

# Legal and Insurance Issues

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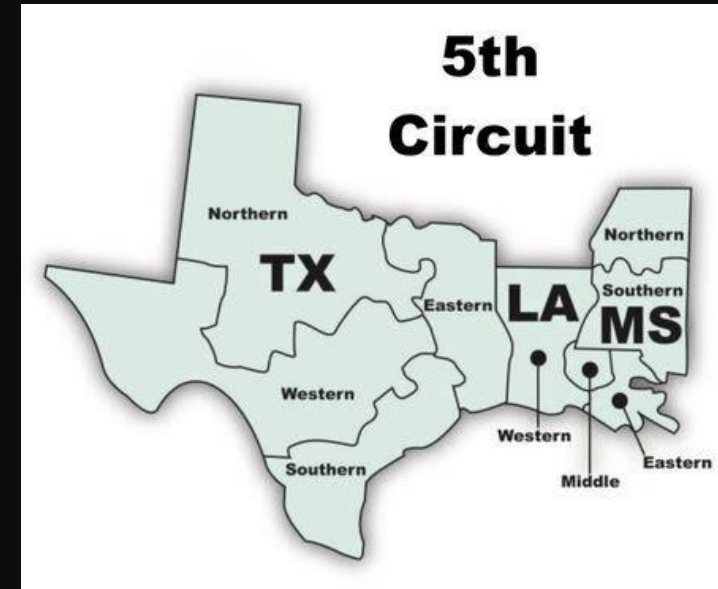
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# Outline

- Mifepristone (a wake up with current events)
- Insurance
  - Insurance outlooks
  - Discussion of warranties
  - Discussion of war risk

# Mifepristone Developments

- Friday, May 1<sup>st</sup>: U.S. Court of Appeals for the Fifth Circuit issues a nation-wide stay of the FDA regs allowing remote prescription and delivery of mifepristone.
- Saturday, May 2<sup>nd</sup>: Danco applies to the Supreme Court for a stay of the Fifth Circuit's order.
- Monday, May 4<sup>th</sup>: Justice Alito grants "administrative stay" until Monday, May 11<sup>th</sup>, when the whole Court will consider the application.



# Mifepristone: Background to 2025

- 2000, Danco gets NDA for mifepristone for abortion up to 49 days gestation, with certain restrictions as a REMS.
- 2016, Danco gets sNDA for mifepristone for abortion up to 10 weeks of gestation with only one in-person visit.
- 2021, in response to petition by ACOG, the FDA says it will exercise “enforcement discretion” for in-person dispensing requirement during the pandemic.
- 2021, FDA directs Danco to submit new sNDA without in-person dispensing.
- 2022, Alliance for Hippocratic Medicine sues FDA in the Northern District of Texas to enjoin the 2016 and 2021 FDA actions. The District Court grants the injunction, and the Fifth Circuit affirms most of the injunction, but it is stayed by the Supreme Court.
- 2023, FDA approves sNDA without in-person dispensing.
- 2024, Supreme Court overturns the Northern District of Texas’ injunction on “standing” grounds.

# Mifepristone: Developments From 2025

- September 2025, HHS announces reconsideration of mifepristone REMS.
- October 2025, the District of Hawai'i finds the 2023 REMS too restrictive, remands reg to the FDA for further consideration, and orders FDA to keep the current REMS in place pending the result of the remand.
- October 2025, Louisiana and a private party sue the FDA in the Western District of Louisiana to set aside 2023 REMS.
- April 2025, the Western District of Louisiana denied an injunction of the REMS and Louisiana and the private party appealed.

# Insurance Issues:







Softening of low risk markets – UNOLS vessels!

New market entrants and aggressive expansion by current participants

Rise of MGA

Separation of specialized risks – cyber; lithium battery fires; war; infectious disease.

