USD3m)
- Cargo Loss – USD70m
- Container Loss - minor
- Crew members – 1 died and few injured.

WHAT INSURANCES WERE INVOLVED?

Property...

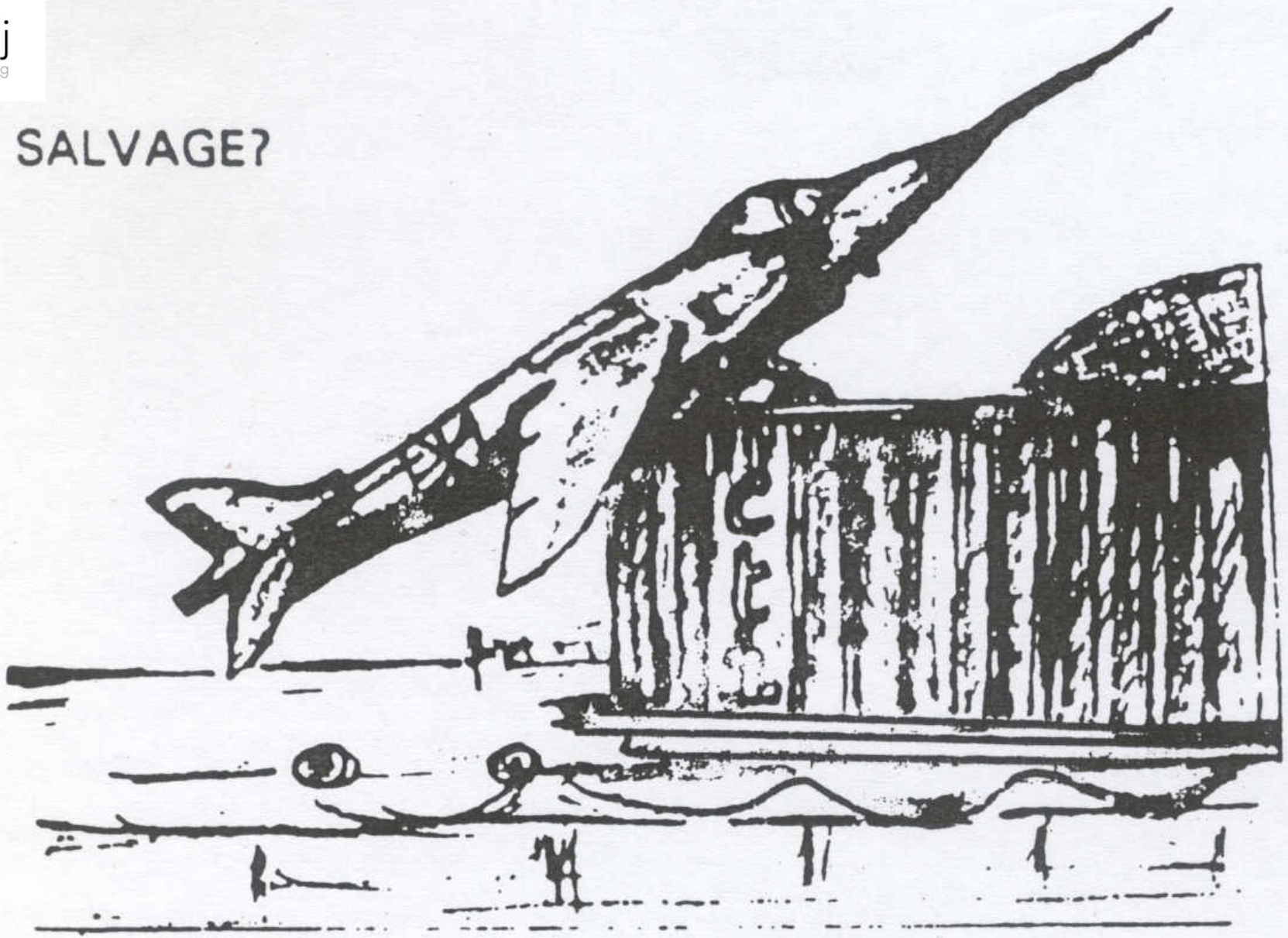
Liability...

Business Interruption...

Additional insurances following the casualty...



SALVAGE?



Was it salvage?



- 1983
- Jump-jet Royal Navy Sea Harrier off Portugal
- Lost radio contact with aircraft carrier *Illustrious*
- Being almost out of fuel
- Pilot used hand signals to crew of Spanish container carrier *Alreigo* – he wished emergency landing
- Crew created a makeshift landing pad of 8 containers
- Successful landing!
- Agreed to deal with salvage under LOF
- Salvage arbitration proceedings
- Award £ 412,000: Shipowner. - £ 174,000
 - Master - £ 29,000
 - Crew - £209,000 (pro rata salaries)



WHAT IS SALVAGE?

- A **voluntary** service which benefits a subject of salvage by saving or helping to **save it from danger** in special circumstances which give a legal right to a reward.
- International Convention on Salvage, IMO 1989:
“any act or activity undertaken to assist a vessel or any other property in danger in navigable waters or in any other waters whatsoever.”
- The salvor must prove that :
 - The property saved is a recognized subject of salvage.
 - That the property saved was in danger.
 - That the service was voluntary.
 - Success is necessary – at least some part of the property must be saved; this is the principle of “no cure – no pay”
 - Exception : Environment damage avoidance
 - Art. 13 Conventional award
 - Art. 14 Special compensation



IMPORTANT DISTINCTIONS

Salvage



- < No cure no pay
- < Several Liability

Contracts for services



- < Paid for at agreed rate, irrespective of result.
- < Liability is personal to shipowner, or whoever ordered the services.

Special compensation



- < Threat of damage to environment
- < Liability on ship alone



LLOYD'S OPEN FORM (LOF)

- Overriding objective - good faith co-operation, resolve claims quickly and cheaply
- A standard form of contract that can be readily agreed without delay
- A contract that is easily understood and known to be fair to all parties
- An experienced forum which will determine salvage claims in an efficient, consistent and inexpensive manner
- A procedure for the collection of security which aims at avoiding arrest of the salvaged property.
 - Not a separate code
 - No need for signature required
 - Covers services already performed



LLOYDS OPEN FORM

- 1890 First Agreement
- 1892 First standard form
- 1980 LOF 80 (first safety net)
- 1989 International Salvage Convention
- 1990 LOF 90 (incorporates ISC 1989)
- 1995 LOF 95 (ISC now law - 1994)
- 2000 LOF 2000 - 4 separate documents
 - Box Form 2 page contract
 - LSSA
 - Procedural Rules
 - SCOPIC
- 2011 Minor amendments
- 2020 Further amendments



- Both General Average and Salvage exist independently of insurance
- Practice for Ship-owners and cargo-owners to be insured so that
- They may recover anything they pay in General Average and Salvage from their Insurers.
- Consequently, the settlement of General Average and Salvage has in practice become a settlement between Insurers.
- Hence, whilst General Average has nothing to do with insurance, insurance has much to do with General Average and Salvage.



