

General Combined Liability Cover

Marine Construction, Wind Farm Installation and Offshore Maintenance

Overview

At the London P&I Club, we combine our knowledge and experience of supporting Shipowner and operator participation in emerging markets, infrastructure development, offshore and specialist vessel operation and contracting, to provide extensive cover for vessels operating in the offshore and construction sectors.

Every project is unique so our cover can be tailored to the individual needs of the owner or operator. Starting with P&I as the foundation, with either the benefit of the highest limits provided by mutual cover under the IG pooling system or the flexibility and cost assurance of our fixed premium product, we can help put together the cover you need for those specialist risks which would otherwise be excluded.

From contract review to obtaining bespoke market extensions, the Club can assist at every stage to ensure you obtain the insurance solution you require. Not only that, our legal and technical knowledge of offshore and specialist operations means that if you do face a claim, we have the experience to handle it.



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What are specialist operations and why is additional cover necessary?

Specialist operations cover exists to insure those risks that would otherwise fall under standard P&I cover, but have been expressly excluded by virtue of their “specialist” nature – being outside the typical range of activities. There is, however, no definitive list of specialist operations. This is because as the industry evolves, new risks can be expected to emerge – an open list of risks excluded as “specialist” allows for such future developments.

When there is a claim, whether the risk falls under specialist operations or standard P&I cover will depend on whether specialist operations are being carried out at the time and whether there is a causal link between this and the liability incurred. To this end, our specialist operations cover dovetails with our rules-based P&I cover. It is not a stand-alone cover but is available to Members and Assureds.

For example, a vessel entered with the Club that is employed to carry out maintenance on a turbine’s rotor blades might face a FFO claim for damage to the monopile if it comes into contact with it during the maintenance operation. This is an instance of a claim arising out of a specialist operation which would fall

under specialist operations cover. Certain risks will still be covered under standard P&I insurance regardless of whether specialist operations are involved, such as personal injury and illness of crew, oil pollution spilled from an entered ship and wreck removal by law (other than wreck removal under a contract).

Certain offshore and specialist risks are always excluded, not only from standard P&I but also specialist operations cover. For example, failure to perform contracted services falls outside the scope of cover. Damage to contract works is also excluded and is generally covered elsewhere such as under a CAR policy.

Specialist Operations Installation Package

This provides cover for excluded specialist operation P&I risks such as offshore installation or maintenance work, pile-driving, ROV operation and power generation. This package has been devised for our Members or Assureds operating in the wind power sector.

Specialist Operations Construction Package

This provides covers for excluded specialist operation P&I risks such as construction, dredging, cable or pipelaying, pile-driving and depositing of spoil.

The Club’s participation in the offshore wind sector reflects our commitment to sustainability and support for renewable energy initiatives.



Additional Bespoke Covers

INDIVIDUAL EXTENSION COVERS ARE AVAILABLE FOR THE FOLLOWING:

Contractual cover

Sometimes you may need to accept material amendments to your knock for knock contract such as carve outs for negligence or waivers of limitation and contractual responsibility for wreck removal. Contractual cover can respond to the additional liabilities that may arise as a result, such as removing a wreck where there is no requirement by the authorities to do so or paying a claim in excess of the amount that you would otherwise be entitled to limit liability for.

Extended towage

Occasionally when you provide professional towage services, you may take on more liability than you would under a standard towage contract or you may not have a direct contract with the owner of the tow. Extended cover can be purchased to cover situations where you could be liable for loss of or damage to the tow as a result of assuming such additional liabilities.

Diving cover

For liability to and in respect of the activities of commercial divers.

Non marine crew cover

For liability to technical personnel employed by the Member or Assured other than marine crew, staying or working onboard the insured ship.

Construction All Risks (CAR) Deductible Cover

During installation or construction you may cause damage to property which falls under the work scope of your contract. This is called damage to contract works and is always excluded from P&I risks including specialist operations. However, in some cases it may be possible to offer cover in respect of damage to contract works for the owners of the insured vessel up to a limit in line with the deductible under their CAR policy. Various levels of CAR Deductible Cover can be purchased to respond to damage to components that are being carried and installed; existing property forming part of the installation or construction, and property being installed or constructed other than by the Member or Assured, but nevertheless forming part of the project.

Liability as cargo owners

Cover in addition to standard P&I/ Charterers' CSL cover: during mobilisation or delivery of an asset into a project, by way of towage and/ or transport by a semi-submersible.

EXAMPLES OF HOW OUR COVER WORKS

Example 1

Involving a **semi-submersible or self-elevating platform** employed for **windfarm installation**:

- If the windfarm installation platform caused damage to property other than contract works during the installation, for example due to an accident involving the operation of its crane, this would fall outside standard P&I cover and would be covered under specialist operations cover.
- If the damage caused was to contract works then neither standard P&I or specialist operations cover would be engaged. But CAR Deductible Cover, if purchased, would respond up to the CAR Deductible.

Example 2

Involving a **dredger**:

- If the dredger collided with another vessel on the way to or from the work site due to an error of navigation, the owner or operator's standard P&I cover (if agreed to include RDC risks) would respond.
- If the dredger damaged a sub-sea cable whilst dredging, this would fall outside of standard P&I insurance and under specialist operations cover.
- If the owner or operator had accepted a waiver of limitation under their contract, contractual cover would be required for the liability in excess of their right to limit liability at law.

Example 3

An **OSV** employed for **offshore supply and maintenance** equipped with an **ROV**:

- If the OSV made contact with an accommodation platform when approaching it to drop off personnel, this would be a standard P&I risk.
- If the OSV was involved in a navigation incident which did not actually involve their ROV, but nevertheless was caused by their inability to manoeuvre or take evasive action because they were operating the ROV at the time, then this would fall under specialist operations cover.

Other Insurances

War Speciality – a combined cover to respond to claims in respect of War Risks, Kidnap & Ransom and Loss of Hire arising out of War Risks, Contraband and Kidnap & Ransom.

Contact us

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