

NOTES TO ASG 5
CLAUSE 17 INDEMNITY

1. Clause 17 of **Lloyd's Standard Salvage and Arbitration clauses (LSSA)** provides that the Contractor may enforce claims for salvage on behalf of his sub-contractors, employees and agents against the security which has been provided by the salved vessel and shall upon request provide the owners of the salved vessel with a reasonably satisfactory indemnity against all claims by or liabilities to such sub-contractors, employees and agents. The purpose of ASG 5 is to provide a standard form for the wording of this indemnity.

2. The recipient of this indemnity should take care to ensure that the provisions as to notification of claims and the provision of assistance (lines 10-16) are complied with.

ASG LSSA CLAUSE 17 INDEMNITY

To: The owners of the ["AAA"]
her cargo, freight, bunkers and stores
c/o Messrs [X and Co]

["AAA"] - Salvage

Lloyd's Form of Salvage Agreement [Date of Agreement]

WHEREAS the contractors under the above mentioned Lloyd's Form of Salvage Agreement ("Lloyd's Form") claim salvage in respect of all services performed thereunder by them, their servants or agents and/or by their sub-contractors, their servants or agents (including the owners, masters and the crew members of the tugs or vessels employed by them) **NOW** pursuant to the provisions of Clause 17 of the LSSA incorporated into the Lloyds' Form and in consideration of the said claim for salvage being settled or becoming the subject of an award by the Arbitrator and/or Appeal Arbitrator appointed under Lloyd's Form **we do hereby indemnify** and hold you harmless against all claims by or liability incurred to the contractors' servants or agents and/or the sub-contractors, their servants or agents arising out of the said services,

Provided always that if any claim for salvage or any other claim is made by any such servant or agent of the contractors and/or by such sub-contractor, their servants or agents, against you as the owners of any such salvaged property (in rem or in personam or howsoever or wheresoever) you will not admit liability therefor without our prior consent in writing and will further notify us in writing within forty-two days of learning of the existence or threat of any such claims and thereafter will, giving reasonable cooperation to us, resist such claims provided that all costs and expenses related to any such claims shall be paid by us.

This indemnity shall be governed by English law and any dispute arising hereunder shall be submitted to the exclusive jurisdiction of the English Courts.

We hereby irrevocably instruct Messrs. [insert name of solicitors] of [Address] to accept service of any proceedings arising out of this indemnity.

Signed.....

Dated this [] day of [] 20[]