

WaveLINES

2020 ■ 1st Edition



Marine Managers

Commercial Marine and Longshore Insurance

So it's always smooth sailing

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COMMERCIAL

MARINE & LONGSHORE

INSURANCE

A biannual publication of LIG Marine Managers, Inc.

WaveLINES

LIG 31 YEARS OF SERVICE

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Submit Online: LIGMarine.com/Quote

or E-mail Submissions: Submit@LIGMarine.com

Download Applications: LIGMarine.com/Forms

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LIG GUARANTEE



LIG will:

- Spend the time necessary to clearly understand each risk.
- Offer you quality coverage at the most competitive premium we can find in a reliable, consistent market.
- Work to provide the broadest terms available based on the information you have provided on the account.
- Release all quotes we receive to you, even those from a more competitive market.
- Make all decisions based on what is best for the client, regardless of commission levels, contingency arrangements or any other financial incentives.

If you are less than completely satisfied in any way on the coverage, terms, conditions, deductible, pricing or anything else on any one of our quotes, let us know immediately and we will do everything in our power to either change that quote with the carrier offered or find another carrier to replace the quote.

Contact your LIG Underwriter or email: Guarantee@LIGMarine.com

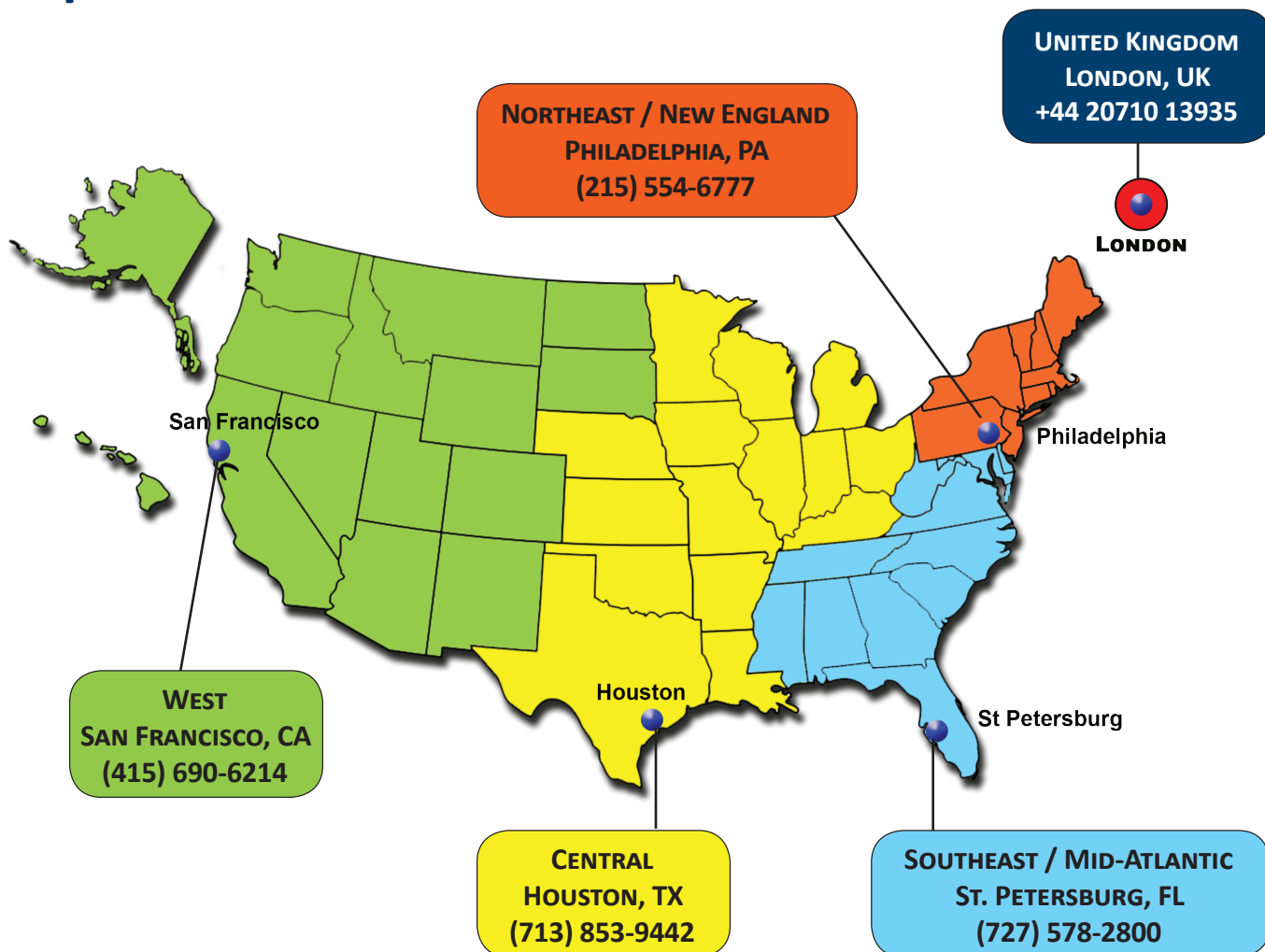
Our Expertise Is More Than Just A Quote

Submissions? Contact YOUR Underwriting Team: (727) 578-2800 | Submit@LIGMarine.com

