

§ 308.525

§ 308.525 Application for decrease in amount of cash collateral fund, Form MA-305.

Application for decrease in the amount of the cash collateral deposit fund shall be made on Form MA-305, which may be obtained from the American War Risk Agency or MARAD.

§ 308.526 Certificate for repayment of decrease of collateral deposit fund, Form MA-306.

The standard form of certificate for repayment of the amount of the decrease of the collateral deposit fund, Form MA-306, may be obtained from the American War Risk Agency or MARAD.

§ 308.527 Application for return premium, Form MA-307.

An application for the return of premium, which may be obtained from the American War Risk Agency or MARAD, shall be filed in duplicate with the Underwriting Agent on Form MA-307.

§ 308.528 Surety Bond A, Form MA-308.

The Standard Form of Surety Bond A, Form MA-308, which may be obtained from the American War Risk Agency or MARAD, shall be used by an Assured who elects to post a surety bond as security for payment of the premiums pursuant to Clause 21 of the policy:

§ 308.529 Surety Bond B, Form MA-309.

An Assured who elects to substitute a surety bond for a collateral deposit fund shall submit Form MA-309, which may be obtained from the American War Risk Agency or MARAD.

§ 308.530 Letter requesting increase or decrease in amount of surety bond, Form MA-310.

An endorsement increasing or decreasing the amount of the surety bond, Form MA-310, shall be transmitted to the underwriting agent and may be obtained from the American War Risk Agency or MARAD.

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§ 308.531 Endorsement of surety bond increasing or decreasing amount of coverage, Form MA-311.

The Standard Form of Endorsement which shall be used in increasing or decreasing the amount of a surety bond, Form MA-311, may be obtained from the American War Risk Agency or MARAD.

§ 308.532 Release of surety bond, Form MA-312.

The Standard Form of Release of Surety bond, Form MA-312, may be obtained from the American War Risk Agency or MARAD.

§ 308.533 Closing report, Form MA-313.

This form, which may be obtained from the American War Risk Agency or MARAD, shall be filed in duplicate with the Underwriting Agent not later than the 25th day of each month.

§ 308.534 Certificate to be attached to closing report, Form MA-313-A.

The standard form of Certificate to be attached to the closing report, Form MA-313-A, may be obtained from the American War Risk Agency or MARAD and shall be filed each month.

§ 308.535 Certificate to be attached to final closing report, Form MA-313-B.

The Standard Form of Certificate, Form MA-313-B, shall be attached to the final closing report after cancellation of the policy, and may be obtained from the American War Risk Agency or MARAD.

§ 308.536 Declaration where failure to comply with Clause 21 was inadvertent, Form MA-314.

An Assured that fails inadvertently to maintain a collateral deposit fund or surety bond in an amount sufficient to meet the requirements of Clause 21 of the Policy shall file this Declaration, Form MA-314, which may be obtained from the American War Risk Agency or MARAD.

III—FACULTATIVE WAR RISK CARGO
INSURANCE**§ 308.538 General.**

The Maritime Administrator is prepared to provide facultative war risk insurance policies covering any cargoes described in §308.501 which are designated by an applicant prior to the attachment of risks, if the applicant does not have an Open Cargo Policy issued by the Maritime Administrator, or if he has a shipment which is not covered by his Open Cargo Policy. However, a person with regular shipments is urged to avail himself of the advantages of the automatic coverage of an Open Cargo Policy. The Maritime Administrator reserves the right to decline to quote rates or bind insurance on shipments of cargo that could be covered by an Open Cargo Policy unless the applicant can show to the satisfaction of the Maritime Administrator that the risk is not one of a series of similar risks forming part of a continual flow of business for the applicant. The policy will be in the standard form of War Risk Facultative Cargo Policy, Form MA-316, prescribed in §308.545. All policies shall be issued by Underwriting Agents appointed by the Maritime Administrator. All Underwriting Agents shall be domestic insurance companies authorized to do a marine insurance business in a State of the United States.

§ 308.539 Application.

(a) *Preliminary request.* Application for a Facultative Cargo Policy shall be made by filing a preliminary request in writing (including telegram) with an Underwriting Agent of the Maritime Administration, setting forth the following information:

- (1) The name and address of the applicant;
- (2) The amount of insurance requested;
- (3) The commodity and quantity to be insured;
- (4) The voyage to be covered;
- (5) The name of the vessel upon which the cargo will be shipped, if known, the name of the steamship line, if known, and the date of shipment, if the applicant is submitting the request to bind war risk in writing; for security

reasons, if the applicant is submitting the order to bind war risk insurance by telefax, neither the name of the vessel nor the name of the steamship line nor the anticipated date of sailing, should be mentioned. Mentioning such information in a telefax may result in a denial of insurance to the applicant. Any envelope transmitting a letter containing such information shall be marked "confidential."

(b) *Binder.* Before the insurance can be bound, the applicant shall provide the Underwriting Agent with a properly prepared binder on Form MA-315 prescribed in §308.544. The binder must be submitted in duplicate, accompanied by check or Money Order payable to the order of the Maritime Administration, Department of Transportation for the full amount of the premium computed on the amount to be insured at the rate set by the Maritime Administrator. Any application for facultative cargo war risk insurance received by an Underwriting Agent later than 4 p.m. (Local War Time) shall be considered the next day's business.

(c) *Optional loss limits clause.* Clause 9 of the standard form of facultative cargo policy, Form MA-316, prescribed in §308.545, limits the amount payable for loss to the fair market value at the place and approximate time of the attachment of risk, plus the cost of marine insurance, transportation and expenses incident thereto, and war risk insurance with respect to the lost or damaged goods, or if it is impossible to determine the fair market value at place and time of attachment of risk, the fair market value at the designated port of arrival on the date of the attachment of the risk, plus the cost of marine insurance, transportation and expenses incidental thereto, and war risk insurance with respect to the lost or damaged goods, or if the goods had been purchased prior to loading, the actual amount paid or payable to the seller for the goods less all discounts, plus the cost of marine insurance, transportation and expenses incidental thereto, and war risk insurance with respect to the lost or damaged goods. In lieu of these loss limits, the Assured by so specifying in his application, and the binder may have attached to the policy when issued Standard Optional