FD&D
特約のご案内

The Japan Ship Owners' Mutual Protection & Indemnity Association
**Purpose of FD&D Cover**

FD&D is a type of insurance that covers disputes related to damages to goods during transportation. It is particularly useful in situations where the safety and security of the goods are at risk, such as in the case of a ship being hijacked or attacked.

In 1978, to meet the Members’ growing needs for legal advice and claims handling services for non-P&I matters, the Association introduced FD&D Cover as a Special Cover. This Cover is called “FD&D” or “FDD” as an abbreviation for “Freight, Demurrage and Defence”.

While P&I insurance covers actual liabilities, damages and losses as well as the defence costs for liabilities arising out of the operation of an entered ship, FD&D insurance provides cover for the costs of appointing lawyers and other experts to defend or establish a claim in an arbitration or a court case. The claims can arise from a broad range of problems faced by owners and charterers in their shipping business. Under the FD&D Cover, the Association can also provide general advisory services to assist Members to settle cases quickly and favourably without incurring any outside costs.

Occasionally, the cost of litigation, even in a relatively uncomplicated and small case, can be rather expensive. If a case develops into a prolonged lawsuit it may affect a Member’s daily operations. If the Member is entered for FD&D Cover, the Association can assist with advice and payment for legal costs. The Member will know exactly how the claim is developing and will be in a position to decide the action to be taken. So the FD&D Cover helps Members concentrate on their own operations without worrying about unforeseen expenditure and without letting the case disturb their own business.
FD&D特約とはどんな保険でしょうか?

Purpose of FD&D Cover

Freight, Demurrage and Defenceの略文字をとり、通常FD&D、FDDと呼ばれるこの保険は、P&I事故以外のトラブルへの対処や法的アドバイスを必要とする組合員の苦労の高まりを受けて、当組合では「運賃、滞航料等に関する紛争処理費用及び損失担保特約（以下、FD&D特約という）として1978年から引き受けを開始いたしました。

P&D特約が、船舶の運航に伴う船主の責任や損害、並びにその防衛のための費用をもてん補するのに対し、FD&D特約では、船主や用船者が傷害ビジネスを行ううえで経験を積むトリプルに携わられることに、これからの紛争や問題を解決するため、専門家や弁護士の適切な助言を提供し、法廷や仲裁で争うために発生する従来に支払いを要する費用をカバーするものです。また、費用の発生がいかんにせよ、組合員にとって有利な解決が得られるよう当組合からのアドバイスを受けることもできます。

今では、ほど複雑でない小規模な事件でも、法廷や仲裁での費用は時として予想外の金額となります。また、紛争が長期化すれば、企業活動にも悪影響を及ぼしかねません。こうした不測の事態に備えてFD&D特約の付保をされていれば、組合員の利益を守るための援助やサービスを受けることができるように対応し、今後も経験を積んでいくのがائيにひもとめ、それにどのように対処するか企業家としての冷静な常識を必要と、船主や用船者の苦労が多く、焦るのではなく安心して船舶の運航に集中できることになるでしょう。

In 1978, to meet the Members’ growing needs for legal advice and claims handling services for non-P&I matters, the Association introduced FD&D Cover as a Special Cover. This Cover is called "FD&D" or "FDD" as an abbreviation for "Freight, Demurrage and Defence".

While P&I Insurance covers actual liabilities, damages and losses as well as the defense costs for liabilities arising out of the operation of an entered ship, FD&D insurance provides cover for the costs of appointing lawyers and other experts to defend or establish a claim in an arbitration or a court case. The claims can arise from a broad range of problems faced by owners and charterers in their shipping business. Under the FD&D Cover the Association can also provide general advisory services to assist Members to settle cases quickly and favourably without incurring any outside costs.