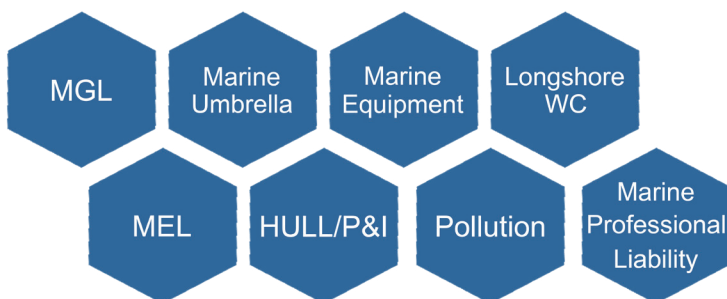
LIG Marine Managers is a Commercial Marine and Longshore MGA, and Lloyd's Broker.

LIG AROUND THE REGIONS

LIG|No. 1 USA MARITIME MGA



LIG is YOUR Trusted Marine Partner!
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ASK@LIGMarine.com

Make LIG YOUR Maritime Insurance Partner, so it's always smooth sailing!

How Much Limit Is Enough on Your Boat Yard Policies?

Author Ian Greenway, LIG President & CEO

Axess was a 31 ft. Rinker outfitted with Mercury engines that was part of a fractional ownership program run by SailTime Chicago. The member was an owner of the boat and allowed SailTime Chicago to rent out the vessel when not in use. As part of the contract, SailTime was responsible for maintaining Axess. SailTime relied upon Skyway Yacht Works to perform these maintenance services.

The vessel was about seven miles offshore Chicago, IL when a clanking noise was heard. Shortly thereafter the engines failed, and the boat came to an abrupt stop. The high-water alarm sounded, and steam was coming out of the engine compartment. They quickly discovered the boat was taking on water. All persons aboard the vessel quickly went to work; two bailing water, one deploying emergency flares and the fourth attempting to call for help. As they came to the realization that the boat was going to sink, they knew they needed to abandon it. They put on life vests, gathered up flotation cushions, and jumped into Lake Michigan's 53° water. A male victim was found disoriented and hypothermic around 6 a.m. by a charter boat captain. He was the only survivor.

Inspections of the vessel by several experts determined that the boat sank because of a catastrophic failure of the port side gimbal bearing. Axess was run aground by another SailTime Chicago member in 2012 and was taken to Skyway Yacht Works for inspection and repairs. The repairs performed by Skyway did not include replacement of the port side gimbal bearing. The product safety manager for Mercury Marine, the engine company, stated that the safest and most prudent response would have been for Skyway to replace the transom assembly and its components, including the gimbal bearing. An expert witness stated that if Skyway had replaced the port side transom assembly and gimbal bearing, the sinking of the Axess would not have occurred.

A **\$27.9 MILLION** settlement was reached.

How much coverage do you recommend to your Boat Yard/Boat Repair clients?

Blog: <https://blog.ligmarine.com/2019/04/how-much-limit-is-enough-on-your-boat.html>

Stay current and subscribe to: [Blog.LIGMarine.com](https://blog.ligmarine.com)

Activity-Based Maritime Employee Coverage?

Author Ian Greenway, LIG President & CEO

I was recently asked if it would be possible to put a Marine Workers' Compensation policy in place that could cover a specific incident. While the question itself appeared logical, fully covering marine employees is not a one-stop-shop.

They were asking for a coverage opinion based on an "activity" (such as diving, or welding), but unfortunately, the law does not allow the activity to be the sole determinate of what policy can and will respond. An example can be made from Admiralty Claims.

Two policy types can respond to "Admiralty" claims (often wrongly limited to Jones Act claims). They are Maritime Employers Liability and the Crew Coverage available under a Protection and Indemnity policy. To be eligible for "Admiralty" benefits any employee has to pass some tests, with the most critical being a "substantial connection to a vessel in navigation". So let's break this down...

