



## Offshore Energy Claims Leader Fee Protocol

This Offshore Energy Claims Leader Fee Protocol (the 'Protocol') has been established to clarify and assist in calculation of costs charged by the Claims Leader to the Co-Insurers in connection with a claim under the Nordic Marine Insurance Plan of 2013, Version 2019, and later versions (the "Nordic Plan").

As per Clause 4-5 of the Nordic Plan, the insurer shall pay certain costs of handling claims and calculating compensation. This Protocol regulates to what extent the Claims Leader, as defined in the insurance contract, may charge a fee for handling the claim and calculating the compensation which shall be payable by Co-Insurers, as defined in the insurance contract.

This Protocol shall supplement any provision in the Nordic Plan pertaining to the relationship between the Claims Leader and Co-Insurers.

For the purpose of this Protocol, handling the claim and calculating the compensation as per Clause 4-5 of the Nordic Plan is as follows:

- 1) The Claims Leader has responsibility for ensuring that a technical surveyor and/or loss adjuster with sufficient expertise is appointed to assess and/or adjust the claim as per Clause 9-9 of the Nordic Plan.
- 2) Claims adjusting services to be carried out in accordance with latest version of the Lillehammer Terms of Engagement (LTOE). This also to apply where the technical surveyor and/or loss adjuster is appointed internally or from a firm with common ownership to the Claims Leader.
- 3) For casualties and claim events where technical assessment and adjustment is performed by an independent third-party loss adjuster, the Claims Leader will not charge a fee, unless as per paragraphs 4) and/or 5) below.
- 4) As soon as reasonably practicable after the date of loss, the Claims Leader shall present a budget and work plan to Co-Insurers with respect to any loss adjustment fee(s) and costs and any associated claim lead fee(s) and costs. This budget and work plan shall be in accordance with the requirements of the LTOE and will include details regarding the appointment of third-party experts and any expected internal appointments.
- 5) Apart from the fees and costs set out in sub-paragraphs 5) a. and 5) b. below, the Claims Leader shall not be entitled to charge any fee to the Co-Insurers for any internal time, resources or costs, except where this has been specifically agreed in writing between the Claims Leader and Co-Insurers.
  - a. Where the Claims Leader uses internal resources (including but not limited to technical surveyors, experts or legal counsel) and/or is adjusting the loss internally, the Claims Leader shall be entitled to charge a fee based on net costs and necessary time and resources spent in proportion to the participation of each Co-Insurer, all as per Clause 9-

10 of the Nordic Plan. The Claims Leader must be able to demonstrate to the Co-Insurers that the appointed individual has sufficient expertise.

- b. Where the Claims Leader uses internal resources in connection with emergency response, maritime salvage operations, provision of security, disputes with third parties, subrogation and other activities in the interest of insurers, Co-Insurers shall reimburse the Claims Leader for their reasonable costs and time incurred in proportion to the participation of each Co-Insurer, all as per Clause 9-10 of the Nordic Plan.

12 November 2020

Joint Energy Claims Group  
(A joint LMA/IUA committee)

Cefor Offshore Energy Forum