Cause of accidents

- Almost every accident which occurs to a ship could be traced to negligence on the part of somebody – human error, e.g.:
 - Fires – carelessly disposing of lighted matches of cigarette ends
 - Groundings & Collisions – error in navigation
- Transfer the risk by insurance



Purpose of Insurance

- To maintain cash flow after a casualty
 - Without casualties there would be no need for insurance
- Marine Insurance – a contract of indemnity



Liability Insurance v. Property Insurance

“A shipowner’s hull and machinery insurance is designed primarily to protect the assured against losses to his vessel whereas protection and indemnity insurance seeks to indemnify an owners in respect of discharge of legal liabilities he has incurred in operating his vessel.”

(“P&I Clubs Law and Practice” by Steven J Hazelwood).



Shipowners' Liabilities

- Protection and Indemnity Associations
 - Main risks covered: legal liabilities, costs and expenses arising from
 - Crew: illness, injury and death
 - Passenger: illness, injury and death
 - 3rd Party: illness, injury, and death
 - Cargo carriage
 - Collision(1/4th or 4/4th)
 - Fixed and Floating Objects (“FFO”)
 - Wreck removal
 - Pollution
 - “Omnibus” Rule
- For full scope, refer to Rules of individual clubs.





Support of a legal regime

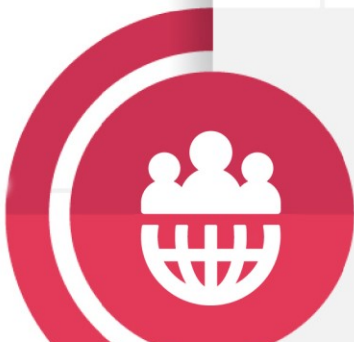
- Well-trying
- Well-understood



Marine Insurance Act 1906

(Note the UK Insurance Act 2015)

- 300 years of case law
- Rules of Practice of the Association of Average Adjusters



Recognized Market Practice

NB: MIA is similar to Hong Kong Marine Insurance Ordinance

Hull CLAUSES COMMONLY USED IN HK

- **Institute Time Clauses Hulls 1/10/83**, supplemented with:

- Institute Additional Perils Clauses – Hulls 1/10/83
- Ship-owners Special Clauses

[N.B. International Hull Clauses 2003]

- American Institute Hull Clauses (June 2, 1977), supplemented with

- American Hull Insurance Liners Negligence Clause (May 1, 1964) or
- Institute Additional Perils Clauses – Hulls 1/10/83
- Ship-owners Special Clauses

[N.B. American Institute Hull Clauses (September 29, 2009)]

- Nordic Plan
- PICC Hull Clauses



Headings of Claims under ITC

LOSS AND DAMAGE

TOTAL LOSS



- ACTUAL TOTAL LOSS
- CONSTRUCTIVE TOTAL LOSS

PARTIAL LOSS



- PARTICULAR AVERAGE
- GENERAL AVERAGE (SACRIFICE)

