



## Primary Loss of Earnings

### Key features

- Insurance for covering loss of earnings following physical damage to a vessel recoverable under the underlying H&M cover
- “Buy back” option for delays during the initial 14 days’ delay until conventional loss of hire cover kicks in
- Fixed and agreed Daily Insured Amounts (DIA)
- Fixed premium cash flow protection to support budget accuracy
- Clients know their maximum final cost at inception and can accurately budget for their maximum cost
- Individual Performance and Continuity Reward system
- Full in-house claims service - external surveyors/adjusters usually not required

### Conditions of cover

As set out in NORDIC’s “General Conditions - Fixed Premium Primary Loss of Earnings - Version I September 2022”

Typical terms:

- Single Incident Limit: 14 days including deductible
- Minimum deductible: 7 days unless otherwise agreed
- NO reinstatement premium in case of claim
- Premium expressed as a percentage of the Daily Insured Amount (DIA)
- Policy Annual Aggregate Limit (AAL) over all vessels

### What is covered?

Loss of Earnings following physical damage to the vessel recoverable under the underlying H&M cover, for example:

- Stranding or grounding of the vessel, Collision with another ship, striking any fixed or floating objects
- Fire or explosion aboard the insured ship, her cargo, stores and/or bunkers
- Damage or breakdown of or in machinery aboard the insured ship, including electrical machinery, propellers and shafts, and boilers

### What is not covered?

The main differences with conventional Loss of Hire are, for example:

- Delays commencing more than 90 days after the first occurrence or commencement of the event
- Delays following damages discovered during drydocking