ALL 3 OF THESE TESTS MUST BE PASSED TO GET ADMIRALTY BENEFITS:

- There must be a vessel.... They don't need to be ON the vessel at the time... but they need to use the vessels to dive/snorkel FROM. If a diver walks in from the dock, they instantly fail this test.
- It must be in navigation.... Simplistically away from its home dock - not necessarily moving but also not in a landlocked lake.
- And the connection must be "substantial". Court cases have shown that to be in general 30% of their time or more in service of the vessel, although there are some specific rules around that.

If you fail any one of these Admiralty tests, then you fall back under State Worker's Compensation or Longshore.

So, let's say we have Jane and Bill, both employees, snorkeling from a vessel in a bay. Both pass tests 1 & 2 quite easily. However, Jane spends 50% of her time working on/from the boats, while Bill only spends 20% of his time.

Jane will have an Admiralty claim because she spends a "substantial" amount of time in service of the vessel. Bill won't have an Admiralty claim and he will get Workers' Compensation benefits instead.

These are NOT insurance rules or policy coverages, these are Federal and State LAWS.

Now just to add a wrinkle. That does not stop Bill from suing you, and in that case, the Maritime Employers Liability/Protection and Indemnity policy turns into a defense-cost policy for you and the rate on those people is much lower because of that.

To sum this whole explanation up: It is impossible to have a policy that covers every type of incident that may happen. Required coverage is dependent on much more than job activity. Maritime Employers Liability and Protection and Indemnity can never cover Workers' Compensation. Only Workers' Compensation can cover Workers' Compensation.

Blog: https://blog.ligmarine.com/2019/08/activity-based-maritime-employee_28.html

Is This Longshore....?

Author Ian Greenway, LIG President & CEO

Since sundown today, I have had three emails “Is this Longshore....?” In each case, the answer was probably no. This was an above average evening for such emails, but there are not too many days where there is not at least one. Whilst individual subjects vary, the result is the same. When we offer our opinion that something is probably NOT Longshore why should anyone purchase the coverage (or why should any agent recommend the coverage)?

#1 Defense Costs

Unlike a GL policy, in the WC world, no coverage = no defense. Regardless of whether we think the employee falls under Longshore, they can bring that claim. It is easy to spend six figures on legal fees even when we win! To add Longshore on an IF ANY basis to most WC policies costs less than \$250 and that provides unlimited defense costs coverage! What a bargain!

#2 Rogue Verdict

Longshore is constantly expanding, and what we consider not Longshore today, might become so in 3 years when today's injury goes to trial. Or worse, a judge that just wants to find someone to pay!

#3 Uninsured Longshore Subcontractor

Many risks who might be excluded themselves, such as Marinas or Municipalities, hire Contractors or Subcontractors who work for them who have Longshore exposure but do not buy the right coverage. Under the Longshore act, that passes directly back to the principal, even though the principal might be excluded themselves! They need Longshore coverage! Even more obscure is the subcontractor who used a PEO/Leasing company for their employees but neglects to “name” a subset of their employees.

#4 Error & Omissions Prevention

No further words needed.

Even when a risk is probably not Longshore, if the exposure is borderline, it's just not worth the risk of not covering Longshore (or Admiralty).

2020 SEMINARS & EVENTS

Join your colleagues at these great opportunities to expand your professional development!

2020 SEMINARS

April 2-3, 2020

James K. Ruble Graduate Seminar

- Navigating Waterfront Exposures
- Navigating Marine Workers Compensation

Speakers: Ian Greenway and others

April 7-8, 2020

CMIP | INSURING WATERFRONT BUSINESSES SEMINAR

Ft. Lauderdale, FL | IIMIS

Speakers: Ian Greenway, Ken Baldwin

LIG Attending: Mike McFarland, Karen Tischler

April 30 - May 01, 2020

BMUSF 2020 Seminar

Save The Date | Details to follow

Board of Marine Underwriters of San Francisco

San Francisco, CA | BMUSF

July 14-15, 2020

James K. Ruble Graduate Seminar

- Navigating Waterfront Exposures
- Navigating Marine Topic TBA

Speakers: Ian Greenway and others

Allentown, PA | The National Alliance

October 22-23, 2020

CMIP | RECREATIONAL MARINE INSURANCE SEMINAR

Boston, MA | IIMIS

Speakers: Ian Greenway, Ken Baldwin, Mike Smith

November 4-5, 2020

James K. Ruble Graduate Seminar

- Navigating Waterfront Exposures
- Navigating The Global Marketplace

Speakers: Ian Greenway and others

Lancaster, PA | The National Alliance

Get the most current Seminar and Registration information at: [LIGMarine.com/Learn/Seminars](https://ligmarine.com/Learn/Seminars)