Occasionally the cost of litigation, even in a relatively uncomplicated and small case, can be rather expensive. If a case develops into a prolonged lawsuit it may affect a Member's daily operations. If the Member is entered for FD&D Cover, the Association can assist with advice and payment for legal costs. The Member will know exactly how the claim is developing and will be in a position to decide the action to be taken. So the FD&D Cover helps Members concentrate on their own operations without worrying about unforeseen expenditure and without letting the case disturb their own business.
FD&D特約のてん補対象について

このFD&D特約では、法令になっている運送や港湾物に関するクレームだけではなく、組合員が自己の利益を強奪するだけではなく、組合員を利益を強奪する場合のカバーの対象となります。具体的なてん補事例はFD&D特約の規定に従われていますが、次のようなグリームがあげられます。

1) 貨物販売の下で生じる運送、運送料、港湾料、卸売料に関するクレーム
2) 貨物保険、その他の運送保険に関するクレーム
3) 貨物運送に伴って発生する法律上の義務違反に関するクレーム
4) 加入船の火災、損傷又は港湾に関するクレーム
5) 相互海事又は再保険物に関するクレーム
6) 加入船以外の港湾物に関するクレーム
7) 加入船の火災、損傷又は港湾に関するクレーム
8) 相互保険又は再保険に関するクレーム
9) 船舶保全、ブロークーティーの運送、管理に関するものからのクレーム
10) 貨物の積み込み、積取り、積付け、ドリフト、積荷損失に関するクレーム
11) 船員、装備及び加入船船員の者が起因するクレーム
12) 貨物保険、その他の運送保険に関するクレーム
13) 加入船保険に関するクレーム
14) 加入船に関しての損失、船難、船面損失に起因するクレーム
15) その他被保険者が認めるクレーム

Types of disputes covered

Contrary to the impression given by the name "Freight, Demurrage and Defense", the cover is not limited to the costs of defending or asserting claims for freight and demurrage. The cover extends to the defending or asserting numerous types of claims, some of which are mentioned below. Full details are set out in Rule 3 "Extent of Cover" of the Rules of the Special Cover for Freight, Demurrage and Defense in the Association’s Rulebook.

1. Claims for freight, hire, demurrage and dispatch money arising under a charter party
2. Claims for the breach of bills of lading and other contracts of carriage
3. Claims for the breach of any legal duty arising in connection with the carriage of goods
4. Claims in respect of the loss of, damage to or detention of a ship
5. Claims for general and/or particular average contributions or charges
6. Claims in respect of the supply of fuel, equipment or other necessities to an entered ship
7. Claims in respect of the loading, purchase, sale or mortage of an entered ship
8. Claims in respect of salvage or towage services
9. Claims from ship’s agents, brokers or others connected with the running, managing and operating of an entered ship
10. Claims in respect of loading, lighting, stowing, trimming or discharging of cargo
11. Claims by or against crew, stewards and other persons on an entered ship
12. Claims by or against passengers, their representatives or dependants
13. Claims for amounts due on the ship, cargo or freight from or to underwriters and other persons and companies
14. Claims by or against revenue and customs authorities, harbour or other authorities
15. Other Claims at the discretion of the Association

FD&D特約の取扱いについて

FD&D特約をご契約いただくまでご承知願いたい点及びご注意点を挙げて、以下にご説明申し上げます。
1) FD&Dカバーは不保険の特約として用意されておりませんので、まず当組合のP&I保険にご加入いただいていることが条件となります。
2) P&I保険で対象となるクレームはP&I保険で受取することになりますので、P&I保険はProtection RisksのみならずCargo Indemnity Risksも含む全P&I Coverで保険されていることが条件となります。
3) 本特約は、加入船舶保険の不保険で、保険料は前払い保険料（Advance Call）又は追加保険料（Supplementary Call）によるMutual方式の「しておりません。（証書及び保険契約がある。）」
4) お申込みは当組合所定の申込書に必要事項をご記入のうえ、当組合保険証を Indothersを参照ください。
5) 申込の手続きによるクレーム作成の為の全額（有償全額）は、基準として1,000米ドルを超える部分のみとなります。なお、カリウチン費用として1,000米ドルが発生した場合、3,000米ドルが組合保険の責任となります。
6) FD&D保険の不保険は、加入保険の不保険であり、加入保険の保障外の保障で、組合員の保険の許すのみでカバーされる保険であります。
7) 保険の条件により組合員が相手方の監督するものをカバーする保険ではありません。
8) 当組合については、援助者を選び開始するかどうかの決定、発生する援助の内容、援助者を含む行為の対象及び内容に当組合の実質的損害が含まれているもので、FD&D保険の不保険は、加入保険の不保険として保険の範囲を定めていますが、基準の点については、加入保険の不保険として適用されますので、その内容でおのおのクレーム毎に保険が生じます。
9) 不保険保険に対するクレーム、当組合に対するクレームはてん補対象から外されます。
(2010年2月22日現在)

Terms and conditions

Members applying for FD&D Cover should please note the following.