LIABILITY



- $\frac{3}{4}$ ths COLLISION LIABILITY
- GENERAL AVERAGE CONTRIBUTION

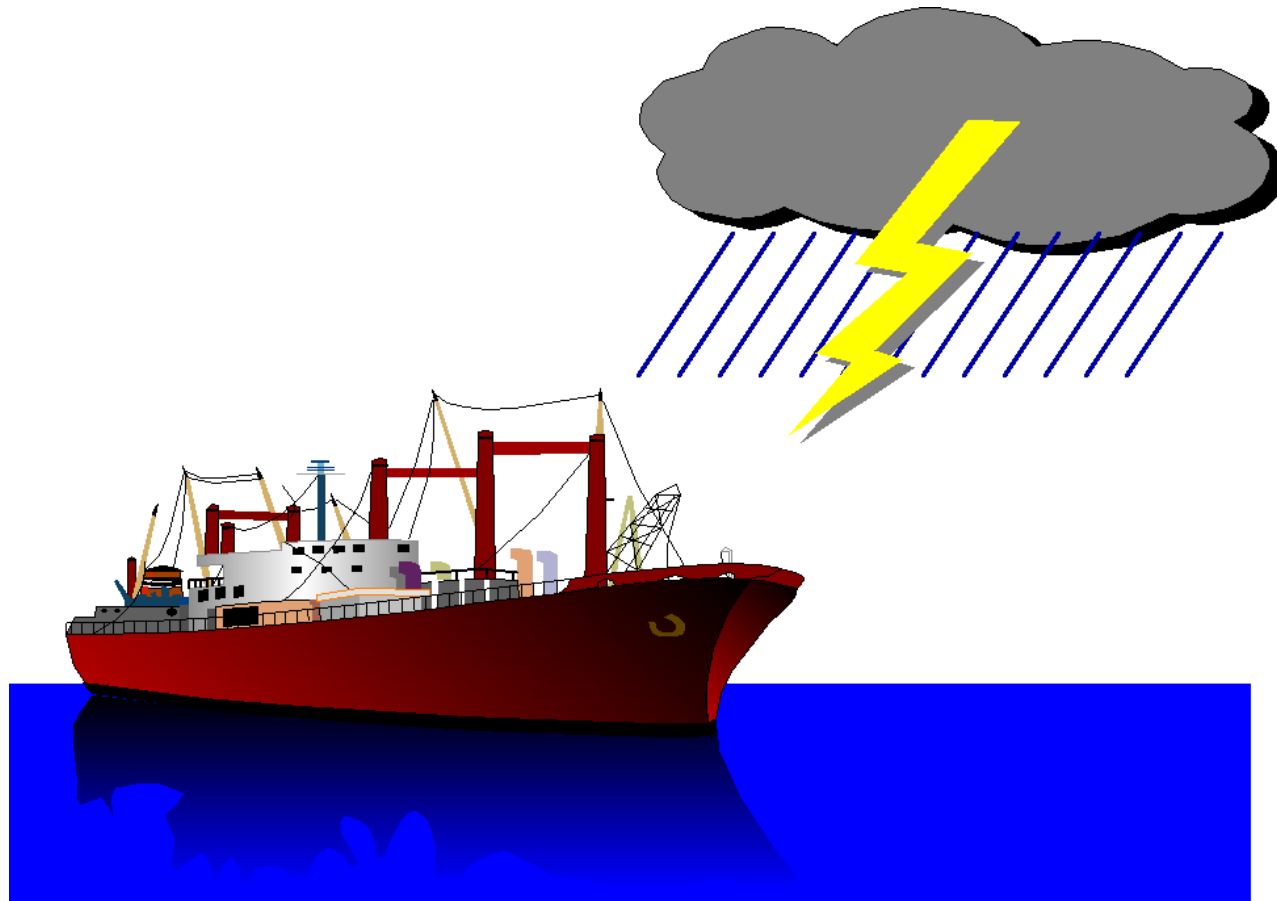
EXPENSES



- GENERAL AVERAGE EXPENDITURE
- SALVAGE AND SALVAGE CHARGES
- SUE AND LABOUR CHARGES
- EXPENSE OF SIGHTING BOTTOM AFTER STRANDING
- $\frac{3}{4}$ THS LEGAL COSTS IN COLLISION LIABILITY

PERILS INSURED AGAINST

Clause 6 & 7 - named perils



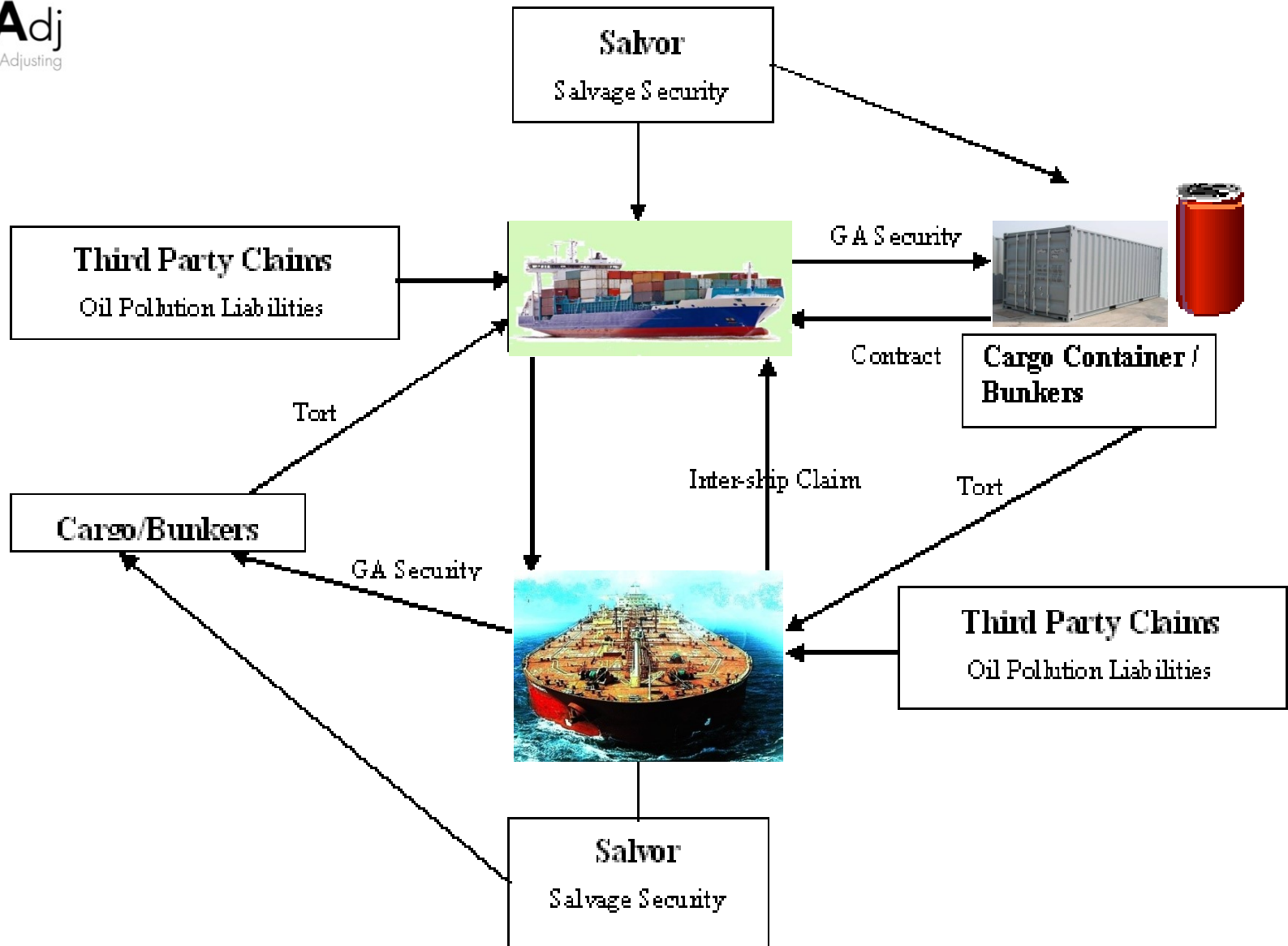
***Tanker on Fire following a Collision with a
Container Vessel.....***



A Collision at sea

- Tanker collided with a container carrier – fire on board – crew abandoned vessel, most rescued but few missing – LOF signed – vessel being towed to port of refuge – grounded enroute within port limit – a fuel tank breached, slight pollution – Salvors triggered SCOPIC – inspection revealed serious damages – Ship-manager/Assured tendered notice of abandonment to H&M Underwriters – cargo STS discharged onto sister-vessel and forwarded to destination – Salvors continued making efforts to refloat vessel





CLAIMS THAT MAY ARISE

- Damage to or loss of either or both vessels
 1. Damage to or loss of property on either or both vessels
 - Cargo
 - Freight
 - Containers
 - Bunkers
 - Crew personal effect
 2. Salvage of either or both vessels (and Special Compensation or SCOPIC allowances)
 3. General Average on either or both vessels
 4. Pollution from either or both vessels
 5. Wreck removal
 6. Death and/or personal injury on either or both vessels
 7. Crew repatriation
- Loss of earnings on either or both vessels



Numerous issues and questions arising from a major maritime casualty, each set of circumstances being different:

