



# CBMU 2011 Semi-Annual Meeting

May 25 & 26, 2011

The Westin Trillium House

Blue Mountain, Ontario

# “KNOW THE RISK”

## Presenters:

Gordon Gibbons, *Liberty International Underwriters*

Winston Chang, *Eagle Underwriting Group*

Ted Macaulay, *InFront Business Solutions*

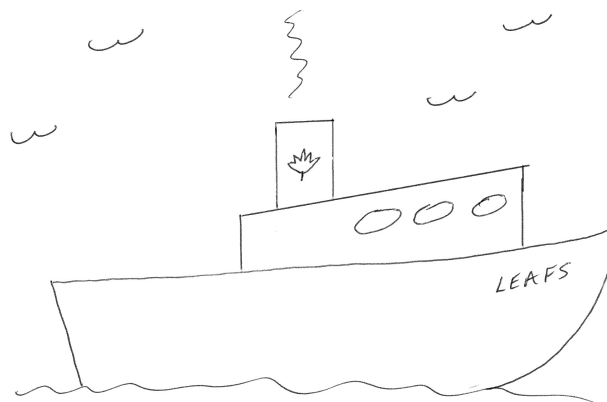


# Outline

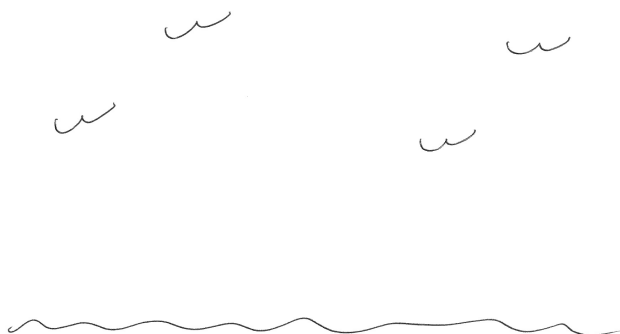
- Introduction
- Theme
- Unusual Losses
- Importance of Risk Assessment
- Coverage Applications
- Winston Chang – Commercial Vessel Review
- Ted Macaulay – Private Pleasurecraft
- Closing Observations



**BEFORE**



**AFTER**



# Video - hitting the bridge

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## Video #2







# STANDARD PERILS CLAUSE

Touching the Adventures and Perils which the Underwriters are contented to bear and take upon themselves, they are



# STANDARD PERILS CLAUSE

- of the Seas,
- Men of War,
- Fire,
- Lightning,
- Earthquake,
- Enemies,
- Pirates,
- Rovers,
- Assailing Thieves,
- Jettisons,
- Letters of Mart and Counter-Mart,
- Surprisals,
- Takings at Sea,
- Arrests,
- Restraints and Detainments of all Kings, Princes and Peoples, of what nation, condition or quality soever,
- Barratry of the Master and Mariners and



# STANDARD PERILS CLAUSE

of all other like Perils, Losses and Misfortunes that have or shall come to the Hurt, Detriment or Damage of the Vessel, or any part thereof, excepting, however, such of the foregoing perils as may be excluded by provisions elsewhere in the Policy or by endorsement thereon.



# INCHMAREE CLAUSE (ADDITIONAL PERILS)

- Accidents in loading, discharging or shifting cargo or fuel;
- Explosions on Shipboard or elsewhere;
- Breakdown of or accident to nuclear installations or reactors on shipboard or elsewhere;
- Bursting of boilers breakage of shafts or any latent defect in the machinery or hull;
- Negligence of Master Officers Crew or Pilots;
- Negligence of repairers provided such repairers are not Assureds hereunder;
- Contact with aircraft
- Contact with land conveyance, dock or harbour equipment or installation;
- Earthquake, volcanic eruption or lightning



## INCHMAREE CLAUSE (ADDITIONAL PERILS)

All these events were subject to the proviso that the loss was not the result of the want of due diligence by the Assured, Owners or Managers. Master, officers, crew or pilots are not to be considered owners even if they own shares in the vessel.

# ROUGH SEAS



# ROUGH SEAS



# ROUGH SEAS





# ROUGH SEAS



# ROUGH SEAS



# ROUGH SEAS



# ROUGH SEAS



# ROUGH SEAS



# ROUGH SEAS



# ROUGH SEAS



## IN CLOSING

Let's summarize our findings:

- You have one less than optimum vessel.
- There is no Condition / Valuation Survey.
- Full coverage has been offered, including Inchmaree









## IN CLOSING

- What is the likely scenario?
- Hopefully, cancellation due to non-payment of premium.
- A wealthy Average Adjuster.
- A catastrophic constructive total loss.
- Remember- “Know the Risk” and write “What You Know”.