1. The ship must be entered with the Association for P&I cover, since the FD&D cover is provided as a supplement to P&I cover.
2. The ship must be insured for full P&I risks, including cargo indemnity risks, since FD&D Cover does not apply to claims and disputes which fall under the normal P&I policy.
3. The Member will be charged an Advance Call and a Supplementary Call in US dollars per ship per year. Subject to reaching an agreement with the Association prior to the start of each policy year, calls may be made in Japanese Yen.
4. A Member wishing to insure his ship for FD&D Cover should complete an application form and submit it to the Association.
5. Unless otherwise agreed, with FD&D Cover the Member bears a deductible of one third of all costs recoverable in excess of US$1,000 any one claim.
6. For example, costs incurred are a lawyer’s fee of US$5,000 so the Deductible is in US$1,000 = $15,000 x 1/3 = US$5,000.
7. The FD&D Cover provides insurance for legal and other costs necessarily incurred in defending or asserting claims and disputes as set out in the Rules and which occur during the period of ship’s entry for this cover.
8. The FD&D Cover does not extend to the amount of any claim itself made against a Member.
9. The Association retains an absolute discretion to decide whether a case should be supported and to control and direct the handling of the claim, including discontinuing or settling cases which are being supported by the Association.
10. The limit of FD&D Cover is Japanese Yen 1.5 billion per any one claim, although the Association may exercise its absolute discretion to extend cover in a case.
11. The cover is not available should a Member make a claim against the Association or the Joint Member named in the relevant certificate of entry.
(As at 20 February, 2010)
FD&D特約のたん補対象について

このFD&D特約では、名目となっている運送や搬送機関に関
するクレームだけでなく、組合員が異なる運送業者の法律
問題が対象となり、損益を受けて自己の利益を担保するだ
けでなく、組合員が権利を主張しクレームを提起する場合も
対象となるとなります。具体的な範囲はFD&D特約の規定内
に含まれているが、次のようないくつかのクレームがあげ
られます。

1) 用動契約の下で生じる運賃、用動料、料金、引当料に関するクレーム
2) 補償証書、他の保険契約業者に関するクレーム
3) 貨物運送に伴って発生する法律上の義務違反に関するクレーム
4) 仮入替装備、指針又は添付書に関するクレーム
5) 共有海事又は単独運送に関するクレーム
6) 船入替装備、仮損料、備品等の差額に関するクレーム
7) 仮入替装備の加え算、売買又は譲渡に関するクレーム
8) 仮株式又は仮取引業に関するクレーム
9) 船体現状、ブロークナー等の船体の運転、保管に関するもの
10) 貨物の破損、汚損、欠損、損壊、破壊に関するクレーム
11) 船体、供給船及び加入船とその者が催するクレーム
12) 保険契約とその補償に関するクレーム
13) 損害補償に関するクレーム
14) 加入船使用に関する所有、発送、票面手形が催されるクレーム
15) その他組合が認めるクレーム

Types of disputes covered

Contrary to the impression given by the name “Freight, Demurrage and Defense”, the cover is not limited to the costs of defending or asserting claims for freight and demurrage. The cover extends to the defending or asserting numerous types of claims, some of which are mentioned below. Full details are set out in Rule 7 “Extent of Cover” of the Rules of the Special Cover for Freight, Demurrage and Defense in the Association’s Rulebook.

1. Claims for freight, hire, demurrage and dispatch money arising under a charter party
2. Claims for the breach of bills of lading and other contracts of carriage
3. Claims for the breach of any legal duty arising in connection with the carriage of goods
4. Claims in respect of the loss of, damage to or detention of a ship
5. Claims for general and/or particular average contributions or charges
6. Claims in respect of the supply of fuel, equipment or other necessary items to an entered ship
7. Claims in respect of the building, purchase, sale or mortgage of an entered ship
8. Claims in respect of salve and towing services
9. Claims from ship’s agents, brokers or others connected with the running, managing and operating of an entered ship
10. Claims in respect of loading, lightering, stowage, trimming or discharging of cargo
11. Claims by or against crews, swallows and other persons on an entered ship
12. Claims by or against passengers, their representatives or dependants
13. Claims for amounts due on the ship, cargo or freight from or to underwriters and other persons and companies
14. Claims by or against revenue and customs authorities, harbour or other authorities.
15. Other Claims at the discretion of the Association