- Loss of life and Crew injury
- Security
- Surveys
- Abandonment of Voyage
- Salvage Award – life and pollution/environment
- Wreck removal
- Ancillary insurances
- Major allowances in General Average
- CTL of Vessel
 - Costs ranking towards a CTL of vessel
 - Where a claim for CTL is admitted
- Collision Liability
- Steps to be taken by Cargo





POST-Casualty Activities

- Casualty Management – Handling all aspects in aftermath of a casualty, coordinating with professionals concerned where necessary, involving but not limited to:
 - Arrangement for salvage and assisting in matters arising;
 - Appointment of and monitoring surveyors/other experts on site;
 - Insurance and average disbursements and other subsidiary interests;
 - Voyage completion (frustration)/legal and contractual;
 - Cost control;
 - Provision of security (salvage, collision, cargo claims etc.) and demand of security (General Average, collision etc.);
 - Defending claims from third parties;
 - Recovering against third parties.
- Liaison with parties collecting necessary documentary evidence
- Preparation of adjustment of General Average and claim on H&M policy – adjustment not binding upon parties concerned
- Settlement of claims – arrange collection of amounts due under Adjustment, salvage, collision etc. negotiations with third parties and/or legal proceedings

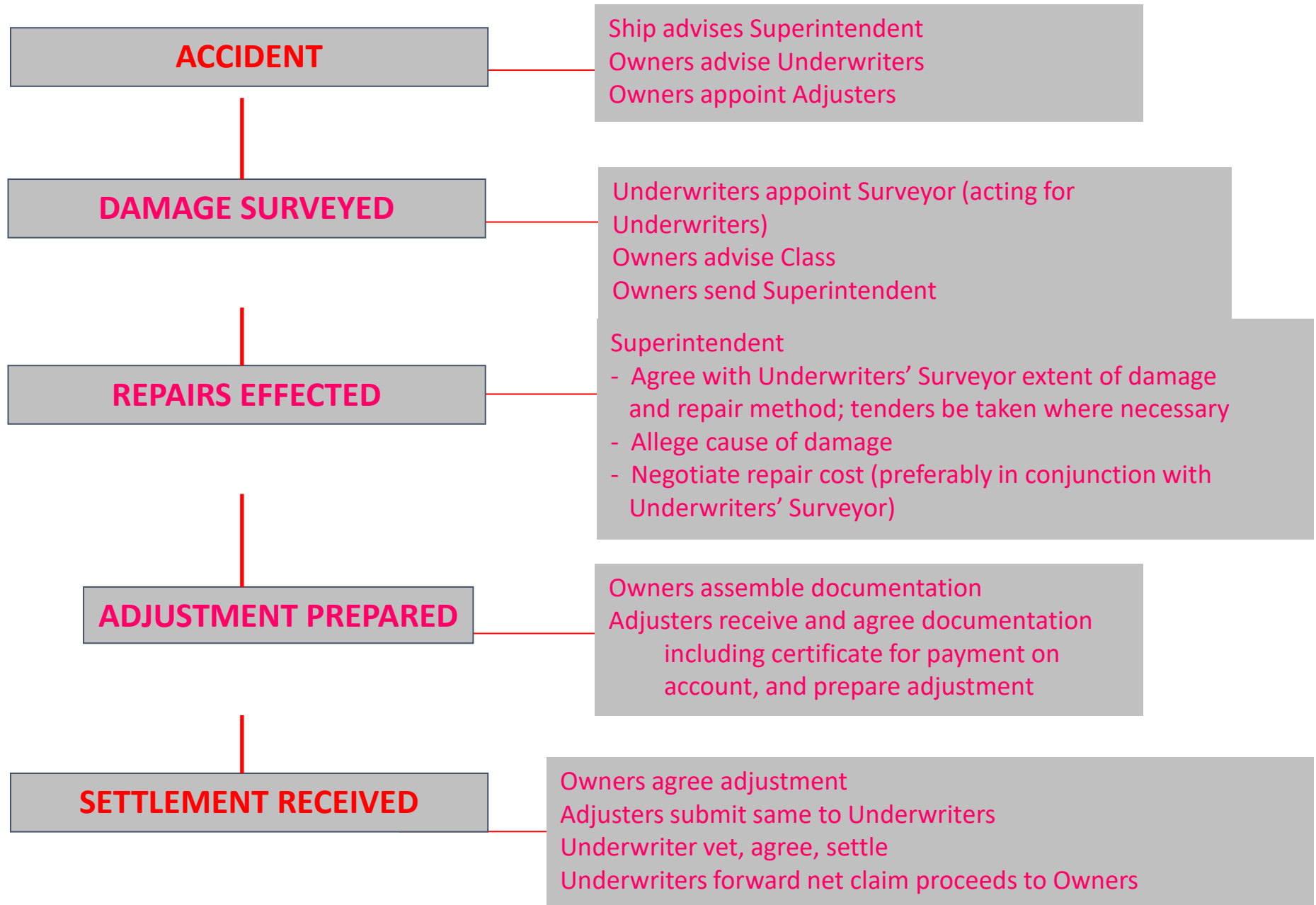


WHO DO WE WORK WITH:

- Assureds
- Brokers
- Underwriters Surveyors
- Technical Consultants
- Insurers
- Delegated claims handlers
- P&I Clubs
- Salvors
- Repairers
- Lawyers – Salvage, Collision, Recovery



Outline Damage Claim Process



USE OF THE AVERAGE ADJUSTER



“Marine Insurance claims are likely to be complicated; we appreciate that the assured is likely to be at a disadvantage. We (the insurer) want you (the assured) to feel confident that we will pay valid claims. As a pledge of that confidence we (the insurers), will allow you to use the average adjuster of your choice and what is more we will pay his bill.”

