

STANDARD INFORMATION ON LOSS OR DAMAGE CLAIMS

We are sorry to learn of an incident involving your vessel. This document contains a general outline as to the claims process in the event of a marine loss. All marine insurance policies are however different and **it is important that you read your policy to fully understand your “Claim Conditions”**. Most marine insurance policies are of the indemnity type. This basically means that Underwriters are responsible for compensating you for the legitimate costs of your loss. The only way actually to establish those costs is for you to pay the costs in the first instance. Underwriters have no obligation to make advance payments to you and have no obligation to pay contractors.

YOUR RESPONSIBILITY IN THE EVENT OF A LOSS.

1. Upon the occurrence of any damages to the insured craft you shall immediately take all proper and reasonable steps for minimizing the effects thereof and for preventing any further accident, injury, loss or damage resulting therefrom.
2. Collect contact details of any other parties involved in the incident. Do not however negotiate, pay, settle, admit liability or repudiate any claim without the Underwriters consent.
3. The Insurer must be notified in writing as soon as reasonably possible with full details of any loss, damage, injury or claim against you.
4. The Police and/or the appropriate authority must be notified of the loss and its circumstances where applicable, this is to include damage to a 3rd party or public property; personal injury or death; theft or malicious damage; maritime accidents to include navigational hazards, damage to the marine environment and/or pollution risks.
5. The Insurer (or their Surveyor) must have your full co-operation in order to make inquiries into the incident and examine the damaged property before it is repaired or discarded. Do understand that attempting to mislead or falsify any information concerning the cause of the incident or the extent of damage/loss could result in a complete loss of all entitlement under the policy.
6. The Insurer (or their Surveyor) must be provided with all requested information and assistance in a timely manner.
7. It is your responsibility to select the Yard/Repair Contractors and obtain at least two repair quotations to include estimated repair time. You must submit the repair quotations to the Surveyor.
8. It is your responsibility to act as the “Prudent Uninsured” and to instruct the Repairers to commence work. If there are delays in commencing repairs, and the delays result in further damages, these damages will not be covered by your policy.

9. Should additional damages be uncovered during repair, it is your responsibility to get your Contractor to issue you with another quotation and for you to inform the Surveyor who will inspect the additional damage. Failure to do this could result in you not being paid for this additional damage.

10. It is your responsibility to monitor, approve and pay for the repairs and to issue paid invoices to the Surveyor.

THE ROLE OF THE SURVEYOR

The Surveyor is employed by the Underwriter to act on an impartial basis as follows:

1. To advise you regarding salvage and towage where necessary.
2. To make an assessment of the incident to verify the cause, nature and extent of the loss/damage and determine the most effective method of repair.
3. To provide the Underwriter's with a Loss/Damage Survey Report
4. To assist the Underwriter's to assess the claim.
5. Upon completion of the repairs and receipt of all paid invoices, the Surveyor will submit a final report to the Underwriters who will propose settlement under the terms and conditions of your policy.

ABSENTEE OWNERS

If you are not able to be present at the initial stages of the claim, it is helpful if you can appoint a representative to liaise with the Surveyor and Repair Contractors. Your representative should have the authority to instruct Repair Contractors. The cost of this representative will not be covered by your insurance, as it is not Underwriters responsibility that you are not able to be present.

BETTERMENT, IMPROVEMENTS & OWNERS WORK

Should the yacht proceed to repair of claimable damage the owner may wish to make repairs that restore the yacht to a better condition than before the incident or which change the original design. The owner may also wish to perform unrelated works since the yacht is in the repair yard. There is no problem for this to occur as long as the following is taken into consideration.

The claimable repairs are those related to the incident and the additional cost for betterment, improvements & owners work cannot be claimed. Also if this would result in additional time at the yard incurring additional storage fees etc. then these charges cannot be claimed for. These charges should be split from the claim account and it is good practice to show in your claim documents that they were.