

Ship Repairer's Legal Liability - Features and Benefits

July 2014

Vero Marine has a liability policy providing cover for Ship Repairers. It is based on the London Market Ship Repairer's Liability Clauses 1/1/90 and designed to cover specified legal liabilities incurred by the Insured within New Zealand and its waters.

Designed for NZ ship repair conditions

Vessels in New Zealand are repaired and built by one main contractor who utilises a cluster of sub-contractors. These sub-contractors are often only sporadically engaged in marine activity; and can be working on newbuilds and repairs on existing craft.

Vero Marine's Ship Repairer Liability policy allows a wide definition of ship repairers, which includes cover for these activities. The main exclusions are boatbuilders themselves, and chandlers.

Geographical Scope

The policy has a wide geographical scope which includes working anywhere in New Zealand away from home base, including whilst at sea in New Zealand Exclusive Economic Zone (200 miles offshore) provided this is specifically declared to the Company at inception or renewal.

Cover

Cover is provided for the legal liability of the Insured for:

- loss or damage to any vessel / craft whilst in the care, custody or control of the Insured for the purpose of being worked upon
- loss or damage to any vessel / craft being worked on by the Insured, whether
 - moored afloat, or
 - on land, or
 - underway within the limits of the port at which the work is being carried out for the purposes of relocation or trial trips, or
 - being transported by land.
- Loss or damage to cargo of or other property on or discharged from any of any vessel / craft referred to above
- Loss or damage to machinery or equipment of any vessel / craft, whilst such machinery or equipment is
 - removed from such vessel / craft and
 - is in the care, custody or control of the insured for the purpose of being worked upon,
 - including whilst in transit between such vessel or craft and the premises of the insured or
 - whilst in transit to or from or at specialist repairers' or manufacturers premises.
- Removal of wreck
- Personal injury and loss of or damage to third party property referred to above due to the ship repairing operations of the Insured

including where such liability results from negligence of the Insured, their employee, agents or sub-contractors occurring during the period of the policy.

Cover is extended to include:

- Costs, charges and expenses which the Insured may incur and costs awarded against the Insured.
- Liability to salvors for the direct costs of towage to the nearest port of safety. This is an important inclusion as breakdowns often occur at sea.

Consequential Losses

This is excluded from the standard policy but legal liability can be endorsed and written back for

- Detention
- Demurrage, loss of time, loss of freight
- Loss of fishing time
- Loss of charter hire

Note: *This is a summary only. Please refer to the Policy Document for the full conditions and exclusions.*

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