FD&D特約の取扱いについて

FD&D特約をご契約いただくご承諾に基づき、ございませんのご利用を含む、以下のご利用を厳しい条件に

１）FD&Dカバーは火灾保険の特約として利用されておりますため、まず当組合の火灾保険にご加入いただいているのが条件となります。
２）火灾保険で対象となるクレームは火灾保険で取扱うことになります。火灾保険はProtection RisksのみならずCargo Indemnity Risksを含む全P&C Coverが保険されていることが条件となります。
３）本特約は、加入船舶関係の損害保険で、保険料は前払
い保険料（Advance Call）/追加保険料（Supplementary Call）によるMutual wayの米ドル建てです（円貨での決済も可能です）。
４）申込書は当組合所定の申込書に必要事項をご記入の
うえ、当組合合約書はご提出願います。
５）組合員のご負担となるクレームにあたりの金額（免責金
額）は、原則として1.000.000ドルを超える部分の3分の1となります。

10.000.000－US$1,000,000 × 1/3 = US$333,333.00
6）本特約に定められた加入条件により、本特約が有効さ
れていた期間内に発生したクレームに関して、組合員の
死亡を含めた費用をカバーされます。
7）個々の事件における組合員が被る損害そのものをカ
バーする保険ではありません。
8）当組合では、援助委員を設置するかどうかの決断を、保険
する保険の内容、援助委員を設ける事前の費用の半分、当
組合が設定する援助委員の費用を、全額をカバーするもので、組合員の自費により賄われるものであります。
9）本特約での免責金額は、クレーム件数1件あたりの免
责金額を定められていますが、免責の内容が、保険金額の上
限額に達する為、賠償金額の上限額に制限が生じます。
10）被保険者のクレーム、当組合に対するクレームはたん
補対象から除外されます。

(2010年2月21日現在)

Terms and conditions

Members applying for FD&D Cover should please note the following.

1. The ship must be entered with the Association for P&C cover, since the FD&D cover is provided as a supplement to P&C cover.
2. The ship must be insured for full P&C risks, including cargo indemnity risks, since FD&D Cover does not apply to claims and disputes which fall under the normal P&C policy.
3. The Members will be charged an Advance Call and a Supplementary Call in US dollars per ship per year. Subject to reaching an agreement with the Association prior to the start of each policy year, calls may be paid in Japanese Yen.
4. A Member wishing to insure his ship for FD&D Cover should complete an application form and submit it to the Association.
5. Unless otherwise agreed, with FD&D Cover the Member bears a deductible of one third of all costs recoverable in excess of US$1,000 any one claim.
6. The FD&D Cover provides insurance for legal and other costs necessarily incurred in defending or asserting claims and disputes as set out in the Rules and which occur during the period of ship’s entry for this cover.
7. The FD&D Cover does not extend to the amount of any claim itself made against a Member.
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9. The limit of FD&D Cover is Japanese Yen 1.5 billion per any one claim, although the Association make exercise its absolute discretion to extend cover in a case.
10. The cover is not available should a Member make a claim against the Association or the Joint Member named in the relevant certificate of entry.

(As of 30 February, 2010)
Disputes frequently referred to the Association as FD&D claims.

Demurrage

Demurrage claims are the major FD&D claims. Demurrage is an amount payable by the charterers to the owners in respect of delays to the ship as a result of her being retained beyond the agreed or reasonable time for loading or discharging. It will be necessary to examine how laytime is provided for in the voyage charter party. The arrival of the ship, notice of readiness, commencement and interruptions of laytime and the treatment of Saturdays, Sundays, holidays and bad weather may all give rise to disputes. Normally an attempt is made to resolve these disputes through amicable settlements between the parties concerned by reference to the opinions of lawyers at the place of arbitration or related judicial precedents and theories. If this is unsuccessful, disputes may be referred to arbitration.