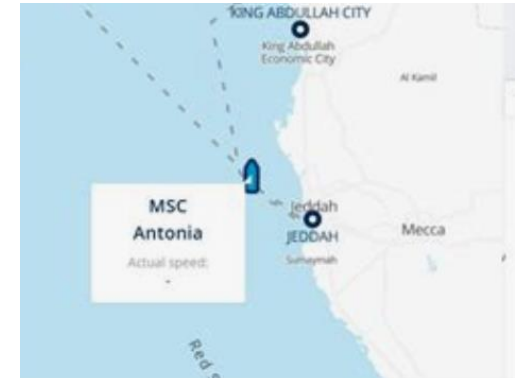
## Market Predictions From WTW

Coverage line	Trend	Range
Hull & machinery		Flat to -5%
Marine builders risk		Flat to -5%
P&I (U.S.A)		Flat to -5%
P&I (International club)*		+2.5% to +5%
Marine liability		Flat to -5%
Marine excess liability		Flat to +2.5%
USL & H		Flat

Rate predictions: Marine Hull & Liability

# Cyber Threats

- Trend separating it from Hull & Machinery Insurance Continues.
- Cyber preparedness could be an issue in the warranty of seaworthiness for charter parties and Hull and Machinery insurances.
  - Insurers could deny coverage.
  - Charterers could claim damages.
- First reported cyber casualty, the MV ANTONIA in the Red Sea due to GPS spoofing



# Warranties in Insurance Policies – Expect Strict Enforcements.

- Insurance Contracts from the 18<sup>th</sup> Century were considered to be of “utmost good faith” *uberrimae fidei*.
  - Strict enforcement
  - Failure → contract is voidable by the insurer even if unrelated to casualty
- Over the last century: move to requirement of causation (current view of the UK). Unless breach causes casualty then the breach doesn't affect coverage.

# *Wilburn Boat v. Fireman's Fund (1955)*

- The Wilburn bothers operated a vintage stern paddlewheel vessel, The WANDERER, on Lake Texoma. They had warranted no commercial use.
- Vessel burns to the waterline.
- Fireman's Fund denies coverage.
- Marine Insurance will be governed by State law unless there is an already controlling maritime law principle or there is a need for one.



# *Great Lakes Insurance v. Raiders Retreat Realty*

- Pennsylvania realty company owns a yacht, the RAIDERS RETREAT
- In insurance policy the company warranted adequate fire fighting equipment.
- Policy has a choice of law clause applying New York Law
- New York strictly enforces warranties in insurance policies.
- The equipment was not adequate.
- Yacht runs aground near Fort Lauderdale.
- Insurance company denies coverage.
- Supreme Court enforces choice of law.
- Marine insurance contracts move to New York law.



# Examples of warranties

- To take reasonable care to make the vessel seaworthy: “fit for her intended voyage” in hull, machinery, supplies, and crew
- Take reasonable care to maintain the vessel.
- Specific requirements
- Geographic limitations
- Areas with special concern for violence, piracy.

# War Risk Limitation: Notice Required

## A typical provision in an insurance contract.

### 1. NAVIGATION PROVISIONS

Unless and to the extent otherwise agreed by the Underwriters in accordance with Clause 2, the vessel or craft insured hereunder shall not enter sail for or deviate towards the territorial waters of any of the Countries or places, or any other waters described in the current List of Areas of Perceived Enhanced Risk (listed areas) as may be published from time to time in London by the Joint War Committee.

### 2. BREACH OF NAVIGATION PROVISIONS

(a) If the Insured wishes to secure continuation of coverage under this insurance for a voyage which would otherwise breach Clause 1, it shall give notice to Underwriters and shall only undertake such voyage if it agrees with the Underwriters any amended terms of cover and any additional premium which may be required by the Underwriters

(b) In the event of any breach of any of the provisions of Clause 1, the Underwriters shall not be liable for any loss, damage, liability or expense arising out of or resulting from an accident or occurrence otherwise covered under this insurance during the period of breach, unless notice of such breach is given to the Underwriters as soon as practicable and any amended terms of cover and any additional premium required by them are agreed.

