

## **MARINE INSURANCE CONDITIONS RELATING TO COMMERCIAL VESSELS LESS THAN 15 METRES LONG, CEFOR FORM 278 – OVERVIEW OF CHANGES IN RELATION TO CEFOR FORM 277**

This memo provides an overview of the changes in Cefor Form 278 in relation to Cefor Form 277 and can serve as the basis for information provided by the company to its customers. The following changes have been made in the Conditions:

### **B. HULL INSURANCE**

#### **1. Chapter 12. Scope of the insurer's duty to compensate**

##### **Clause 12-3 Not covered by the insurer's liability**

The exclusion in No. 1 has been replaced with a new exclusion, corrosion.

Damage due to corrosion is not covered under the Nordic Plan, cf. Clause 12-3 Inadequate maintenance, etc.

Damage due to corrosion is all in all a result of lack of maintenance and under Cefor form 277 compensation may be denied pursuant to the safety regulation on lack of maintenance in Clause 4-8, cf. especially sub-clause 3. Compensation may also be denied pursuant to Clause 2-1 as damage due to corrosion does not appear suddenly and unexpectedly.

#### **2. Chapter 11. Subject matters covered by the insurance**

##### **New Clause 11-4 Limited cover of damage to the machinery**

The former Clause 12-3 No. 1 is replaced as a new clause and moved to Chapter 11. The Clause is identical to Clause 17-3 in the Nordic Plan.