

**Summary of Changes to the
Introduction of the Leading Underwriter(s) Endorsement – Claims Only (Form SP-44A)**

Leading Underwriter(s) Endorsement – Claims Only (Form SP-44A)

This is a new endorsement intended to be used in conjunction with the American Institute Hull Clauses, as well as any other hull or liability form, where there are multiple subscribing insurers. It provides that where one or more Leading Underwriter(s) are so designated, either on the endorsement itself or otherwise in writing, the Following Underwriters must follow the Leading Underwriters' agreement of surveyors, experts (including Average Adjusters), lawyers, the provision of security, claims procedures and the settlement and recovery of all claims, except claims agreed to on an "ex gratia" basis. The Following Underwriters shall reimburse the Leader(s) for their pro rata shares of all out-of-pocket costs and expenses where the Leader(s) have fronted such costs and expenses on behalf of all of the underwriters. The Leader(s) may decline to exercise such authority, however. Similar to clauses in the ITC and Norwegian Plan.

Additionally, references to "underwriters" are replaced by "Leading Underwriter(s)" in the Claims (General Provisions) clause in the AIHC form. The Leading Underwriter(s), as opposed to the majority of the underwriters, are also given authority in the Collision Liability clause to determine when the liability of the vessel shall be contested.