

PROPOSAL FORM FOR SHIP MANAGERS' PROFESSIONAL NEGLIGENCE INSURANCE

- This form may also be completed by your authorised insurance broker.
- If you have insufficient space to answer any questions, please attach a separate sheet.
- Should your company be involved in additional operations to ship management, please ensure that you complete the general proposal form so that these activities may be covered by the insurance.

1. COMPANY DETAILS

Company name

Adress

Telephone

Fax

E-mail

Contact

IMPORTANT

- The insurance cover provided to ship managers is based on the understanding that the ship manager carries out his functions under the ship management contract "as agent for" his shipowner principal. A typical ship management contract will therefore include a "ratification and agency clause" on the lines set out on page 3.
- Insurance will only be offered when the ship management contract contains an appropriate clause restricting or limiting the ship manager's liability. An example of an acceptable clause is that contained in the BIMCO "Shipman" contract.
- Please note new building supervision will only be insured if specifically agreed.

2. PLEASE COMPLETE THIS TABLE FOR THE SHIPS YOU MANAGE

[illegible]

3. SHIP MANAGEMENT ACTIVITIES

A.	TECHNICAL	YES	NO	REMARKS
i	Vessel superintendency			
ii	Property maintenance			
iii	appointing surveyors			
iv	obtaining class & flag approvals			
v	arranging spares, stores & victualling			
vi	arranging repairs/dry dock			
B.	CREWING			
i	arranging for the employment of crew as agent to the owner			
ii	arranging crew travel			
iii	arranging crew national insurance requirements			
iv	negotiating with unions			
v	supplying crews employed in your own name			
C.	OPERATIONS			
i	issuing instructions to masters			
ii	appointing and funding of agents			
iii	issuing documents (if yes, please attach examples			
iv	liaising with charterers			
v	arranging bunkers (do you re-invoice the owners for goods and services supplied, e.g. bunkers? Re-invoicing usually results in your becoming the principal and therefore directly responsible for e.g. the quality of bunkers supplied. You will not be insured if you contract as a principal)			
D.	COMMERCIAL MANAGEMENT			
i	arranging charterparties or contracts of affreightment			
ii	canvassing for cargoes or passengers			
E.	ACCOUNTING			
i	collection of freights or other payments			
ii	collection of voyage freight/charter hire			
iii	arranging payment of bareboat or time charter hire			
iv	ship husbandry accounting			
v	voyage accounting			

F.	CONTRACTS	YES	NO
i	Do your contracts contain a force majeure clause along the following lines? "Neither the owners nor the Managers shall be under any liability for any failure to perform any of their obligations hereunder by reason of any cause whatsoever of any nature or kind beyond their reasonable control."		
ii	Do your contracts contain a ratification and agency clause along the following lines? "In carrying out its obligations hereunder, the manager is acting as agent of the owner. The owner hereby ratifies and confirms and undertakes at all times hereafter to ratify and confirm and to procure their relevant subsidiaries to ratify and confirm all lawful conduct of the manager, its servants, agents and sub-contractors in or about the performance of their obligations under this agreement."		
iii	Do your contracts contain a clause limiting your liability?		
iv	Do your contracts contain a clause providing you with an indemnity?		
v	Do your contracts contain a Himalaya clause?		
vi	Do you sub-contract any of the activities which you undertake to companies that will not be shown as co-insured in you policy?		
vii	If yes, do you maintain your rights of recourse for their errors and omissions?		

G.	INSURANCE	YES	NO	REMARKS
	Do you place the ships' insurances for:			
i	hull			
ii	P&I			
iii	War			
iv	Strikes			
v	Loss of hire			
vi	Other (please specify)			
vii	Do you sub-contract the placing of ships' insurances?			
viii	Are you co-insured on the Owners' insurance policies?			It will be a condition of the insurance that you are named as co-assured on the owners' P&I and hull insurance policies
ix	If not co-insured, do underwriters waive their rights of recourse against you?			
x	Do you handle insurance claims against e.g. stevedores?			
xi	Are the ships which you manage insured by P&I Clubs in the International Group?			
xii	If not, where are their P&I insurances placed?			
xiii	Are the ships under your management all classed by a classification society that is a member of the IACS?			

H.	CLAIMS HISTORY	YES	NO	REMARKS
i	Have any claims been made against you or have there been any circumstances likely to give rise to a claim being made against you, in the last 5 years? (If yes, please provide details on a separate sheet)			
ii	Has any insurer ever declined to insure you?			
iii	Has any insurer ever refused to renew your insurance?			
iv	Has any insurer ever cancelled your insurance?			
v	Has any insurer ever imposed penalties or special terms?			
vi	Are you currently insured against your professional liability risks as a ship manager? (if yes, with whom?)			

4. INCOME FIGURES

For underwriting purposes we require a declaration of the gross annual income that you earn as a ship manager. Please indicate currency (e.g. EUR):

a. last financial year _____

b. estimate this financial year _____

c. estimate next financial year _____

Declaration

We declare that the information and answers given in this form are true to the best of our knowledge and belief and that we have not mis-stated or suppressed any material facts that might influence the assessment of the risk. We also understand that completion of this form does not bind insurers or mean we will accept this insurance but, if terms are agreed, it will form part of the contract.

Name

Position

Signed

Date