2020 HOLIDAYS AND MARINE INSURANCE EVENTS

JANUARY	1	New Year's Day
	20	Martin Luther King Jr. Day
	23	Marine Insurance Association Seattle General Membership Meeting and Annual Banquet
FEBRUARY	17	President's Day
	29	Leap Day
APRIL	1	LIG Marine Managers 31st Anniversary
	7-8	CMIP Insuring Waterfront Businesses, Ft. Lauderdale
	12	Easter Sunday
	21	GNOBFA, New Orleans
	30	Board of Marine Underwriters of San Francisco Bi-Annual Seminar
MAY	TBA	Tampa Bay Mariners Club Marine Seminar
	25	Memorial Day
JULY	4	Independence Day (Offices Closed Friday July 3rd)

See the full 2020 Events Calendar at: [LIGMarine.com/EventCalendar](https://ligmarine.com/EventCalendar)

CMIP

Certified Marine Insurance Professional

THE PRACTICAL TRAINING & DESIGNATION IN MARINE AND LONGSHORE INSURANCE

WHO SHOULD ATTEND?

AGENTS ■ BROKERS ■ UNDERWRITERS ■ CSR'S ■ INSURANCE COMPANY PERSONNEL
and ALL Insurance Industry Professionals, who wish to expand their knowledge of Marine Insurance

INSURING WATERFRONT BUSINESSES FORT LAUDERDALE, FL



TUESDAY | APRIL 7, 2020

8:00 AM - 5:15 PM

5:15 PM - 6:15 PM

**SEMINAR
RECEPTION**

WEDNESDAY | APRIL 8, 2020

8:00 AM - 5:15 PM

SEMINAR

RENAISSANCE FT. LAUDERDALE CRUISE PORT HOTEL

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(954) 626-1706

Hotel Accommodations Group Rates

Register: IIMIS.org

\$450 Early Registration | Regular \$495

Early Registration must be made and paid 30 days prior to seminar.

Questions? Contact Karen Tischler: (415) 690-6214 | Karen.Tischler@IIMIS.org

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HULL AND P&I

Hull and P&I in monoline or combination for all types of Commercial and Recreational Marine, including Passenger Vessels.

LABOR PROVIDERS SUPPLEMENT

LIG Labor Providers USL&H & State Act Workers Compensation Supplement.

LONGSHORE LITE

Longshore Lite is WC/Longshore and MEL for Small to Medium Businesses up to \$125,000 premium.

MARINE PACKAGE

Marine Package allows you to Mix and Match Lines from MGL, Hull, P&I, Equipment in any combination.

MARINE UMBRELLA/EXCESS

Marine Umbrella, or Excess

MEL

Maritime Employers Liability

MONOLINE P&I

Monoline Protection & Indemnity

QUICK CLEAR

Use Quick Clear to submit accounts for clearance and account reservations. This will save you time and work, if we are already working on an account and are blocked.

**LIG Marine Managers is the leading
Longshore and Commercial Marine MGA, and Lloyd's Broker**

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LIG CONTACTS



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	Questions Questions@LIGMarine.com	
Service	Questions on Any Bound Accounts or Direct Bill Payments to Carriers Longshoreservice@LIGMarine.com Phone 727-578-2800 Option 2	
Accounting	Questions on Agency Billing Payments or Direct Bill Commissions Accounting@LIGMarine.com	
Claims	Workers Compensation	The specific carrier claims reporting instructions are sent with the binder on each account.
	Longshore	Insured must report Longshore claims directly to BOTH the US Dept. of Labor (USDOL) AND the Longshore Carrier. The USDOL requires Form LS202 "First Report of Injury" to be filed on ALL "lost time" claims and can be downloaded at: http://www.dol.gov/owcp/dlhwc/ls-202.pdf This is required to be completed/submitted by the Insured directly to USDOL and is NOT filed by the Carrier. The specific carrier claims reporting instructions are sent with the binder on each account.
	All Others	Claims@LIGMarine.com

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Will you be jumping for joy by the end of 2020?

MARINE INSURANCE BUSINESS CAN MAKE IT HAPPEN!

LIG understands why you might feel reluctant to go after marine accounts, Marine Insurance is different and the terminology can be confusing.

**ANY AGENT CAN WRITE PROFITABLE MARINE BUSINESS,
WE TEACH YOU HOW!**

Start by leveraging LIG Marine Managers expertise.
You have the clients and we will make sure you succeed.
How can we be so sure? Easy, our agents enjoy a 50% Quote to Order ratio.

**CLOSE MORE MARINE BUSINESS FASTER
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- ▶ Easy 24/7 Online Submissions
- ▶ Quick quote turnaround
- ▶ Education and Training Programs

LIG provides you with a dedicated: Underwriting Team, Marine Claims Manager, and Agency Relationship Manager!

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