

Subpart B—War Risk Hull and Disbursements Insurance

§ 308.100 Insured amount.

An applicant for war risk hull insurance shall state the amount of insurance desired but any payment of claim for damage to or actual or constructive total loss of the vessel insured shall be made as provided in § 308.103(a). An applicant desiring disbursements insurance may at his option obtain such additional insurance but any claim for loss of disbursements as a consequence of the actual or constructive total loss of the vessel insured shall be made as provided in § 308.103(c).

§ 308.101 [Reserved]

§ 308.102 Issuance of interim binder; terms and conditions; fees.

Upon acceptance of an application, an interim binder in the form set forth in § 308.106, will be issued and there shall be deemed to be incorporated therein by references all the terms, conditions, and warranties contained in the application for war risk hull and disbursements insurance and the standard war risk hull insurance policy (set forth in § 308.107), to the same extent as if such application and policy were made a part of the binder. The binder fee (not refundable) for American vessels shall be \$25 per application for vessels under 500 gross tons; \$100 per application for vessels 500 gross tons or over; and \$100 per barge application. The binder fee (not refundable) for foreign-flag vessels shall be \$50 per application for vessels under 500 gross tons; \$200 per application for vessels 500 tons or over; and \$200 per barge application. All fees are payable in U.S. funds by check to order of “Maritime Administration, Department of Transportation.”

§ 308.103 Insured amounts under interim binder.

(a) *Valuation.* The valuation in the policy for damage to, or actual or constructive total loss of the vessel insured shall be a stated valuation (exclusive of National Defense features paid for by the Government) determined by the Maritime Administrator which shall not exceed the amount

that would be payable if the vessel had been requisitioned for title under 46 U.S.C. Chapter 563 at the time of the attachment of the insurance under said policy: Provided, however, that in the case of a construction subsidized vessel, for the period of insurance prior to requisition for title or use, the valuation so determined shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features), and for the period of insurance after requisition for use the valuation so determined shall not exceed the amount which would be payable under 46 U.S.C. 56303 in the case of requisition for title or use: Provided, further, that the insured shall have the right within sixty (60) days after the attachment of the insurance under said policy, or within sixty (60) days after determination of such valuation by the Maritime Administrator, whichever is later, to reject such valuation, and shall pay, at the rate provided for in said policy, premiums upon such asserted valuation as the insured shall specify at the time of rejection, but such asserted valuation shall not operate to the prejudice of the Government in any subsequent action on the policy. In the event of the actual or constructive total loss of the vessel, if the insured has not rejected such valuation the amount of any claim therefor which is adjusted, compromised, settled, adjudged, or paid shall not exceed such stated amount, but if the insured has so rejected such valuation, the insured shall be paid as a tentative advance only, 75 per centum of such valuation so determined by the Maritime Administrator and shall be entitled to sue the United States in a court having jurisdiction of such claims to recover such valuation as would be equal to the just compensation which such court determines would have been payable if the vessel had been requisitioned for title under 46 U.S.C. Chapter 563 at the time of the attachment of the insurance under said policy: Provided, however, that in the case of a construction-subsidized vessel, the valuation determined by the court as such just compensation for any period of insurance