

**Summary of Changes to the
American Institute Hull Clauses
(June 2, 1977 → September 29, 2009)**

Vessel Clause

Language has been added to include each vessel deemed to be separately insured. (Lines 27-29.)

Parts removed wording has been added to extend coverage to parts of the vessel which may have been removed, where the loss or damage is caused by a peril insured against. (Lines 35-36.)

Duration of Risk

The wording was amended to provide cover in the event that the vessel at the expiration of the policy is in distress. Provided previous notice is given to the Underwriters, coverage continues until the vessel is safely moored at a port of refuge. (Lines 40-41.)

Premium

After the words "... in the event of Total Loss of the Vessel..." a qualification was added: "... from a peril insured hereunder." This is self-explanatory. (Line 61.)

Return of Premium

The policy was amended to state that returns of premium are not allowed if the vessel is laid up and under repair in the shipyard due to a covered loss. (Line 75.)

Non-Payment of Premium

The word "telegraphic" was changed to "electronic." This is self-explanatory. (Line 82.)

Deliberate Damage

The word "pollution" was changed to the word "environmental" to afford coverage for the deliberate damage to or destruction of a vessel by government authorities if there is a risk of any environmental impact. (Line 122.)

Claims

Language has been added in respect of the allowable time that notice can be given to underwriters and that a formal claim can be submitted. It states the general requirement that the Assured must give prompt notice to the underwriters and, in any event, as soon as possible after the Insured, Owners or Managers are aware or know of the loss, damage liability or expense claim: (Lines 127-129.) Without altering or amending the general requirement of prompt notice, the clause absolutely bars claims if they are not made within twelve months after the Assured, Owners or Managers become aware or know of the loss,

damage, liability or expense, where the Assured may reasonably believe that the occurrence will give rise to a claim, and except where claims are later apportioned over multiple policy years. (Lines 130-136.) Additionally, claims (other than liability claims) are time barred after ten years from the end of the calendar year during which the casualty took place, provided that Underwriters must give the Assured ninety days' notice of the ten year time bar before it is effective (which notice can be given within six months of the end of the ten year limitation period, or thereafter). (Lines 173-180.) Similar time frames can be found in the Norwegian Plan.

It also stipulates that the Assured must cooperate with underwriters by providing or making available information and documentation from the vessel's classification society and Port State Control. (Lines 157-161.) This clause tracks with similar clauses in the London and the Norwegian forms.

General Average and Salvage

Reference to the applicable York Antwerp Rules is changed to "1974 or 1994, or as agreed". (Line 183.)

War Strikes and Related Exclusions

Clauses **(g)** and **(h)** have been added to specifically exclude loss or damage caused by any acts perpetrated by terrorists, meaning acts carried out by a person or persons acting primarily from a political, religious or ideological motive, or due to the threat of terrorist activity. (Lines 327-330.) Similar language is added so that terrorism and terrorist acts are covered under the Institute War Risks and SRCC policies. Additionally, confiscation and expropriation are added to the exclusions, which is consistent with the change to the War Risks Clauses. (Line 321, and see below.)