



EAGLE OCEAN MARINE

CIRCULAR

DECEMBER 10, 2021

TO ALL INSUREDS AND BROKERS

Dear Colleagues:

STEEL PRE-LOAD SURVEYS: AN UPDATE

Occasions have arisen when insured vessels are loading steel cargoes:

1. without arranging a pre-load survey;
2. without contacting EOM in advance to assist in arranging pre-load surveys; and
3. employing surveyors who are not approved by EOM.

General considerations

Insureds are urged to ensure that they fully comply with steel pre-load survey requirement and all other related conditions as may apply to an individual vessel's terms of insurance.

To minimize the risk of exposure to cargo claims arising from the carriage of steel, EOM requires that the Insured appoints an experienced surveyor at the port(s) of loading steel cargoes to conduct a precautionary pre-load survey to:

1. assist the master in recording the apparent condition of the cargo prior to loading so that, where appropriate, mate's receipts and bills of lading can be clausured correctly as necessary; and
2. verify that the vessel's cargo hatch covers and other openings in way of the hold spaces are in sound condition.

Failure to complete such a steel pre-load survey will prejudice the Insured's coverage for any cargo claims that are asserted against it and its vessel in connection with the subject shipment(s).

Furthermore, exclusions and/or limitations to coverage which have been imposed by reference to existing, outstanding deficiencies to hatch covers or any watertight boundaries to cargo holds will not be removed by a pre-load survey of cargo.

Insureds are urged to ensure that they fully comply with this steel pre-load survey requirement and all other related conditions as may apply to an individual vessel's terms of entry.

Prompt notification to EOM

EOM should be advised of the type, description and quantity of steel to be loaded and the intended port and time of loading, so that EOM can advise Insureds as to whether or not a

steel pre-loading survey is necessary and can then recommend a local surveyor who can conduct the survey.

To ensure that clear and concise instructions are given to surveyors appointed to assist the master in clausing bills of lading, or to survey cargo upon [dischargeloading](#), timely requests for a surveyor's attendance should be made directly to EOM. This notification should include:

1. the vessel's estimated time of arrival at the loading port;
2. the exact nature (types) and approximate quantity(ies) of steel cargo(es) to be loaded; and
3. the name and contact details of the vessel's local agents at the load port.

EOM will then issue survey and reporting instructions to the surveyors, with copy to the brokers, for passing to the Owners, to guide them as to how the survey and reporting should be performed.

Where it is impractical to give such prior notice to EOM, the Insured should contact the local correspondent at the loading port to provide direct details as above and inform EOM as soon as possible thereafter,

Steel pre-load surveys when COVID-19 access restrictions apply

In March 2020, the EOM Circular, ***Guidance for the Loading of Steel Cargoes Where Third-Party Surveyors are Prevented from Attending Vessels Due to COVID-19 Restrictions*** was issued in [English](#), and [new](#) and [traditional](#) Mandarin, relating to what steps should be followed by Insureds when a vessel is due to load a steel cargo that requires a steel pre-loading survey, and a surveyor is not allowed to inspect the cargo and/or attend onboard the vessel due to COVID-19 related access restrictions imposed at that port.

Insureds are reminded that it is imperative that EOM is also notified in advance of the intended loading should circumstances arise limiting or preventing the surveyor's access to the ship.

In some instances, it is possible that a surveyor can be appointed to attend at the port to inspect the cargo only, and not board the vessel. In such cases the surveyor should carry out the inspection and reporting of the cargo condition in the normal manner, while the Owners and Master of the vessel should follow the guidance and requirements contained within the March 2020 EOM COVID-19 steel pre-load survey Circular.

Further guidance on steel cargoes from the American Club

The American Club maintains [Transport Guidance for Steel Cargoes](#) that seeks to provide a comprehensive overview of how to avoid claims arising from the carriage of these cargoes from a variety of related perspectives.

This guidance draws upon the knowledge and experience the American Club has derived from its own claims, from those who are engaged in the operation and/or chartering of

vessels for the carriage of steel cargoes, and from surveyors regularly instructed to attend steel cargo loadings and discharges.

Insureds are encouraged to refer to the Club's website where the guidance, pictures, animations and other relevant information in English, and new and traditional Mandarin, can be found at:

<http://www.american-club.com/page/steel-cargoes>.

EOM recommend that Insureds take note of this information and be guided accordingly.

Yours faithfully,

A handwritten signature in blue ink that reads "Joseph E.M. Hughes". The signature is written in a cursive style and is positioned above a horizontal line.

Joseph E.M. Hughes, Chairman & CEO
Eagle Ocean Agencies, Inc.

Eagle Ocean Marine is an American Club fixed premium facility offering gold standard International Group club service, underpinned by the impeccable security of reinsurance at Lloyd's.