

Liability and Insurance

Accidents do happen and it is a good thing that insurance payouts help the afflicted. From Posol's perspective it is important that the company avoids any liability and we therefore have procedures in place which ensure that someone else is always liable, not us.

When signing the berth sub-underlease all berth holders commit to third party insurance on their boat. Posol achieve its immunity simply by asking berth holders to sign a document which confirms they have insured their boat.

We make this document as simple as possible by pre-inserting the registration details. Despite this resulting in it only taking a few moments to sign the form there is a surprising reluctance to complete the chore.

Examples of excuses made for neglecting the form:

1 You already know the details of my insurance and I have renewed it.

In practice your insurance broker will write to you to say that your insurance is due for renewal, you pick up the phone, give your credit card details and the job is completed in minutes. The system works so let's not criticise it. In reality it was wrong. You can renew your house insurance, you can renew your car insurance, but you cannot renew your boat insurance

There are two types of marine insurance. One is "per trip", for which an example might be a container ship carrying 600 cars from Shanghai to Los Angeles.

The other type is for a specified activity(e.g. fishing or pleasure) in a specified area.(e.g. the North Sea or UK coastal waters extending as far as the continent). This type of insurance only lasts for one year.

You might think you are renewing it but what happens is that the yacht broker takes out a totally new insurance which has the same characteristics as the old insurance.

In practice it makes little difference but legally we have a brand-new insurance, which now needs to be registered.

2. I am sending a copy of my insurance. certificate

The RYA legal dept advised us not to accept this, for the following reason.

Many years ago, Addenbrooks Hospital held a fund-raising garden fete with children's rides such as merry-go-rounds, swings, slides etc. The people bringing these rides were asked to deposit a copy of their insurance certificate with the organisers to prove they were insured.

There was an accident, but when the organisers then read the fine print of the insurance policy it did not cover that particular accident. Addenbrooks were left with a hefty bill.

Posol has 310 berths and cannot afford to employ a solicitor to read the fine print of the of all these policies, particularly when they are unfamiliar with the boat in question.

By signing Posol's form the berth holder takes the responsibility of checking the policy.

3. I have sent my insurance details to Premier.

Wrong on two counts;

- i. It doesn't absolve Posol.
- ii. Your agreement is with Posol not Premier.