



INTERNATIONAL  
OIL POLLUTION  
COMPENSATION  
FUND 1971

EXECUTIVE COMMITTEE  
50th session  
Agenda item 4

71FUND/EXC.50/14  
18 October 1996

Original: ENGLISH

## ADMISSIBILITY OF CLAIMS RELATING TO SALVAGE OPERATIONS AND SIMILAR ACTIVITIES

Note by the Director

### 1 Introduction

1.1 In the *Aegean Sea*, *Braer*, *Sea Prince* and *Sea Empress* cases, the shipowner engaged the services of contractors under Lloyd's Open Form salvage agreement 1990 (LOF 90). In these cases the shipowners have made or will make payments to the contractors based on this agreement.

1.2 The question now arises as to whether these payments are admissible for compensation. This leads to the wider question of which criteria should be applied to determine the admissibility of claims against the 1971 Fund for the recovery of amounts paid for the services tendered under LOF agreements.

1.3 This issue was briefly considered by the Executive Committee at its 44th session on the basis of a document presented by the Director (document FUND/EXC.44/14). The Committee instructed the Director to study this matter in depth (document FUND/EXC.44/15, paragraph 3.14.6).

1.4 While the Director has been studying the issues, his discussions with the P & I Clubs are continuing.

1.5 Given the significance of these issues and the importance of the ongoing discussions with the P & I Clubs, the Director proposes that the matter should be deferred for consideration at the Executive Committee's 52nd session.

### 2 Action to be taken by the Executive Committee

The Executive Committee is invited to take note of the information contained in this document.

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