

Cargo Handling Equipment and Liability Insurance

INTRODUCTION

This is property and liability insurance particularly designed for ship operators who own or hire cargo-handling equipment that they keep ashore at various ports or move to a vessel's next port of call. Such cargo-handling equipment might include forklift trucks, loading/discharge grabs, power packs for reefer containers and general spares and equipment. If there is a risk of physical loss or damage of the equipment, then the ship operator needs adequate cover. Further, there is a potential liability for owner or lessee arising out of the use of such equipment, for example, in the case of power packs.

WHAT IS COVERED?

Skuld's Cargo-handling Equipment Insurance provides coverage for the replacement cost of the equipment (generally the insurance would be for total loss only).

Furthermore, coverage can be extended to cover member's liability to the cargo interests for the loss of or damage to cargo and/or liability to third parties arising out of the use of cargo-handling equipment.

These two insurances can be arranged either separately for property and liability, or as a combined facility. The sum insured is the total value of the equipment (usually the market value) plus any limit member elects to purchase in respect of his liability for cargo and/or third party liabilities (usually up to USD 5 million).

WHO CAN BE COVERED?

Any owners, operators or charterers who have a full P&I entry in the Association (including cargo), and who have an insurable interest in the cargo-handling equipment can apply for the cover.

EXAMPLES

1. Member keeps a number of mechanical grabs in a warehouse at a port in the Ukraine for the loading of grain. Two of the grabs are stolen. Skuld's Cargo-Handling Equipment Insurance would respond to the replacement cost of the grabs.
2. Member's forklift truck is being used to re-arrange a container stack on the quayside. Due to brake failure, the driver loses control

of the forklift and its forks penetrate the side of a stuffed container. Both the container and the cargo inside are damaged. Skuld's Cargo-Handling Equipment Insurance for Third Party Liability would respond to member's liability to the owners of the container and the cargo.

