

MARINE LIABILITIES

Let me introduce you to the world of Marine Liabilities.

Like other liability policies, this creature has grown enormously over the years. This is mainly due to people's awareness of the legal world and the ability to sue others if something goes wrong.

When we refer to marine liability, we refer to a concept very similar to non-marine liability – an assurance to reimburse the Insured for any amount paid by way of damages in respect of a wrong done to a third party.

Fortunately, for those that work or live in a Marine orientated world, we now have a wide variety of marine liability coverages to offer.

Due to the fact that the Marine Insurance Act (MIA) states that the measure of indemnity to be the amount of the liability, most policies are issued with a fixed limit as the maximum amount recoverable. This is referred to as the Limit of Liability* and will be explained further within each policy description.

Briefly outlined below are just some of the marine policies that we are able to accommodate at AMU.

- Ship Repairers Legal Liability Policy (SRLI)
 - Designed to cover the Insured against legal liability for damage to third party vessels and property while in his care, custody & control
 - The typical repairer goes aboard the third party vessel and performs repairs while aboard. The vessel's captain MUST be in command at ALL times – the repairer CANNOT navigate the vessel
 - A Ship Repairer could repair/maintain one or all of the following: hulls, engines, electrical, machinery or parts removed from the vessel for repair. A repairer includes those that paint or clean the vessels.
 - A SRLI policy should be sold in concert with a CGL
 - P&I is NOT offered with the SRLI
 - The repairer could have his own yard/location or be a travelling repairer
 - *Limit of liability is determined by the Insured's declaration of the maximum values in his care, custody and control at any one time

- Boat Dealers Policy
 - Designed to cover the Insured's stock for sale, including vessels held on consignment
 - Cover for testing and demonstrating of vessels
 - In transit cover from manufacturer to Insured's premises
 - P&I is optional (Waterborne Liability)
 - A CGL policy should be sold in concert with a Boat Dealers Policy
 - *Limit of Liability is determined by the Insured's declaration of the maximum monthly inventory per location

- Marine Operators Legal Liability Policy (MOLL)

- Designed to cover the Insured's legal liability for loss of / damage to Third party / customers vessels
- Operations that he may perform at one or more locations:
storage – slip / mooring rental – fueling – hauling/launching – small repairs – towing – ferry service to vessels moored off-shore – rental of marine craft – delivery of vessels after repair
- P&I is optional (Waterbourne Liability)
- Hull & Machinery is optional – covers physical damage for owned workboat / vessel
- *Limit of Liability is determined by the Insured's declaration of the maximum values in his ccc at any one time. P&I will have a separate standard limit. Hull & Machinery limit of liability will be Insured's declaration for the value of the vessel

- Marinas and Associated Business
 - This is a comprehensive package policy designed to provide an array of coverages for:
 - marina operators/owners
 - yacht / sailing clubs
 - boat dealers
 - boat builders
 - boat repairers

 - Coverages offered:
 - Property – buildings and contents
 - Office contents and computer equipment
 - Stock
 - Goods in Transit
 - Business Interruption
 - Cranes, Travel hoists, fork lifts etc.
 - Vessels – owned or in the ccc of the Insured
 - Boat Hire, Charter Hire, Rental
 - Money
 - Boat Shows / Exhibitions
 - Money
 - Protection and Indemnity
 - Third Party Liability

 - *Limit of liability is determined by the Insured's declaration of values for each individual operation. P&I and TPL will have the standard limit

I hope this brief summary has provided you with a better understanding of the complex world of Marine Liabilities. It is often a misunderstood coverage, but a very important and necessary one for all marine risks.

At AMU, we would like to be, and remain to be, your partner for future and existing marine related business.

Jennifer McEwan
Commercial Marine Liability Underwriter