Cargo Delivery without production of the Bill of Lading

Cargo delivery without production of the Bill of Lading but in exchange for a guarantee provided by the cargo receivers and/or the charterers is common but very risky. Occasionally instances are heard of where the lawful holders of the Bill of Lading appear seeking delivery of the cargo from the carrier after the cargo has been delivered without the production of the Bill of Lading. In these situations, the carriers’ options are limited. They may be able either to recover the cargo from the person who took delivery under the guarantee or to demand that the guarantor provide compensation for the bill of lading’s holders’ loss. If they fail to recover the cargo or fail to force the guarantor to compensate the bill of lading’s holder, the carriers themselves have to compensate the bill of lading’s holder for their loss and then seek to recover the sum under the guarantee. In fact, it is always difficult to recover losses from guarantors. So, it is strongly recommended that if carriers are pressed to deliver cargo without production of the Bill of Lading, before agreeing to do so, they should obtain a guarantee from a first class bank to ensure they can effect recovery should it become necessary.
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速力不足に対する求償

用船契約上の船の速力と燃料消費についての表示は、
船が表示の速力および燃料消費量で表
示速力を出し得ることを、船主が担保（warranty）したことを
意味します。その表示が担保を構成するものであることが、
用船契約に明示されているにもかかわらずです。

速力表示は、速力（約 about）という言葉を付して示され、
これは表示の速力下限5ノットの余裕を船主に負わせるものと
解されています。

速力不足に対する求償を決定するのに、
①もっと良好な天候状態の下に、船の用船契約上の
担保速力を出したか。
②海況と同様天候条件を考慮に入れて、船が全航路で
出了した平均速力が用船契約表示に該当して妥当であっ
たかを判断する方法があります。

仲裁での多数意見は、通常、両当事者を混ぜるという見
解です。

速力Claim

A description in the charter party of the ship's
speed and fuel consumption constitutes a warranty
by the owners that the ship will be able to attain
the stated speed at the specified rate of consumption
under described weather conditions. The statement
is a warranty even though it is not expressly
described as such in the charter party.

The speed description is usually modified by the
word "about". This has frequently been held to give
the owners an allowance of half a knot below the
described speed.

There are two established methods of determining a
speed claim:

1. Did the ship make the charter party warranty of
speed on the days when good weather conditions
prevailed?

2. Was the average speed that the ship made on
the entire voyage, taking weather conditions into
consideration as well as currents, reasonable in
relation to the charter party description?

Most arbitrators are of the opinion that both criteria
should normally be considered.

安全港に関する争い

用船契約では、通常用船者の義務として安全港へ配分す
ることが規定されております。用船者が指定された港が安
全港であったかどうか、用船者・船主間で用船契約義務
違反はあったのか等の争いが生じる場合がありますが、安
全港の見当の争いでは、次のようなある状況により判断
されることになります。

①天候状況
②海況・地形などの地理的なもの
③係船設備等の港の設備等を含む本船
入港前の港の状況
④用船者の指示、本船が取った操作が適切であったか否か
⑤港が安全であると予想できたかどうか
⑥発生した損害が契約違反と完全無縁であるかどうか

万一安全港についての争いが発生した場合には、入港前に
の確認書、交付記録、本船Log Book、係船等係船関係書
類、港の係船設備に関する情報等を収集し安全港の争い
についての有効性、損害賠償請求が可能かどうか慎重に
検討することになります。

Safe Port

Charter parties usually oblige the charterers to order
the ship to safe ports. Disputes sometimes arise
between the charterers and the owners such as
whether there was a breach of the charter party and
whether the port designated by the charterers was
safe. The following circumstances should be taken
into consideration in deciding disputes relating to
safe ports:

1) Tidal currents and weather
2) Topographical factors (e.g. shallow water, sand
banks)
3) Conditions of the port around the time of the ship's
entry (including port facilities, such as mooring,
and political unrest)
4) Whether the charterers' orders and the ship's
actions were appropriate
5) Whether the port was prospectively safe
6) Whether the damage incurred can be attributable
to a breach of the charter

In a dispute as to whether a port was safe, the
charterers' instructions around the time of the ship's
entering the port, the records of relevant
communications, the ship's documents such as the
log book, and the information on the port and
port facilities should be collected and the merits of
the argument and reasonableness of the claim should
be carefully studied.
速力不足に対する求償

用船契約上の船舶の速力及び燃料消費についての表示は、船舶の表示の変更条件において、契約の燃料消費率で表示速力を出せることを、船主が担保（warranty）したことにより、速力不足の求償を決定するため、注意が必要です。ここでは表示の速力以下の5%の余裕がある場合を対象に求償されることになります。

求償を求めるためには、①速力不足が船主の過失であることを証明すること、②速力不足が船主の過失であることを証明する方法があります。

この条項は、通常、両当事者間で使用すべきという意味です。

Speed Claim

A description in the charter party of the ship’s speed and fuel consumption constitutes a warranty by the owners that the ship will be able to attain the stated speed at the specified rate of consumption under described weather conditions. The statement is a warranty even though it is not expressly described as such in the charter party.

