



# Risk Appetite

October 2021

# Risk Appetite

Marine Cargo: Annual

Marine Cargo: Single Transit

Goods In Transit

Carriers Cargo Liability

Freight Forwarders

Marina Operators Liability

Ships Repair's Liability





# Risk Appetite – Marine Cargo

## Types of Businesses

- Importers
- Exporters
- Wholesalers
- Distributors
- Local sellers
- Producers



# Risk Appetite – Marine Cargo

## Definitions

- **Preferred Risks:**  
Our core target area.
- **Considered Risks:**  
Subject to additional information, insured's claims and historical experience, special conditions imposed, limitations on cover.
- **Non Preferred/Excluded Risks:**  
Normally an outright decline.

## Preferred Risks

- Standard palletised, containerised, commodities, e.g. textiles, clothing, books, bed, spare parts, building materials.
- Refrigerated goods.
- Livestock (inland).

# Risk Appetite – Marine Cargo

## Considered Risks

- Special commodities often requiring specialised packaging and subject to additional information and special conditions:
  - e.g. Boats, motor vehicles, granite, marble, fragile goods, seafood, hides and skins

## Non-Preferred or Decline Risks

- High risk / dangerous commodities, e.g. Antiques, fine art, specie, bloodstock, bullion, mobile phones, microprocessors, firearms, ammunition, explosives, raw timber
- Sanctioned and/or excluded countries

# Risk Appetite – Marine Cargo

## Sanctioned or Excluded Countries

- Afghanistan
- Algeria
- Angola
- Bangladesh
- Belarus
- Bolivia
- Bosnia and Herzegovina
- Burkina Faso
- Burundi
- Cameroon
- Central African Republic
- Chad
- Colombia
- Crimea and Sevastopol
- Croatia
- Cuba
- Democratic Republic of Congo
- Ecuador
- Egypt
- Equatorial Guinea
- Eritrea
- Ethiopia
- Georgia
- Guinea (Republic)
- Guinea Bissau
- Indonesia other than Java
- Iran
- Iraq
- Israel
- Ivory Coast
- Jordan
- Kenya
- Lebanon
- Liberia
- Libya
- Macedonia
- Madagascar
- Mali
- Mauritania
- Moldova
- Montenegro
- Myanmar (Burma)
- Nagorno-Karabakh (Armenia-Azerbaijan)
- Nepal
- Nicaragua
- Niger
- Nigeria
- North Korea
- Pakistan
- Palestinian Authority (West Bank and Gaza)
- Papua New Guinea
- Peru
- Philippines
- Republic of Guinea
- Russia and Ukraine
- Saudi Arabia
- Serbia
- Sierra Leone
- Somalia
- South Sudan
- Sudan (North)
- Syria
- Uganda
- Venezuela
- Yemen
- Zimbabwe



# Risk Appetite – Marine Cargo

## Other Options

- Own Vehicles (Specific Events). For small businesses, with one or more vehicles used to collect/deliver goods or livestock.
- Specified Items in transit (Specific Events). For small businesses, tradespersons, sporting groups, schools and associations with named items consistently being transported multiple times.



# Risk Appetite – Carriers

## Types of Businesses

- Traditionally SME logistics companies
- Transport operators
- Sub contractors
- Owner/drivers
- Operating for minimum 5 years

## Preferred/Considered/ Non-Preferred Risks

- As outlined in Marine Cargo





# Risk Appetite – Carriers

## Types of Cover

- Cargo Carriers Liability – Liability as a carrier under the Contract and Commercial Law Act 2017, Part 5 - Subpart 1, and any amendments thereto, for loss of or damage to goods or livestock.
  - Owners Risk, Declared Value, Declared Terms\*, limited carriers risk.
  - Goods In Transit – Carriers. Loss or damage to goods or death of livestock as a result of an insured peril for carriers operating within New Zealand irrespective of whether they are liable or not. Owners Risk, Declared Value, Declared Terms\*, Limited Carriers Risk. Specified Events Cover.
- \*(considered risk)

# Risk Appetite – Marine Liability

## Types of Businesses

- Shiprepairers
- Marina Operators
- Sub-contractors offering marine services operating under approved standard terms and conditions



# Risk Appetite – Marine Liability

## Preferred Activities

- Cleaning & water blasting
- Detailing, cleaning and water blasting
- Dry-dock operator
- Fit-out & refurbishment work
- Fueling
- Hot work
- Installation work
- Maintenance work detailing
- Operator of lifting/carrying equipment
- Painting/anti-fouling
- Provision of berths and moorings
- Provision of utilities
- Provision of weather and boating information
- Repairs
- Retailer of chandlery and boating equipment
- Rigging
- Sea trials
- Slipway operator
- Slipway operator
- Storage



# Risk Appetite – Marine Liability

## Insured Risks

- Loss or damage to watercraft in your care, custody or control
- Property damage
- Personal injury
- Products liability
- Consequential loss
- Pollution risks
- Premises occupier's liability
- Berth occupier's liability
- Hot work liability
- Removal of wreck liability
- Subcontractors liability
- Temporary hire of equipment liability

# Risk Appetite – Marine Liability

## Considered Activities

- Other work (non marine)
- Extended Hotwork
- Storage
- Warranty/maintenance guarantee obligations
- Worldwide services

## Non-Preferred / Excluded Activities

- Professional Advice / PI / (E & O)
- Contractual Liability

## Other Liabilities

- Freight Forwarders Liability. Subject to approved standard terms and conditions of trade including bills of lading and airway bills.

# Risk Appetite – Excluded Risks

## Excluded Risks

- Commercial Hull and associated liability risks
- Storage / static risks outside the ordinary course of transit
- US/UN/UK/DFAT listed Sanctioned countries
- Professional Indemnity
- Excess of Loss
- Nuclear risks
- Terrorism (stand alone)





# Risk Appetite – Capacity

## Policy Limits

- **Cargo/ Carriers**  
\$7,500,000 any one loss
- **Shiprepairers/Marina Operators Liability**  
\$10,000,000
- **Freight Forwarders**  
\$2,500,000



# Update

When was the last review of your client's policy limits (cargo):

- Accumulation?
- Currency fluctuations?
- Full "CIF+10%" value?





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