

The ITIC logo consists of the letters 'ITIC' in a bold, white, sans-serif font, set against a dark blue rectangular background.

SPECIALIST
PROFESSIONAL
INDEMNITY
INSURANCE

The background of the entire page is a photograph of a ship's deck. A person in a blue uniform is walking on a white metal walkway with railings. The ship's hull is dark blue, and the water below is dark with white foam from the ship's wake. The sky is overcast.

Crew Management

Specialist professional indemnity insurance

ITIC
IS MANAGED
BY **THOMAS
MILLER**

Professional indemnity insurance for crew management professionals

Expert View

ITIC is the leading provider of professional indemnity insurance to crew managers, insuring more than 120 companies worldwide.

The team at ITIC has a complete understanding of the risks, combined with a high degree of claims experience.

- Appointing unqualified crew – if the crew are not certified to perform the jobs for which they are hired, the owner will be in breach of the terms of his insurances and the ship manager will be liable
- Incorrect medical documentation, which leads to the ship being detained
- Liabilities to authorities for incidents and accidents of the crew
- Advice on use of crew management contracts
- Provision of defence costs

You don't have to make a mistake to be sued. As a crew manager you could receive a claim from the owners of a vessel even if you were not negligent in the provision of your services. One of the functions of ITIC insurance is the cover of defence costs, which can be extremely high. ITIC's claims team has a wide knowledge of claims made against crew managers.



Why choose **ITIC**?

ITIC provides professional indemnity insurance at cost	ITIC is the mutual insurer of the transport industry with no external shareholders to take a profit from the business.
ITIC will provide a sympathetic approach	ITIC understands that you will often have commercial relationships which will need preserving if a claim arises and we will work with you to allow that business association to continue. ITIC's unique insurance cover allows some discretion and could support a claim which may not normally be paid by another professional indemnity insurer.
ITIC understands your business	ITIC's specialist knowledge of your business will make it quicker and easier for you to obtain advice and support on a claim under your professional indemnity insurance.
ITIC is more than just insurance	As an assured at ITIC you will receive support from a team who understand the unique situations and liabilities that your business faces.
ITIC pays dividends annually	Surplus funds have been paid out to the members in the form of continuity credit since 1994.

ITIC has extensive experience in the crew management sector which grows every year. ITIC's loss prevention advice channels the experiences of all the members to best help you navigate the ever-changing global landscape.

Testing times



A ship was put into Manila anchorage en route to a discharge port for a crew change as there were Filipino crew on board. The crew change at Manila was organised by the ship manager, through an appointed port agent. All the prescribed Covid-19 protocols were followed.

Once back en route the ship sent its port entry and free pratique documentation to the discharge port agent for arranging the inward clearance. The agent and authorities discovered in the documentation that a Covid-19 test result for one of the crew members, signed-on at Manila, was positive.

Evidently, one of the joining crew members had tested positive for Covid-19 but the Covid-19 positive test was overlooked. It was not noticed by the ship manager, the port agent at Manila, the health and immigration authorities or the Master. It was only identified by the discharge port agent.

The ship had to return to Manila in order to test the entire crew and replace them as necessary. The ship also had to be disinfected before resuming the voyage. This resulted in about five days additional steaming at sea plus about six days at Manila.

The shipowners claimed about US\$350,000 losses from the managers. However, ultimately a settlement was negotiated, as many parties failed to spot the positive test – including the owners themselves.

The manager settled the claim for US\$175,000, which was reimbursed by ITIC.

Muddling through

A crew manager was accused of recruiting a crew with inadequate gas ship experience. The managers had faced real difficulty in sourcing crew as the flag state limited the selection to their own nationals. The danger should have been considered before the manager agreed to manage the ship - it was always going to be a problem on such specialist tonnage.

The manager however decided to “muddle through” with what was available and the crew actually succeeded in damaging the ship.

The claim against the manager was US\$250,000, which ITIC negotiated and settled at US\$200,000.

Smoking gun

The technical and crew manager who had been managing a tanker for three years, was found to be on the receiving end of a claim from the owner for US\$1,400,000.

Multiple claims were made, mostly without any particular merit, relating to repair costs and loss of earnings. The owner's main grievance appeared to be the alleged negligence of the crew supplied by the manager.

At an early stage in the arbitration proceedings the arbitrator ruled that the owner's lawyers were entitled to a full inspection all of the manager's files, which were found to include an internal memo (“the smoking gun”) from the manager's superintendent criticising the performance of certain crew members and recommending their replacement.

The claim was settled at the threshold of arbitration for US\$300,000, mostly because of the “smoking gun” memo. The legal costs amounted to an additional US\$300,000.

Incorrect vaccination certificates

A ship manager who was also providing crew to a ship arranged for the vaccination certificates to be issued to the crew. The manager did not realise that some of these vaccination certificates had been slightly altered when the Medical Examiner had spelt the name of the crew member incorrectly.

These slight amendments to the vaccination certificates led to a ship being detained in Brazil for a considerable length of time, and a claim was then made by the owner against the manager for the delay.

ITIC settled this claim for US\$97,000.

ITIC facts & figures at a glance

All figures US\$
All facts and figures correct as of 31st January 2024

Fact Sheet Series

Crew management

Gross premium

\$69m

for the year

Claims paid

\$465m

since 1992

Members

3,616

Security rating

Backed by at least "A-" rated reinsurance programme



Worldwide insurance cover

ITIC is able to provide professional indemnity insurance, without restrictions, worldwide. An ITIC account executive is responsible for each country and will be your first point of contact. The ITIC team speaks French, German, Greek, Japanese, Mandarin and Spanish.

Credits paid

\$189m

surplus funds have been paid out to the members in the form of continuity credit since 1994

Disbursements & commissions

\$240m

of disbursements and commissions collected for members since 1992

Free reserves

\$243m

for ITIC and TIMIA combined

Annual premium

from

\$1,500



\$1.8m

ITIC is committed to consistently providing competitively priced professional indemnity insurance (and related insurance covers) with valuable and high quality loss prevention advice to businesses servicing the marine, aviation, rail and general transport industry. The ITIC team have a wealth of experience and knowledge.

24

Staff

A full time team to provide you with the best service possible.

19

Years

Average staff member's experience in the insurance/transport industry.

12

Years

Average staff member's time with ITIC. Several staff have over 25 years of service.

6

Lawyers

6 lawyers and a dedicated claims team.

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