

# BASYCS INSURANCE EVENT

*On Tuesday 23 May 2017, The Business Aviation and Superyacht Community Switzerland (BASYCS) was pleased to host the second of its 2017 breakfast seminar series at the Metropole hotel in Geneva.*

The theme of the breakfast seminar was Marine Insurance. Members from family offices, insurance brokers, flag states and banks heard presentations given by HISCOX Brokers and WYCC Insurance, Luxembourg.

Paul Miller, Underwriting Director at HISCOX MGA commenced the seminar with a presentation on superyacht total-loss: The challenges and consequences.

Paul focused on recent fire total-loss incidents to yachts at mooring – namely M/Y Barbie in Turkey and M/Y Galatea in Athens. Both incidents were widely covered in the press and provoked considerable interest in the market, not least as to how H&M insurers reacted. Paul stressed the importance of fire-training both of yacht crews and those of marinas but also gave helpful insight into how brokers and underwriters assess, investigate and manage claims of this nature. The case of M/Y Barbie was particularly interesting given that the fire causing the total loss started on another yacht moored alongside. So questions of causality and responsibility were foremost. Fortunately for M/Y Barbie's owners, H&M insurers paid out the full claim within 60 days following the total loss.

Roger Duchamp also from HISCOX then went on to discuss total loss of a yacht by sinking, using the 2012 loss of M/Y Yogi as a case study. M/Y Yogi had had warranty works performed by its builder in October 2011 and February 2012. Between the evening of 16 February and the morning of 17 February 2012, M/Y Yogi started to take on water and then eventually sank in the Aegean Sea in apparently good sea conditions. Whilst there is no certainty as to the cause of the sinking, the official enquiry of the French marine casualty investigation board (BEA Mer) dated February 2013 suggested that the sinking of the yacht could have been stability-related, and connected with the



*The Metropole Hotel  
in Geneva*

previous warranty works performed which had been to address, among other things, instability and load line issues. The key take-away of Roger's presentation was the importance of owners and their representatives keeping insurers, Class and managers up to date as to any works (including warranty) that are done to the yacht, especially those that might have an impact on stability.

To close the breakfast, Mathieu Henry of WYCC Insurance, Luxembourg gave a refresher on the MLC 2006 (Maritime Labour Convention) and its impact on yacht owners and managers, as regards their crew, almost 4 years following its coming into force. More specifically superyacht owners and managers as well as agents or recruitment companies involved in operating commercial vessels are required to provide minimum protections for crew, related (among other things) to conditions of employment, accommodation, recreational facilities, food and catering, repatriation, health protection and medical care as well as welfare and social security protection. Flag states are also implicated as they are required to put in place measures to enforce observance by their fleet.

Mathieu explained how Flag & Port State controls have increased and how important it is for yacht owners to make sure that the social security system in place for their crew is adapted to new regulations.

BASYCS is most grateful to our panel of speakers for this informative presentation which prompted a great deal of discussion afterwards!

We look forward to welcoming our Members to our next Geneva Breakfast Seminar, on 19 September 2017 on the subject of Superyacht Refit, where we will be pleased to welcome a representative of a well-known superyacht builder to talk.



*Fanny Eyraud of PSPi  
insurance and a guest*

