

Penguin Sailing Club

Notes on Insurance

Introduction

The club is often asked by its members and particularly the skippers about what insurance the club carries.

The following is an overview of the different types of insurance and how it might apply to members. The club and its officers are neither qualified nor authorised to provide insurance advice and members MUST decide for themselves what level of insurance to purchase.

Having said that it is club policy that ALL members MUST have holiday insurance that covers coastal cruising before they sail. This is to cover rescue, transportation, medical, hospitalisation and repatriation costs in the event of an accident. It will almost certainly exclude third party liability while 'operating' a vessel.

Yacht "Hull" insurance

This insurance is part of the charter fee we pay to the charter company. This primarily covers damage to the yacht and equipment that we cause but it also (rather like car insurance) covers damage to 3rd parties and their yachts if (for instance) we run into them.

Hull insurance typically but not always specifically excludes coverage for crew (not being classed as 3rd parties). Importantly however, this insurance belongs to the charterer and although brief coverage statements are contained within charter agreements we typically do not see the policy wording nor proof that the insurance premium has in fact been paid. Finally, the insurance is usually subject to local law and jurisdiction (meaning we'd have to go to a local court to enforce it).

Club Insurance

The club has annual insurance intended to cover typical yacht clubs. What we do however is very different from a standard club with a yacht house, bar and organised races etc.

The policy includes Public Liability cover up to £2m for the club and its officers and up to £2m for 'Member to Member' risks. This is one of the prime reasons why you must be an official member of the club before you can sail.

The wording of this policy is available if any member wants to see it. It is underwritten by Fusion Insurance.

Club Directors and Officers Insurance

The club holds "D&O" insurance which covers the legal directors of the company up to £250k. This is principally to cover their responsibilities under Health and Safety laws in their adoption and oversight of policies concerning safety and protection of the members.

'Officers' in the title does not in this instance include committee members or officers that might be found in the meaning of a boat club.

Skippers

It is important to note that the club has no employees. Skippers (and commodores afloat) are not employed in any formal capacity and remain individuals as much as the crew.

None of the above insurances are 'personal' to the skippers. This is why the committee advises that the volunteer skippers purchase additional travel insurance which is personal to them to cover any liability to 3rd parties (including crew BUT typically excluding family members).

Most holiday insurance excludes motorised vehicles or craft. Specialist yachting insurers such as Bluefin or Topsail do cover this liability while yachting (but not as a paid skipper..which they are not). The club will offer to contribute to a basic cover policy that includes this indemnity but the skipper must take out the insurance themselves.

Yacht Booking and Cruise Organisers

All contracts with the charterer are signed on behalf of the company and countersigned by a legal director of the club (with a company stamp showing the company registration details).

The cruise booking form notes that all arrangements are with the club and not the organiser.

All decisions on crewing and participation are in fact taken by the committee. The club underwrites the costs of the cruises.

James Raby
Club Commodore
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