The speed description is usually modified by the word “about”. This has frequently been held to give the owners an allowance of half a knot below the described speed.

There are two established methods of determining a speed claim:

1. Did the ship make the charter party warranty of speed on the days when good weather conditions prevailed?

2. Was the average speed that the ship made on the entire voyage taking weather conditions into consideration as well as currents, reasonable in relation to the charter party description?

Most arbitrators are of the opinion that both criteria should normally be considered.

安全港に関する争い

用船契約では、通常用船者の義務として安全港への配船するよう規定されています。用船者が配船をしたかどうか、用船者・船主間で用船契約義務違反があるかどうかの争いが生じる場合がありますが、安全港の問題では、次のようなある状況によって判断されることになります。

① 気象・気象状況
② 海洋・地形などの地形的なもの
③ 船体の状態の安全性、港の存立性などを含む本船入港後の港の状況
④ 用船者の要請、本船の要請が適切であったかどうか
⑤ 運航が安全であると予想できなかったかどうか
⑥ その他の要素が契約違反と関与しないかどうか

万一安全港に遅延する争いが生じた場合には、入港の要請の注解書、対象港、本船Log Book、港籍等を用いて書類、港項目書に適用される情報を収集し、安全港の争いについての有効性、損害賠償請求が可能かどうか検討することになります。

Safe Port

Charter parties usually oblige the charterers to order the ship to safe ports. Disputes sometimes arise between the charterers and the owners such as whether there was a breach of the charter party and whether the port designated by the charterers was safe. The following circumstances should be taken into consideration in deciding disputes relating to safe ports:

1) Tidal currents and weather
2) Topographical factors (e.g. shallow water, sand banks)
3) Conditions of the port around the time of the ship’s entry (including port facilities, such as moorings, and political unrest)
4) Whether the charterers’ orders and the ship’s actions were appropriate
5) Whether the port was prospectively safe
6) Whether the damage incurred can be attributable to a breach of the charter

In a dispute as to whether a port was safe, the charterers’ instructions around the time of the ship’s entering the port, the records of relevant communications, the ship’s documents such as the log book, charts and the information on the port and port facilities should be collected and the merits of the argument and reasonableness of the claim should be carefully studied.
Disputes frequently referred to the Association as FD&D claims.

Non Payment of Charter Hire

It is a fundamental principle that payment of hire should be made in advance. But occasionally charterers fail to pay the due date. Should the charterers fail to pay the hire due on or before the appropriate date without justifiable reasons, the owners are entitled to withdraw the ship and terminate the charter. Deduction from the hire of any sum not permitted by the terms of the charter party will also entitle the owners to withdraw the ship from the charter. Withdrawal of the vessel, however, will not constitute a settlement of unpaid hire. Usually the owners will try to collect any unpaid sums through discussions. If the discussions fail, the owners may consider taking steps leading to arbitration.

Inferior Fuel

Recently, many troubles arising from supply of inferior fuel are being reported. Typical claims arise from engine troubles and increased stokes. It is essential to collect samples of fuel supplied to protect the owners’ interests from possible disputes. By analysing the samples, the owners can investigate the cause of troubles. If it is ascertained that the cause is the supply of inferior fuel, the owners will be able to consider making a recourse claim against the bunker suppliers or the charterers.

Maritime Lien

A lien is a right to receive payment from a debtor’s property. Creditors holding liens may have rights in priority over other creditors. These rights are specified in law. Under English and American law, a maritime lien is enforceable by an action in rem. In cases where debts result from a financing deficit or the bankruptcy of a company engaged in ship’s operations, disputes may arise with regard to validity of maritime liens. As the position of maritime liens is regulated by the laws of the countries concerned and the flag state, it is necessary to deal with the disputes in the light of the legal provisions of those countries taking advice from lawyers. In order to unify internationally the rules concerning maritime liens and mortgages, International Conventions for the Unification of Certain Rules relating to Maritime Liens and Mortgages were concluded in 1926 and 1967. As of March 2003, Japan has not ratified either of these Conventions.

Yes or No? FD&D Special to You?

Members occasionally face unreasonable demands and unexpected claims. The important thing is to determine the whereabouts of the problem and to make appropriate decisions in order to resolve these problems advantageously and efficiently. Under FD&D cover, the Association, consulting with suitable lawyers as occasion demands, provides the members with prompt and efficient advice.