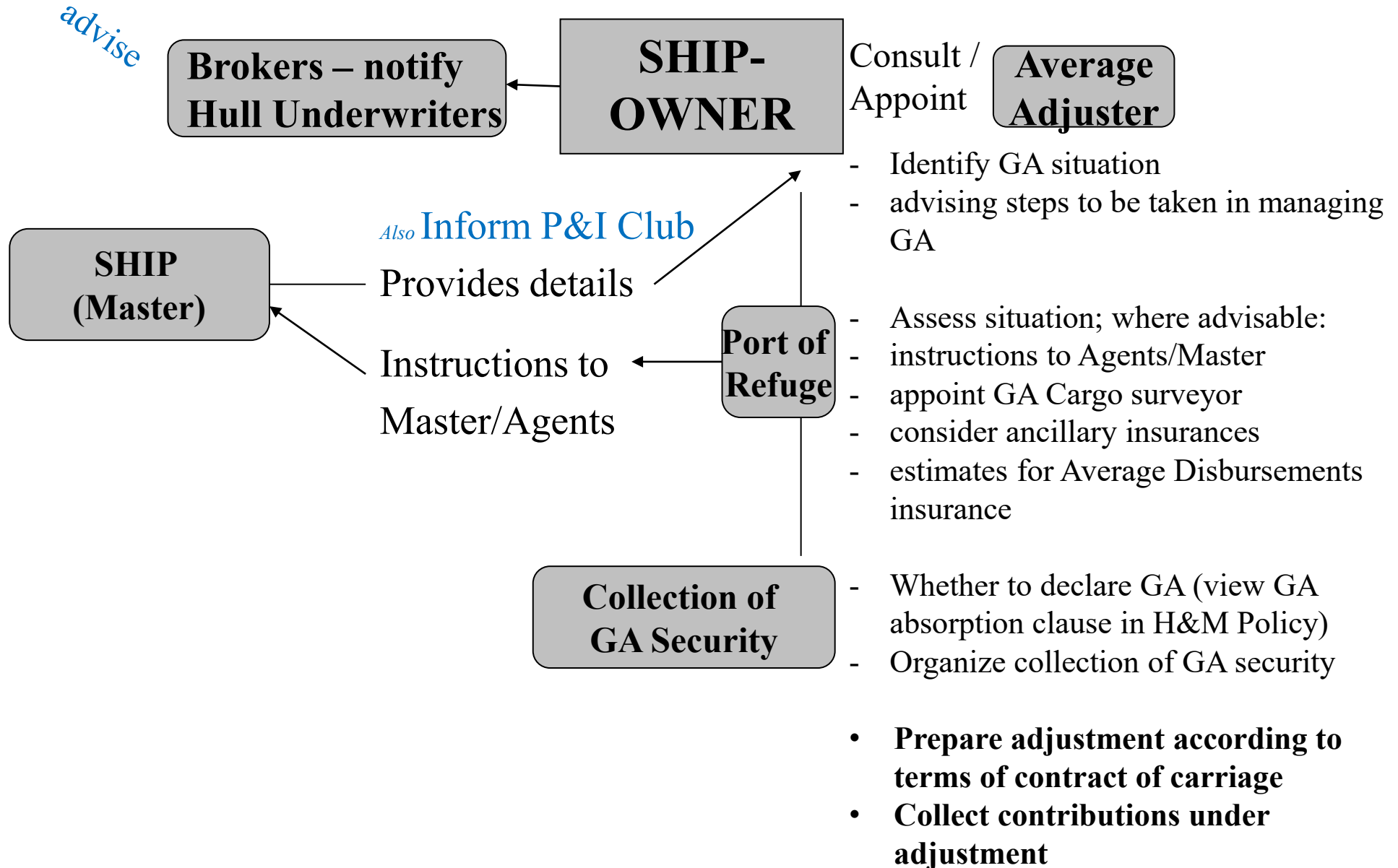
- Ensure the reasonable claim is recovered by Ship-owners
- Anticipate concerns of Insurers
- Present claim to Insurers in a recognisable format

ADJUSTMENT OF PARTICULAR AVERAGE

- Policy
- Warranties
- Cause of Damage – by perils insured against & Application of Deductible
 - Survey report and Adjusters' notes
- Treatment of repair costs
 - Survey report and Adjusters' allowances
 - Payment of accounts
- Possibility of recovery from 3rd party
- Policy page



