



SEMAPHORE

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Association of Australia and New Zealand



Comment on New LOF

Liverpool (United Kingdom)-headquartered global legal firm Hill Dickinson has provided comment on the latest edition of the Lloyd's Open Form (LOF) and related London Market Default Clause 2024.

Authored by company partners Matthew Dow and Martin Hall as well as marine manager Richard Cooper, the article emphasises the need for “effective and clear contractual frameworks for salvage operations”, given a recent series of large-scale maritime casualties.

“Unsurprisingly, despite its reduced usage in recent years, the LOF remains the premier emergency response contract for managing large and complex incidents, providing a robust mechanism for addressing immediate threats to property and the environment,” they state.

“On 1 June 2024, the Lloyd's Salvage Arbitration Branch published the latest edition of the LOF, consisting of significant revisions aimed at enhancing efficiency and applicability in modern salvage scenarios.

“Following the release of the LOF 2024, the London Market has drafted (in collaboration with the International Chamber of Shipping) a London Market LOF default clause (Market Clause 2024) for insertion into hull and machinery policies. The stated aim is, with its proposed introduction in January 2025, to promote the use of LOF.

“[Our] article summarises the significant changes to the LOF and offers our commentary on the Market Clause 2024.”

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