

NEWSFRONT

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LEGAL OPINION

Marine Insurance / Rights of mortgagee

Application of English law in a Marine Insurance contract by virtue of contractual agreement is lawful and avails the parties to a well tested and reliable legal system. Marine Insurance Act 1906 provisions apply. In a case involving loss of a vessel insured under MIA 1906, a mortgagee invoked a provision of Greek Code of Private Maritime Law, whereby in case of loss the mortgagee is entitled to the insurance remuneration, enjoying the same privilege as the mortgage.

However, option of English law by the parties prevented the application of this Greek law provision as there is no such provision under the former.

Piraeus three-membered Court of Appeal Judgment no 319/2018, President: D.Tsoutsani, Rapporteur Judge: A. Anastasiou, Attorneys at law: D. Prassos, A. Koutsoukos, Maritime Law Review vol. 46, p. 46.

NOTE: Lex navis was the Greek Law. If this would apply, the mortgagee would enjoy privilege in the insurance remuneration. The applicable law however, was that of the contract, and this did not enable the mortgagee to receive insurance proceeds.

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