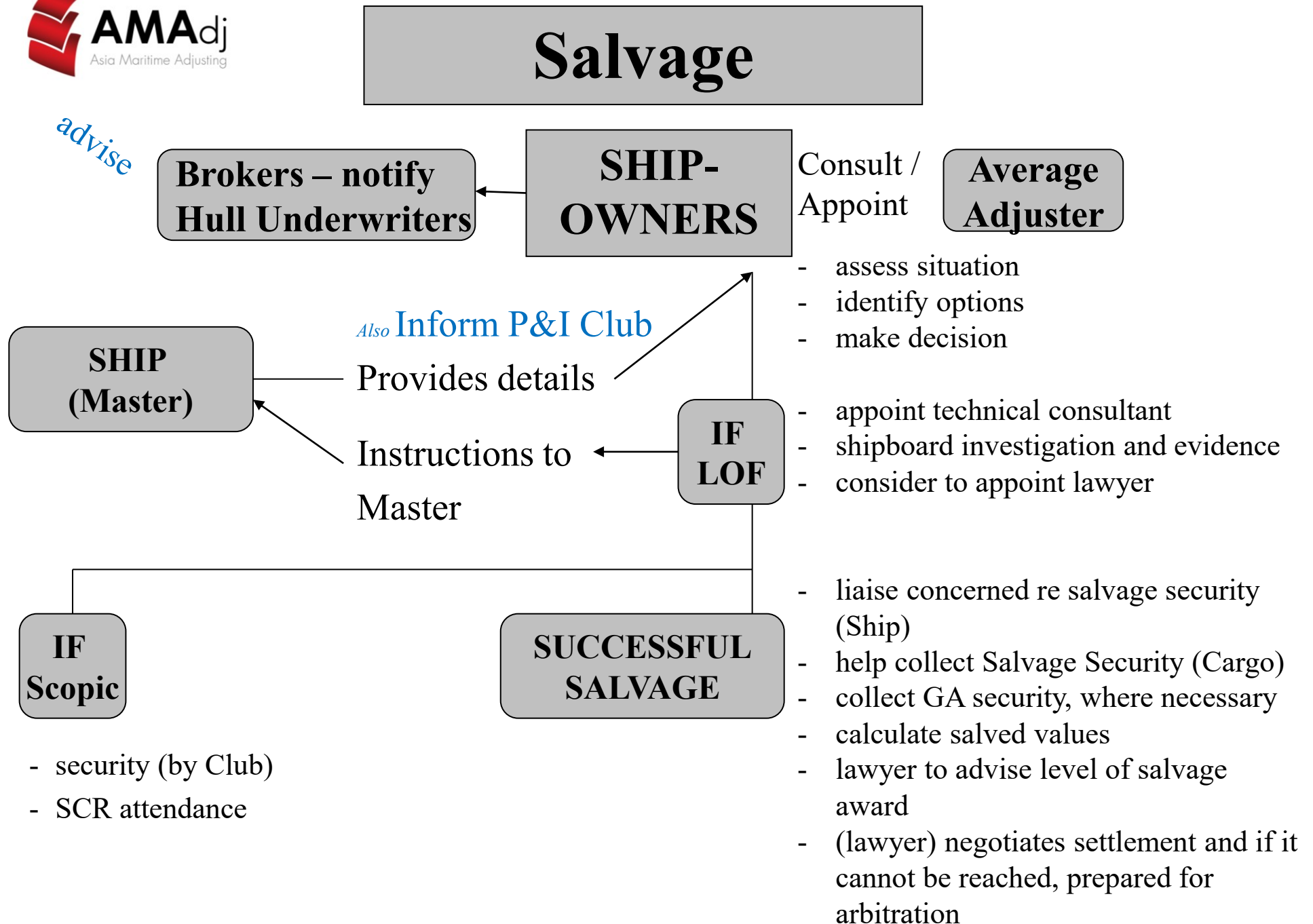
General Average



ADJUSTMENT OF GENERAL AVERAGE

- In all cases the adjuster shall:
 - Give particulars in a prominent position in the adjustment of the clause or clauses contained in the charter party and/or bill of lading that relate to the adjustment of general average or, if no such clause or clauses exist, the law and practice obtaining at the place where the adventure ends.
 - Set out the facts that give rise to the general average.
 - Where the York-Antwerp Rules or similar apply, identify the lettered and/or numbered Rules that are relied upon in making the principal allowances in the adjustment.
- Adjusters are impartial but their role limited to:
 - Consider if GA exists
 - Make allowances per YAR
 - Apportion GA (showing contributions from parties concerned
 - NOTHING TO DO WITH LIABILITY AMONG THE PARTIES
- Also, Adjustments are not final





COLLISION

Advise Brokers to notify

Hull Underwriters

**ASSURED
Ship-owner**

Advise **Club who takes lead in
collision proceedings**

Instructions to :

Master

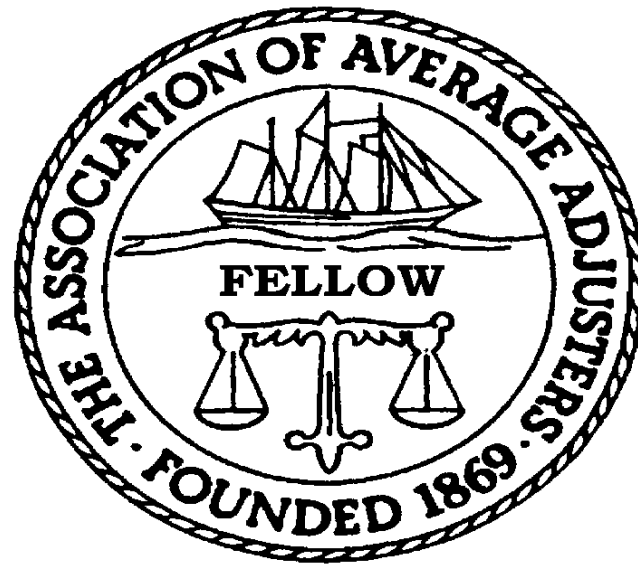
- Preserve evidence
- Disclose nothing
- Record details of pre-collision navigation
- File Note of Protest (only if necessary)
- “Hold liable” letter to Opponent

Collision Proceedings

- WP Surveys
- Security
- Jurisdiction
- Shipboard investigation
- Documentary evidence
- Preliminary advice on collision facts
- Liability negotiation
- Negotiation of claims
- Court proceeding the final resort

Average Adjusters

- Assisting where necessary, e.g. calculating security amount, drawing up claim against colliding vessel
- Adjustment of Claim under the Collision Liability Clause and Division of Recovery and Costs



www.average-adjusters.com

Average Adjuster

- Lord Mansfield:

*“I thought a good deal of the point and endeavoured to get what assistance I could by conversing with some **gentlemen** of experience in adjustments.”*

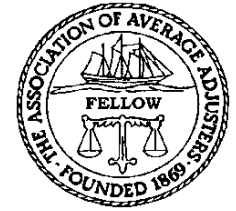
Lewis v. Rucker (1761)

Lord Donaldson:

*“Marine insurance is a technical matter and marine policies on large commercial vessels are not intended for do-it-yourself enthusiasts. Those effecting such policies may be expected to have **skilled advisers**.”*

The “Playa de las Nieves” (1974)

ASSOCIATION OF AVERAGE ADJUSTERS



Formed in 1869, with the objectives:

- to promote uniformity through Rules of Practice.
- to regulate the conduct of Fellows.
- to administer professional examinations.
- to offer the services of an Advisory and Disputes resolution committee.

Technical Qualifications

- *Law and practice of marine insurance covering particularly hull and machinery, cargo, freight, loss of hire and 3rd party liabilities*
- *General Average and Salvage*
- *Carriage of Goods by Sea*
- *Collision liabilities and other 3rd party liabilities*
- *Knowledge of relevant statute and common law in such subjects as proximate cause, constructive total loss, frustration, marine warranties, non-disclosure etc.*

Examinations

- **Associateship**

- *A1 – Marine Insurance Act & Related Principle of Insurance*
- *A2 – Hull & Cargo Claims*

- **Fellowship**

- *F1 – General Average, Salvage & Carriage of Goods by Sea*
- *F2 – Hull Claims, including Loss of Hire*
- *F3 – Collision liabilities, recoveries, ancillary insurances on ship, , cargo claims and miscellaneous*
- *F4 – Practical Adjustment Paper*

Function of an Average Adjuster



Being expert in the law and practice of General Average and Marine Insurance

- Adjustment of General Average
- Adjustment of claims on policies of marine insurance on any interests exposed to perils insured against
- Statement of claims against third parties
- Division of recoveries from third parties and of proceeds of sale
- Arbitration of disputes arising in relation to the above or associated matters



- In the discharge of these functions, the Average Adjuster may be appointed by any member of the maritime or marine insurance communities having an interest in the matter concerned, and, irrespective of the identity of the party appointing him, the Average Adjuster shall act in an impartial and independent manner.

- Impartiality is not favouring one more than another, being unbiased
- Impartiality is one of the corner-stones of the profession's survival
- 2-fold duty:
 1. To the assured and/or the claimants in general average – to see that the claim presented is fully supported by the evidence, and that it is as complete as possible, i.e. that nothing is missed
 2. To the insurers and/or the general average contributing interests – not to submit, without making an appropriate note of reservation, any item of claim which cannot be supported either in law or in practice.
- It should be noted that an average adjustment is not binding upon the parties concerned.



