When Is a Mixed Insurance Contract a Maritime Contract?



Whether a mixed insurance contract (i.e., an insurance contract with maritime and nonmaritime elements) permits the exercise of admiralty jurisdiction is a complicated question for parties and for the courts, writes Eric Chang in an alert for Montgomery McCracken Walker & Rhoads LLP.

He writes that admiralty jurisdiction can be the basis for subject matter jurisdiction for the federal courts.

"Historically, admiralty jurisdiction was limited to contracts that were *purely* maritime — involving rights and duties pertaining to ships, vessels, and the navigation thereof on the ocean or elsewhere," he explains.

That changed, however, when the U.S. Supreme Court exercised admiralty jurisdiction in a "maritime case about a train wreck."

Read the article.

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