If you have any questions about FD&D cover, please feel free to get in touch with our staff in our Underwriting or Claims Departments. We welcome your contact.
Non Payment of Charter Hire

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Rule 1 Application for Special Cover

Any person wishing to insure his ship for this Special Cover shall submit to the Association a completed application form. When the Association has approved the application, the person shall pay such part of or the whole of the costs or premiums as determined by the Association.

Rule 2 Risks Covered

1. The Association shall indemnify a Member for the costs and incidental expenses incurred for the purpose of ascertaining or defending any claim, dispute or litigation arising under Rule 3 below in respect of the Enterer as follows:

   (1) The costs of, or incidental to, any legal or other proceedings which a Member may take or defend with the support of the Association for the purpose of ascertaining or defending any of the claims specified in Rule 3, including any such costs which the Member may become liable to pay to any other party to such proceedings;

   (2) The costs incurred by a Member, with the approval of the Association, for the purpose of obtaining legal or other advice in connection with any of the claims, disputes or matters specified in Rule 3;

   (3) The liabilities and losses incurred as a result of compliance with orders of the Association as specified in Rule 3 (3) (b) subject always to any limit on such compliance as the Association may in its discretion decide.

2. Unless the Association shall determine otherwise in respect of any claim specified in Rule 3(1), the Member shall be insured for such liabilities or incidental costs as stated above, only if the dispute, matter or event giving rise to the claim occurred during a period when the ship was insured by the Association.

The date shall be taken to be:
   (1) for claims and disputes relating to salvaging or towage operations in respect of the current or last current tugs services, the date on which the services were completed;
   (2) for claims and disputes arising out of any contract other than for salvaging or towage or in coast or under statute, the date when the cause of action occurred.

Rule 3 Extent of Cover

1. The Cover provided under Rule 2 applies to the following claims, disputes or proceedings:

   (1) In respect of freight, dead freight, hire, demurrage, dispatch money and passage money arising under any charter party, bill of lading, contract of affreightment or any other contract of carriage;
   (2) In respect of the breach of any charter party, bill of lading, contract of affreightment or other contract of carriage or for the breach of any legal duty arising in connection with the carriage of goods;

   (3) In respect of:
       (a) loss, damage or detention of an Entered Ship;
       (b) detention of an Entered Ship when the Association (for the purposes of its interest) is legally entitled to such detention;
       (c) detention of any other vessel as provided for in the seaward of the ship and made in accordance with the powers of the Association and in the interests of the Association.

Any damages or costs of the foregoing nature accruing in any other insurer's jurisdiction or at any other place shall be recoverable by the Association from the other insurer.

In no event shall the Association be liable for any loss or damage suffered by the Member or any other person in respect of any claim arising out of the occurrence of any accident or event prior to the time when the ship was entered by the Association.

Nothing in these Rules shall affect any existing rights of the Member to recover any amount from any other insurer.
運送、請船料等に関する競争処理費用及び、その保険料（F&D）

Special Cover for Freight, Demurrage and Defence (F&D)
運賃、滞留料等に関する紛争処理費用及び損失担保特約(FD&D)
Special Cover for Freight, Demurrage and Defence (FD&D)

第4条（組合の承諾及び権限）
1 組合は、法令に定める範囲内において、前条の損害保険及びその他の手数料を徴収することができる。前条の損害保険の支払額に不足する場合における、差額の支払を得ることを承諾することができる。
2 組合は、組合の承諾をしないことにより得られるべき利益の支払いを受け取ることができる。組合は、前項に定める組合の承諾を得た場合において、組合の承諾をしないことにより得られるべき利益の支払いを承諾することができる。

第5条（組合の承諾及び権限）
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第8条（組合の承諾及び権限）
1 組合は、法令に定める範囲内において、前条の損害保険及びその他の手数料を徴収することができる。前条の損害保険の支払額に不足する場合における、差額の支払を得ることを承諾することができる。
2 組合は、組合の承諾をしないことにより得られるべき利益の支払いを受け取ることができる。組合は、前項に定める組合の承諾を得た場合において、組合の承諾をしないことにより得られるべき利益の支払いを承諾することができる。

運賃、滞留料等に関する紛争処理費用及び損失担保特約(FD&D)
Special Cover for Freight, Demurrage and Defence (FD&D)

Rule 4 Consent & Disclosure
1 A Member must obtain prior consent of the Association in order to commence or defend any legal or other proceedings and to abandon, settle, compromise, pay or admit liability for any claim, dispute or matter specified in Rule 3. The Association shall have an absolute discretion as to what may be supported, as to the conduct thereof and as to the discontinuance or settlement of the cases which have already been taken up with the Association’s support.