Average Adjusting in Hong Kong

- 1945 – William R M Stevens who was elected AAA corresponding member in 1934
[1920's – William Stevens had left London to set up own business in Shanghai]
- 1959 - joined by his son, Nigel and partner Eddie Cannon
- 1965 - both leading firms in London, William Richards & Sons and Hogg Lindley & Co. opened respective branch offices in HK, recruiting local trainees. Christopher Mumford, the very first AAA qualified member came to work in HK.
- Edward Lau joined in 1965 and Raymond Wong in 1966
- 1968 – William Stevens retired; new partnership, Stevens, Elmslie & Co.
- 1969 – partners of Williams Richards and Hogg Lindley merged to form Richards Hogg International; C. Mumford left the partnership and the profession starting to practice as Barrister.
- Meantime, Frank B Hall, an American insurance broking firm with average adjusting arm opened office in HK
- 1972 – AAA member, John MacDonald came to work in HK, followed by Christopher Barstow in 1974



Average Adjusting in Hong Kong

- Other British members who had worked full time in HK include: Mike Harvey, Ron Satchel, Miles Duncan, David Cooper, Allan Henderson, Richard Marriott, Jimmy Moore, Steve Walker, John Wilson, Paul Silver and John Martin.
- Great efforts initiated by William Richards V (who visited HK regularly throughout 1965 – 1990), made by the partnership of RHI training and promoting local staff without reservation.
- 1980 – Raymond Wong became the first local adjuster who was qualified by examinations and elected full member of AAA. 1982; 1985 – Edward Lau; 1992 – Benson Chiu.
- mid-1970's / mid-1980's – few more foreign adjusting firms opened offices in HK: Francis & Arnold, Manley Hopkins, G W Cockrill, R K Hastings. All ceased from doing business in early 1990's.
- 1985 – DARI, cooperation between RHI and the Department for Average Adjustment of China Council for Promotion of International Trade – JV company set up in 1993.
- 1998 – Following series of acquisitions / merges and closures, the former brand names, Richards, Stevens, Hogg and Lindley together made up Richards Hogg Lindley [RHL]
- 2012 – RHL having merged DARI into its operation, became the only professional average adjusting firm

Average Adjusting in Hong Kong

- 2015 – Asia Maritime Adjusting (Hong Kong), the very first local professional average adjusting firm.
- The significant change in format and requirements of the AAA examinations since late 1990's - being open to public.
- Currently (2019) AAA Fellows **practicing** in Hong Kong consist of: Raymond Wong, Peter Fei and William Lai (the latter 2 both qualified in 2019).
- As at December 2020, other practicing Chinese AAA fellows who used to work in Hong Kong:
 - Christopher Tang – qualified in 1982, resident in Singapore
 - Yibing Xu – qualified in 2008, working in Shanghai
 - Mathew Cao – qualified in 2015, working in Singapore
 - Rui Hao – qualified in 2020, working in Liverpool



STRENGTHS

Hong Kong is among the top maritime centres in the world

Hong Kong has a very successful maritime industry with a comprehensive network of experienced ship-owners, ship management companies and companies providing ship finance, insurance, brokerage, surveying, arbitration and legal services.

Moreover, Hong Kong possesses a world-class shipping register.

Hong Kong has built up this reputation by its rich heritage of maritime services, which are well known for their efficiency, competitiveness and professionalism.



BRI Opportunities

Marine Insurance

Claims Handling is the “shop window” of Insurance

A most valuable support service available to the maritime and insurance community is :

AVERAGE ADJUSTING



Average Adjusting has a bright future?

The profession has changed greatly with the passage of time:

- The profession, a small profession, is much smaller now
- Enduring to meet changes in the requirements of a modern shipping industry and the insurance industries
- Struggling to maintain
 - the expertise and experience
 - the professional standard – independency / impartiality
 - value for money, let alone the value-added services
- Hence, simply **the profession must convince the Market of its usefulness.**



Adjustment of General Average

- Common to see standard forms of contract provide for General Average to be adjusted in London.
- Increasingly, there are contracts allowing the Carrier an option to decide where the adjustment should be drawn up.
- **Promotion** : Seeking support of ship-owners and charterers direct or through brokers to adopt following GA wording in B/L and C/P:

“General Average shall be adjusted in Hong Kong or at place at Carrier’s option, according to the York/Antwerp Rules 1994.”



Adjustment of Hull Insurance Claims

- **Objectives:**
 - Speed of settlement
 - Economy of settlement
 - Accuracy of settlement
 - A satisfied Insurer (and Re-insurer)
 - A satisfied Assured

The non-adversarial approach of highly qualified average adjusters would help achieve these objectives. Adjusters must bear in mind that Underwriters are always seeking to reduce the overall costs of dealing with their claim, hence the adjustment charges must be “value for money”.

It is becoming norm to have an Adjuster Clause incorporated in the H&M policies, designating the adjusting companies acceptable to both the Assured and Underwriters.



Average Adjusting

*Now some men go to sea - ho, ho!
And some work on the land,
But I've a job that - s'welp me bob!
You'll never understand.*

*For I am an Average Adjuster,
And nobody knows what I do.
Do I add one here, subtract one there,
To make the sum come True?*

*Now that's a secret I won't tell,
For if I did I know full well,
Any Tom or Dick who had the trick,
Could adjust an average too.*



THE ROLE OF THE ADJUSTER:

The use of the adjuster individually is:

- *to grease the wheels of commercial machinery;*
- *to do work which neither the assured nor the underwriter have either time, training or inclination for, in such a manner as to expedite settlements without resort to the expensive machinery of the law.*

His duty is:

- *to act fairly to both parties to the contract of insurance or the contract of carriage,*
- *to set down all material facts, withholding nothing of importance,*
- *to present the figures of the suggested settlements in such a manner as to be capable of being easily grasped,*

and above all, in all cases wherever definite law or practice is not clear,

- *to place the matter before the parties interested in such a manner as to facilitate an agreement between them.*

E. R. Lindley, 1904

IDEAL CANDIDATES

IT HAS BEEN SUGGESTED:

- Having achieved a good standard of degree at university with law an advantage***
- Ability in languages is also an advantage, so is sea-going experience
- Good communication skills are essential
- Reasonable IT skills
- Work requires an analytical approach, care and accuracy
- Ability to communicate in writing and prepare reports
- Be enthusiastic to undertake further study and take AAA exam

