

Subpart C—War Risk Protection and Indemnity Insurance

§ 308.200 Insured amount—application.

An applicant for war risk protection and indemnity insurance shall state the amount of insurance desired but such amount shall not exceed \$750 per gross ton of the Vessel.

§ 308.201 [Reserved]

§ 308.202 Issuance of interim binder; terms and conditions.

Upon acceptance of an application, an interim binder in form as set forth in §308.3 will be issued and there shall be deemed to be incorporated therein by reference all the terms, conditions, and warranties contained in the application for war risk protection and indemnity insurance (set forth in §308.3) and the standard war risk protection and indemnity insurance policy (set forth in §308.207) to the same extent as if such application and policy were made a part of the binder. The binder fee (not refundable) shall be \$100 per application for U.S.-flag LASH or similar type barges; \$25 per application for all other U.S.-flag vessels; \$200 per application for foreign-flag LASH or similar type barges; and \$50 per application for all other foreign-flag vessels. All fees are payable in U.S. funds by check to the order of "Maritime Administration, Department of Transportation."

§ 308.203 Amount insured under interim binder.

The amount insured shall be the amount stated in the application, but not in excess of \$750 per gross ton of the vessel.

§ 308.204 Additional war risk protection and indemnity insurance.

Owners or charterers may obtain, on an excess basis, additional war risk protection and indemnity insurance in such amounts as desired and such insurance shall not inure to the benefit of the Maritime Administrator, as underwriter.

§ 308.205 Reporting casualties and filing claims.

All casualties occurring after insurance under a binder has attached shall be reported promptly to, and all claim documents filed with the Office of Subsidy and Insurance, Maritime Administration, Department of Transportation, Washington, DC, 20590.

§ 308.206 [Reserved]

§ 308.207 War risk protection and indemnity insurance policy.

The standard form of war risk protection and indemnity insurance policy, Form MA-241, may be obtained from the American War Risk Agency or MARAD.

Subpart D—Second Seamen's War Risk Insurance

§ 308.300 Insured amount—application.

An applicant for Second Seamen's war risk insurance shall not state the amount of insurance desired, which shall be as provided in §308.303.

§ 308.301 [Reserved]

§ 308.302 Issuance of interim binder; terms and conditions.

Upon acceptance of an application, an interim binder in form as set forth in §308.3 will be issued and there shall be deemed to be incorporated therein by reference all the terms, conditions, and warranties contained in the application for Second Seamen's war risk insurance (set forth in §308.3) and the Second Seamen's War Risk Policy (1955) (set forth in §308.306) to the same extent as if such application and policy were made a part of the binder. The binder fee (not refundable) shall be \$75 per application for U.S.-flag vessels and \$150 per application for foreign-flag vessels. All fees are payable in U.S. funds by check to the order of "Maritime Administration, Department of Transportation."

§ 308.303 Amounts insured under interim binder.

The amounts insured are the amounts specified in the Second Seamen's War Risk Policy (1955) or as

§ 308.304

modified by shipping articles, collective bargaining agreements or other applicable employment agreements which are in effect as of the date of a casualty involving the subject vessel. Upon the attachment of this binder, the number of crew members and modified benefits payable as of that date shall be declared immediately to the Underwriting Agent that issued the binder. Any subsequent changes shall be likewise declared.

§ 308.304 Reporting casualties and filing claims.

All casualties occurring after insurance under a binder has attached shall be reported promptly to, and all claim documents filed with, the Maritime Administration, Attention: Director, Office of Subsidy and Insurance, Washington, DC 20590.

§ 308.305 [Reserved]

§ 308.306 Second Seamen's War Risk Policy, Form MA-242.

(a) The standard form of Second Seamen's War Risk Policy Form MA-242, may be obtained from the American War Risk Agency or MARAD.

(b) [Reserved]

Subpart E—War Risk Builder's Risk Insurance

§ 308.400 Authority.

The Secretary of Transportation has delegated authority to the Maritime Administrator to perform the functions vested in the Secretary of Transportation by Title XII of the Merchant Marine Act, 1936, as amended. The Maritime Administrator, pursuant to a finding by the Secretary under section 1202(a) of the Act authorized, (46 App. U.S.C. 1982(a)) has authorized the issuance of war risk insurance on American vessels under construction in shipyards in the United States.

§ 308.401 Eligibility for insurance.

A vessel is eligible for insurance if it is an American vessel as defined in section 1201(a), Title XII of Merchant Marine Act, 1936, as amended, (46 App. U.S.C. 1281) being constructed in a shipyard within the United States.

46 CFR Ch. II (10-1-11 Edition)

§ 308.402 Insurance during vessel construction period.

(a) *Prelaunching period.* This period is from the date and time the first material destined for inclusion as part of the vessel becomes at risk at the shipyard of the builder to the date and time the vessel first becomes water-borne after launching.

(b) *Postlaunching period.* This period is from the date and time the vessel first becomes water-borne after launching to the date and time of delivery of the vessel by the builder.

(c) *Portions of periods.* A vessel may be insured for a portion of either period as cited in paragraph (a) or (b) of this section at the sole discretion of the Maritime Administrator.

§ 308.403 Insured amounts.

(a) *Prelaunching period.* The amount insured during this period will be the cost of material destined for inclusion as a part of the vessel at risk at the shipyard of the builder, plus the cost of labor, other direct charges, overhead, and profit not exceeding 10 percent, all as determined from the builder's records.

(b) *Postlaunching period.* The amount insured during this period will be: (1) An amount not in excess of the difference in amount between the total amount of war risk insurance obtainable from companies authorized to do an insurance business in a State of the United States and the contract price of the vessel plus the cost of the materials and equipment furnished by the owner and not included in such contract price, or (2) an amount not in excess of the contract price of the vessel plus the cost of materials and equipment furnished by the owner and not included in the contract price: Provided, That no war risk insurance is obtainable from companies authorized to do an insurance business in a State of the United States.

(c) *Maximum liability.* The amount of any claim for damage to or the total or constructive total loss of the vessel adjusted, compromised, settled, adjudged or paid shall not exceed the amount insured: Provided, That the amount payable hereunder shall not exceed the