

TAILORED INSURANCE FOR BUSINESSES WITH OPERATIONS IN MARINE ENVIRONMENTS

We are delighted to introduce our Combined Liability insurance product: a liability insurance solution for businesses with liability exposures in both the marine and non-marine environments.

Working exclusively with licenced insurance brokers, our team of experienced underwriters have the knowledge and experience to offer truly tailored solutions for the individual needs of your clients. We look to provide casualty insurance products that operate as business enablers, with cover that is contractually compliant and fit for purpose.

Combined Liability – what is it?

The marine insurance market in Australia is mature, with traditional policy forms that provide cover for the marine aspects of the Insured's operations only and must be combined with a separate non-marine liability policy form to provide cover for their non-marine liabilities.

The Ship Repairers Liability (SRL) policy and the non-marine liability policy (CGL) typically have little to no interaction, in that the SRL purely covers the maintenance and repair of watercraft (including directly related activities including sea trials) whilst the CGL covers the rest of the business activities, but excluding the ownership, operation, maintenance and use of watercraft greater than a certain size (typically 8m to 10m in length).

A traditional insurance solution therefore relies on a combination of insurance covers including an SRL and CGL. Each of these policies covers different exposures faced by the Insured and this historic product solution leaves uninsured gaps for the purchaser and importantly are subject to different legislation. SRL policies are subject to the Marine Insurance Act 1909, whereas CGL policies are subject to the Insurance Contracts Act 1984. These different pieces of legislation address responsibilities and remedies for breaches of duty, such as those of disclosure and utmost good faith, in quite different fashions.

Our policy seeks to provide certainty in coverage for our clients and brokers, with a single policy wording that provides coverage for the marine and non-marine activities on a well-understood and easy to read CGL basis.

Who is it for?

This product is a perfect liability insurance solution for businesses involved in:

- Trades activities with some or all of their revenue derived from work on watercraft
- Supply, manufacture, distribution, installation, commissioning, maintenance and repair of products utilised in the marine environment
- Ship repair and maintenance activities
- Aquaculture and aquafarming, fishing and seafood processing
- Boat dealerships
- White collar activities involving a marine environment
- Most other operations with a combination of marine and non-marine exposures

Our Combined Liability policy is based on a Public and Products Liability format, with certain coverage components that are critical to the marine sector.

Key Coverage Considerations

- Triggered by Personal Injury, Property Damage and Advertising Liability during the Period
- Automatic coverage for third parties where our Insured has agreed, under written contract, to either (a) provide a policy of liability insurance on behalf of, or (b) indemnify the third party
- Full Products cover including for marine Products and their components
 - No 'Discovery Period' typically associated with SRL
- Writing back the Property Damage exclusions to 'Your Product' and 'Property Worked Upon' to only exclude 'that individual piece or component to which the Property Damage is directly attributable' and 'that part that has been physically damaged and not to any other property which has suffered Property Damage as a result' respectively
- Damage to Vessels in CCC covered whilst in CCC 'for work thereon' as per SRL
- Removal of Wreck
- Liability for non-owned Watercraft sea trials for repair/maintenance risks

The below table highlights the coverage provided by the traditional policies (SRL & CGL) compared to our CL product.

Location	Activity/Exposure	SRL	CGL	CL
Non-Marine	Installation	X	✓	✓
	Maintenance	X	✓	✓
	Rectification of faulty workmanship	X	X	Endorse
	Product liability / Completed Ops	X	✓	✓
	Injury to workers (not Workers Comp)	X	✓	✓
Marine/ Watercraft	Installation	✓	X	✓
	Maintenance	✓	X	✓
	Rectification of faulty workmanship (ship repairing activities only)	✓	X	Endorse
	Product liability / Completed Ops	X	Limited	✓
	Injury to workers (not Workers Comp)	X	✓	✓

Advantages of working with Wellington and our Combined Liability policy

Some important key considerations for you and your clients include:

- Legislative framework: Ship Repairers Liability and other marine liability insurance products are subject to the Marine Insurance Act, whereas our Combined Liability policy is governed by the Insurance Contracts Act. This provides significant protections for your clients.
- Coverage: Broadform liability basis of cover with enhanced protection in respect of marine Product liability, sea trials, damage to Watercraft and more.
- Experience: Our team has in excess of 20 years' experience working with this product and with clients operating in the marine space, and over 100 years' in the liability space more generally. We understand the unique needs of your clients including the contracting environment; Product liability exposures; interaction with the broader insurance program; and how to identify and manage gaps in traditional placement structures.
- Knowledge Sharing: The significant experience of our team allows us to break down complex concepts to share our knowledge and ensure that you have a full and proper understanding of our product. We aren't going to simply provide a policy wording and leave you on your own – we are here to help.
- Responsive: With underwriters based on both the East and West coast of Australia we are able to quickly and efficiently respond to your needs.
- Real People: We love little more than meeting with you and your clients to discuss their business, as genuine and deep understanding is the foundation of successful and functional long term partnerships. We don't work with online platforms and every placement is an individually crafted solution that is designed to be fit for purpose.

Claims

We work with a leading Claims Third Party Administrator to provide high levels of responsiveness and communication on all notifications and claims. Our philosophy is not to find ways to extract ourselves from claims, but rather to work with you and your clients to make sure that our policy does what it is designed to do. After all, the insurance policy we issue is only the front end of our business – claims are our core product.

Please contact one of our team to explore the benefits of our Combined Liability product in more detail:

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