***The speaker was a secondary school leaver when he joined the adjusting firm as a junior trainee.



Discussion



TCWONG
consulting

Office B, 9/F., Sai Wan Ho Plaza,
68 Shau Kei Wan, Hong Kong

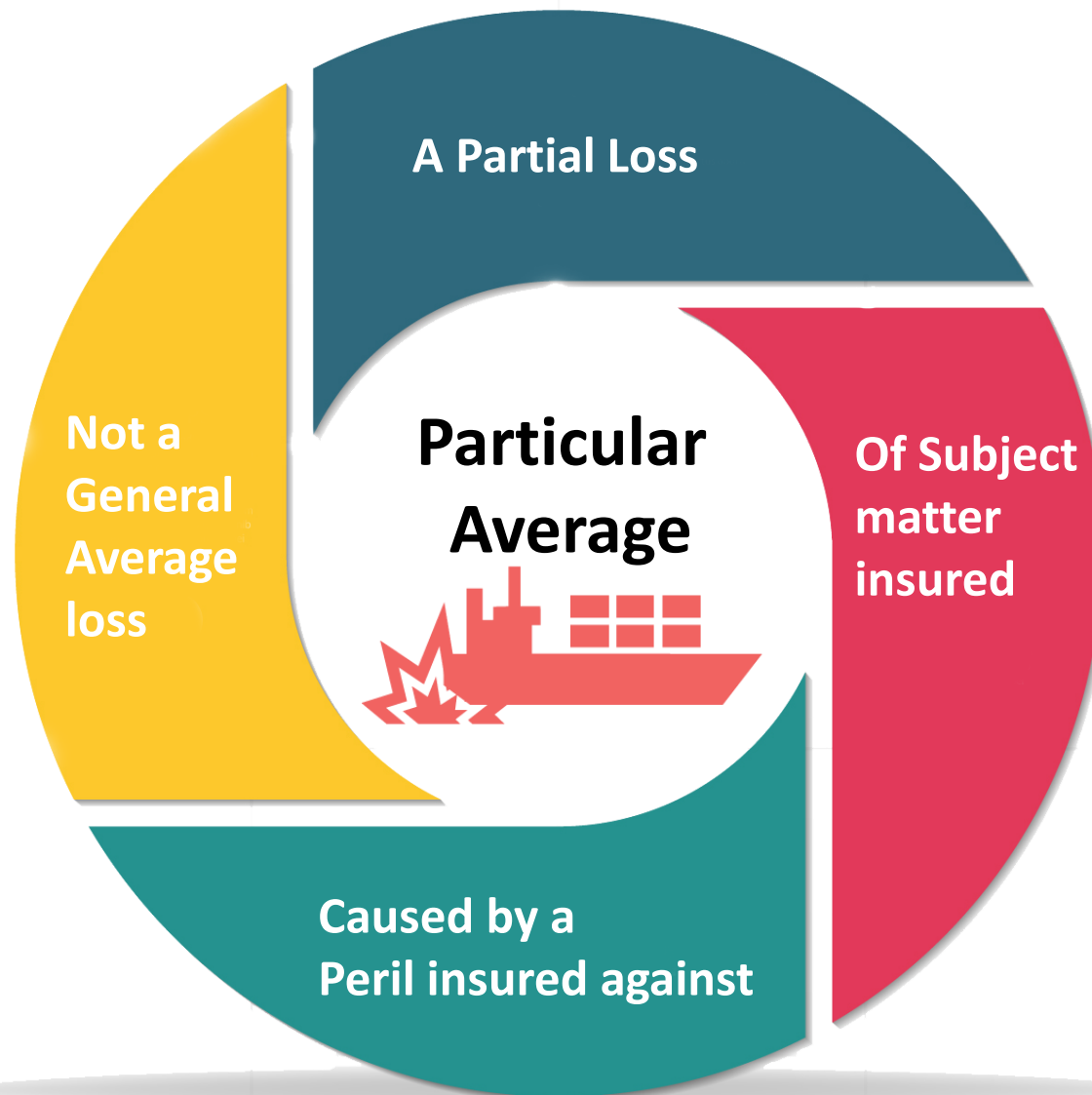
<http://www.averageadj.com>

- Particular Average v General Average
- Solicitor v Average Adjuster
- Surveyor v Average Adjuster
- Questions from the floor



PARTICULAR AVERAGE

M.I.A. Sec 64 (1)



Particular Average – accidental damage caused by a peril insured against

General Average loss – extraordinary sacrifice internationally and reasonably made or incurred for the common safety

PA

- Grounding damage
- Fire damage

GA

Refloating damage
Fire-fighting damage



Surveys following a Casualty

May include:

- Salvage operations
 - Salvage Master
 - Where LOF with SCOPIC – Ship-owners Casualty Representative
- Ship Damage & Repairs
 - By Hull Underwriters
 - By Classification Society
 - By Shipowners
 - By Ship's P&I Club?
- Without prejudice surveys
- Cargo
 - By Cargo Underwriters
 - By Ship's P&I Club



GA Surveys

- GA independent of Insurance
- Surveys on behalf of the general interests, viz. all parties involved in the common maritime adventure
 - Salvage
 - Ship & Cargo sacrificed/damaged as a result of General Average act, e.g. fire-fighting
 - Cargo forcibly discharged:
 - To lighten vessel
 - To enable necessary repairs to be effected at port of refuge





thank
you!

RAYMOND T C WONG 王德超



raymond.wong@averageadj.com

<http://www.averageadj.com>

- Fully qualified in 1980 by stringent examination, becoming the first Chinese Fellow of the British Association of Average Adjusters (better-known as AAA). He is currently sitting on the Advisory & Dispute Resolution Panel of the AAA.

- Raymond started his career in 1966 with the oldest average adjusting firm, William Richards & Sons (currently named Richards Hogg Lindley). He was an equity partner of Richards Hogg prior to its incorporation and following its acquisition by Charles Taylor plc., he was appointed to sit on the latter's Board of Directors, 1999/2008. Since retirement from the firm he had worked for some 46 years, Raymond has continued his service and commitment to the maritime and insurance communities and launched, in conjunction with colleagues in the region, the average adjusting services under the umbrella of Asia Maritime Adjusting (Hong Kong) within TCWong Average Consulting Ltd.

- Raymond is a regular lecturer/speaker on general average and maritime claims related topics. He is a founder member and former chairman of Marine Insurance Club (established in 1979); immediate past chairman of Institute of Seatrtransport (established in 1984) which is an institutional member of the Hong Kong Maritime and Port Board, an honorary advisor of the HK Logistic Management Staff Association (established in 1986), and a founder and former executive member of HK Maritime Law Association (established in 1987).