

Swedish Club Claims Lead Clause

2007-10-19

The Swedish Club ("The Club") shall have claims lead.

The Swedish Club has the right on a 100% basis of the claim, in all respects, irrespective of the Swedish Club's share of the risk, to decide any matter relating to any claim made under this Policy, including but not limited to any appointments of experts, decisions, agreements, payments, settlements, claims, surveys, guarantees, towage, salvage, payments on account and claim settlements.

This Claims Lead Clause must be incorporated in all policies, and Co-insurers must follow the Swedish Club's decisions in all respects as long as they are in accordance with the Policy conditions.

Further, the Swedish Club shall at all times have the right to appoint and employ their choice of experts including but not limited to surveyors, lawyers etc. on behalf of the Assured to deal with any matters involving third parties (including investigating or advising and taking or defending legal actions or other proceedings) that may give rise to a claim by the Assured on the Swedish Club.

If the Swedish Club provides for security on a 100% basis of a claim covered under the Policy, Co-insurers are required to put up counter security for their respective shares, as per the Swedish Club's instructions. The Swedish Club has the subsequent discretionary right to request Co-insurers to put up amended securities.

In the event of the Swedish Club putting up security on a 100% basis for the liability of the Assured in consequence of a collision, striking and/or salvage, other underwriters on all policies are not allowed to effect settlement of claims in connection with the liability directly with the Assured, and cannot set off against the Swedish Club's counterclaims against the Assured.

The Swedish Club has the right to set off against any sums due to the Assured, unpaid Co-insurers' or other underwriters' share or shares of sums advanced and any and all sums incurred for provision of both claims and general technical services including entry and condition surveys, if any, to the Assured by the leader. Alternatively, the Swedish Club has the right to charge participating Co-insurers directly any and all such sums mentioned in this paragraph, but always limited to such co-insuring Underwriter's proportion hereon.

Should the Swedish Club at its own discretion decide to make ex gratia payments to the Assured, the Swedish Club may limit such payments to its share of the risk written under this Policy and such payments should in no respect be binding for any other Co-insurers or underwriters participating in this risk.

Notwithstanding any of the above, or any condition in this Policy to the contrary, the liability of all underwriters to the Assured shall remain several and nothing shall affect the Swedish Club's right to limit its liability to the Assured to the proportion of the risk which it has written and the Swedish Club shall in no way be liable to the Assured for any amounts due or agreed to be due but not recovered or recoverable from other underwriters or Co-insurers.