(c) The absence of prior notice shall not affect the cover under this insurance, but it is a condition of this insurance that the Insured is bound to declare to the Underwriters all breaches of the provisions of Clause 1.

(d) If Clause 2(c) is deleted, continuation of coverage under this insurance is conditional upon notice to the Underwriters being given prior to the vessel or craft entering the listed areas.

# Summary or War Risk Limitation

- Without prior agreement vessel can't go into a Joint War Committee listed area;
- If operator wants to go into a listed area, it must give notice to the insurer and agree on new terms and premiums;
- If the vessel enters a listed area without notice, there is no coverage unless the operator notice as soon as practicable and terms are reached; and *either*
- Coverage will continue outside of listed areas, but operator must declare all breaches to the insurer; *or*
- **Entry into a listed area without prior notice will void coverage.**

# What the Joint War Committee Does

## Joint Committee Circular

Committee	<b>Joint War</b>
Date	3 <sup>rd</sup> March 2026
Circular reference	<b>JWLA-033</b>
Contact	Neil Roberts <a href="mailto:neil.roberts@lmalloyds.com">neil.roberts@lmalloyds.com</a>

### **JWC Listed Areas Hull War, Piracy, Terrorism and Related Perils**

**Added:**

**Bahrain  
Djibouti  
Kuwait  
Oman  
Qatar**

**Amended:**

**Persian/Arabian Gulf, Gulf of Oman, Indian Ocean, Gulf of Aden and Southern Red Sea**

The waters enclosed by the following boundaries:

- a) On the northwest, by the Red Sea, south of Latitude 18°N;
- b) On the northeast, from Pakistan coastline at 25°19'15"N, 65°E;
- c) On the east, by a line to high seas point 10°48'N, 65°E, thence to high seas point 10°48'N, 60°15'E, thence to high seas point 6°45'S, 48°45'E;
- d) and on the southwest, by the Somalia border at 1°40'S, 41°34'E, to high seas point at 6°45'S, 48°45'E;

The application of this list on individual contracts will be a matter for specific negotiation.

This list will be published on the LMA and IUA websites and will be accessible to all on [www.lmalloyds.com](http://www.lmalloyds.com) and [www.iua.co.uk](http://www.iua.co.uk).

**Neil Roberts  
Secretary**

# JWLA.ai planning tool.

The screenshot displays the JWLA.ai web application interface. At the top, there is a browser address bar showing 'jwla.ai' and a search bar. Below the browser, a navigation bar contains several buttons: '5 NEW LISTINGS', 'HULL WAR - PIRACY - TERRORISM', '3 MAR 2026', 'Vessel Name or IMO No.', 'FIND', 'JWLA-033', 'ITF List', 'IBF List', 'IWL-1.7.76', 'MAKE A FLEET', 'AI INTELLIGENCE', 'LAT/LON SEARCH', and 'SEA ROUTING'. The main content area features a world map with various colored overlays representing risk zones. A search bar at the top of the map area contains the text 'Search port, city, country...' and a 'Search' button. A tooltip on the map displays the coordinates '44.8255°N 80.8594°W'. On the left side, there are two panels: 'LISTED AREAS & ZONES' with a sub-panel 'DEFINED WATER ZONES' containing checkboxes for 'Arabian Gulf / Persian Gulf / Indian Ocean / Red Sea', 'Sea of Azov & Black Sea', 'Gulf of Guinea', 'Cabo Delgado', 'Venezuela', and 'Guyana (Offshore)'; and 'IBF/ITF RISK AREAS' containing checkboxes for 'Red Sea / GoA WOA', 'Gulf of Guinea ERZ', 'Sea of Azov WOA', 'N. Black Sea WOA', 'Black Sea HRA', 'Persian Gulf WOA', and 'Gulf of Oman ERZ'. A legend in the bottom right corner identifies the map elements: 'JWC LISTED AREAS', 'IBF/ITF & IWL ZONES', 'FLEET & LIVE TRAFFIC', and 'PORT ACTIVITY'. The bottom left corner shows 'Free Tokens Used: 0'.