Rule 5 Notices
A Member must at all times promptly notify the Association of any information, documents or reports in his possession or knowledge relevant to any claim, dispute or matter specified in Rule 3. The Association shall take all steps necessary to ensure that the Association is not prejudiced.

Rule 6 Reduction of Claims
The Association shall have power in its discretion to reject or revoke the support of the Association or insurance payment if:

(a) the Member shall fail to comply with any of his obligations under Rule 4 and Rule 5;
(b) the Member shall willfully withhold or shall knowingly conceal any relevant information, document or evidence or make any false statement;
(c) the Member shall fail to comply with a recommendation or directive made at any time by the Association to the Member, in connection with the handling of the settlement of the claims or potential claims.

A member contravening this rule shall be liable to repay to the Association any costs or expenses which the Association may have incurred in connection therewith. Provided always that the Association shall have power in its absolute discretion to determine that the Association should pay or reimburse a Member in whole or in part in respect of any costs for which the Association would not be liable under this Rule.

Rule 7 Appointment of Expert
Whenever a claim has been or may be made by a Member for the support of the Association in any matter, the Association may, at any time, appoint or employ an expert on behalf of a Member, upon such terms as the Association may think fit, to advise, examine or otherwise deal with such matters and may also at any time discontinue such employment.

(As at 20 February, 2010)
連絡、滞留等に関する紛争処理費用及び損失担保特約(FD&D)

Special Cover for Freight, Demurrage and Defence (FD&D)

第4条（紛争の承認及び援護権）
1 紛争は、発送者に申告をした場合及び承認と証拠書を示す場合に
に、・事前に交渉を承認されなけりや、他の協力者の援助を行わ
べし。(1) 紛争の解決のため、貿易に関する法律の規定に従うものに
2 して、上記の条項に該当する場合及び承認の承認又は承認を行
べし。・事前に交渉を承認されなけりや、他の協力者の援助を行わ
べし。・事前に交渉を承認されなけりや、他の協力者の援助を行わ
べし。
3 紛争は、次のいずれかの事項については援護権を有するものと
べし。・事前に交渉を承認されなけりや、他の協力者の援助を行わ
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べし。

Rule 4 Consent & Discretion
1 A Member must obtain prior consent of the Association in order to commence or defend any legal or other proceedings and to abstain, settle, compromise, pay or admit liability for any claim, dispute or matter specified in Rule 3.
2 The Association shall have an absolute discretion as to what case may be supported, as to the conduct thereof and as to the discontinuance or settlement of the cases which have already been taken up with the Association's support.
3 The Association may refuse to support a claim or dispute which, in the view of the Association:
   (1) does not enjoy a reasonable prospect of success
   (2) does not enjoy a reasonable prospect of recovery from the other party
   (3) may result in a disproportionate level of costs having regard to the amount in dispute

Rule 5 Notices
A Member must at all times promptly notify the Association of any information, documents or reports in his possession or knowledge relevant to any claim, dispute or matter specified in Rule 3. A Member shall further, whenever so requested by the Association, at all times give the Association free access to such information, documents or reports, including the right to conduct a survey, or to interview any officer, servant or agent of the Member.

Rule 6 Reduction of Claims
The Association shall have power in its discretion to reject or revoke the support of the Association or insurance payment, if:
1. the Member fails to comply with any of his obligations under Rule 4.1 and Rule 5;
2. the Member shall willfully withhold or shall knowingly conceal any relevant information, document or evidence or make any false statement;
3. the Member shall fail to comply with a recommendation or directive made at any time by the Association to the Member, in connection with the handling or settlement of the claims or potential claims.

Rule 7 Appointment of Expert
Whenever a claim has been or may be made by a Member for the support of the Association in any matter, the Association may at any time, whether before or after the Association has decided to support the Member, appoint and employ on behalf of a Member, upon such terms as the Association may think fit, lawyers, surveyors or other persons with a view to investigating, advising upon or otherwise dealing with such matter and may also at any time discontinue such employment.