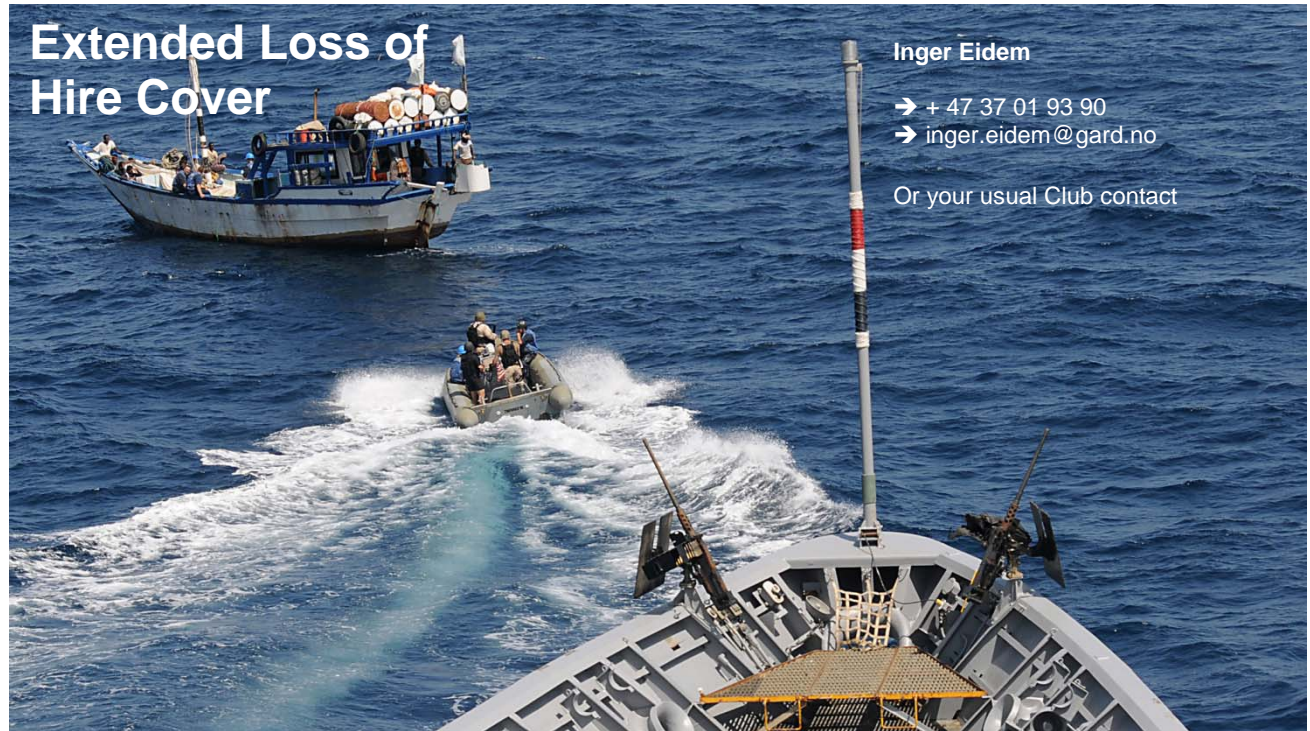


Gard products

Your contact



Extended Loss of Hire Cover

Inger Eidem

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Or your usual Club contact

Gard's Extended Loss of Hire Cover responds to a Shipowner's loss of income caused by delay or detention of the ship when there is no physical damage to the ship

Loss of income caused by delay, detention or arrest of the ship arising from P&I events such as:

- Pollution spill resulting in third party property damage
- Stevedore personnel injury in connection with loading/unloading operation
- Cargo dispute leading to arrest of the vessel

Loss of income caused by delay, detention or arrest of the ship arising from external circumstances beyond owner's control such as:

- Denial of access to place of refuge
- Imposed quarantine restrictions
- Blocking on arrival in loading port
- Ice conditions
- Saving persons at sea followed by authority intervention
- Pirate attacks

Who can be covered?

- Gard clients with underlying LOH/P&I cover.

Important exclusions

- No cover for losses recoverable under a standard Loss of Hire insurance subject to the Norwegian Marine Insurance Plan
- No cover for losses arising from war perils (except for piracy)
- No cover for losses arising from nuclear perils or the ship being employed in any unlawful trade/act
- No cover for losses arising from strikes
- No cover for losses arising from failure to comply with Classification Society/Flag State requirements
- No cover for losses arising from charterer's failure to pay hire
- No cover for losses arising from owner's failure to pay a legally enforceable debt
- No cover for losses arising from discovery of drugs onboard the vessel (option to include)

Limit and deductible

- Standard maximum limit of USD 5 million per event
- Standard minimum deductible of 7 days (2 days for piracy)

Practical examples where the cover will respond

→ **Detention of ship caused by death of a port stevedore**

The ship is held back for a prolonged period by authorities in an adverse jurisdiction following the death of or personal injury to a pilot or port stevedore. This could be due to a real or alleged need for the authorities to complete their accident investigation, but Gard has also seen examples where the ship remains detained until financial security for future claim payments have been arranged.

→ **Delay of ship caused by blocking on arrival in loading port**

Shortly prior to arrival at the loading port in South America to take a full load of iron ore for China, another fully laden iron ore carrier suffers a grounding incident in a channel on her way out of the port basin leaving no room for other iron ore carriers to safely navigate and berth. A significant salvage (and subsequent wreck removal) operation is conducted, but it takes three months to clear the channel. The ship is delayed for 35 days seeking an alternative loading port.

→ **Detention caused by pirate attack**

Whilst approaching her Nigerian discharge port with a cargo of bagged sugar, the ship is hijacked and captured at sea by pirates and deviates to anchor at a secluded area in the Niger Delta. Only two months later does the ship surface with a different name and a re-painted funnel. With the help of high level diplomacy and negotiators provided by the IMB Piracy Centre the owners manage to get their ship back. However, a lot of the cargo has vanished and the whole ordeal has cost the owners four months of lost time charter hire as the London arbitrators disagree that the nominated discharge port was unsafe.

→ **Delay caused by authority intervention following saving of persons at sea**

Instead of receiving praise from the local authorities for having rescued more than 300 desperate refugees from their certain death at sea in South East Asia, the ship is boarded by militant forces and held at bay for five weeks off the coast while various nations try to settle their differences in respect of the unlawful immigrants with the aid of the UN High Commissioner for Refugees.