

THEFT—HOW IS IT COVERED?

It is an unfortunate sign of the times that a vessel's gear and equipment, personal effects and outboard motors are more vulnerable to theft. It is important to ensure that insurance is extended to cover all such items at risk. It is also important to fully understand the extent of restrictions (if any) to the cover for theft.

In pleasure craft insurance, theft of the vessel itself is usually an insured risk.

However, with certain types of craft, (particularly speedboats or some small craft) there may be certain restrictions on the coverage in respect of theft of the vessel.

Theft of small craft is increasingly prevalent and insurers use common exclusions and warranties in respect of such vessels. Examples include: -

- Theft following forcible and violent entry into a permanent locked building.
- Theft only covered following forcible entry into a locked compound.
- Warranted the trailer is wheel clamped when not actually being towed.

It is essential that any warranties are fully and exactly complied with because insurers are discharged from liability from the moment of breach of the warranty.

Dinghies and Tenders

Theft of the vessel's dinghy or tender is usually covered subject to the dinghy being permanently marked with the name or parent vessel.

It is always advisable to keep a record of the serial numbers or any other means of identifying the dinghy.

Outboard Motors

Theft of the outboard motor is covered following forcible and violent entry into the vessel or into any place of storage ashore.

If the outboard motor is left attached to the vessel, it is a condition of the insurance that the outboard motor is attached to the vessel by an anti theft device in addition to any other method of attachment.

Details of serial numbers should be retained for identification purposes.

Special Equipment

Theft of equipment is covered following forcible and violent entry into the vessel or place of storage ashore. Theft of equipment fixed on deck is also covered following forcible and violent removal.

Personal Effects

There is no cover under the vessel insurance section for any items that would not be sold with the vessel were she to change hands.

Accordingly it is important to ensure that coverage is obtained for personal effects under the Personal Effects section of the pleasure craft insurance or under a household insurance.

The Personal Effects section should be used for the insurance of personal items, which are bought especially for the boat, and these items are likely to be left on board when the vessel is left unattended. This insurance excludes cover for jewellery, currency, traveller's cheques and consumable stores.

Items such as watches, jewellery, cameras, mobile phones, cash, fishing rods and lines and any other items that are taken to the craft each time it is used and are taken home afterwards would be better insured under the household insurance.

FORCIBLE AND VIOLENT ENTRY

The courts have considered the meaning of "forcible entry" – it may involve the use of very little force, in fact the turning of a handle and pushing a door open has been held to constitute "forcible entry". In a boat, the opening of an unlocked locker could be considered to be forcible entry.

However, pleasure craft insurance covers theft following "forcible and violent" entry so the element of violence must be present.

It is difficult to provide a definition of "violence" that will encompass every different circumstance as to when the element of violence will be satisfied. Each claim will be considered in the light of its own circumstances, but reference to case law helps to clarify what constitutes "violent entry":

- a. Entry obtained by turning the handle of an outside door or by use of a skeleton key constitutes forcible entry, but the element of violence is still absent.
- b. An entry effected by picking a lock or forcing back the catch by means of an instrument involves violence.
- c. The theft of keys that are subsequently used to gain entry results in forcible but not violent entry.

In summary, theft following forcible and violent entry in the context of insurance means that the use of force (which might be minimal) must be accentuated or accompanied by some act of entry, which in the light of all the circumstances could be properly regarded as violent.

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