

## ***CONDITION SURVEYS - Questions and Answers***

### **Why do we carry out a condition survey ?**

To enable the managers to determine whether the ship conforms to acceptable standards.

### **When do we carry out a condition survey ?**

Condition surveys are carried out for the following reasons :

- a. When ships over 10 yrs old are entered in the club, this can be either a pre-entry or a post entry condition survey.
- b. If after a visit by a club inspector ,the inspector feels that the ship does not conform to the Clubs standards.
- c. Following a claim which could possibly have occurred due to a lapse in on board maintenance/management.
- d. If information is received from a third party eg PSC that the ship is below Club standard.
- e. If the ship changes classification societies, usually from an IACS to a non IACS society.
- f. If after a lengthy period of lay up ( 6 months or more) a ship is re-activated.

### **Why post entry rather than pre-entry ?**

It is preferable to carry out a survey on a prospective ship prior to entry into the Club, and now in the case of ships over 20 years old this is the rule. However experience has shown that in many cases a pre-entry survey is not practical, usually because the current Owner is reluctant to allow a surveyor on board.

### **Who carries out the survey ?**

An independent surveyor is appointed by the ship inspection department, depending on the geographical position of the ship. We endeavour to keep costs to a minimum by waiting until the ship calls at a port where we have experienced surveyors. Occasionally we have to engage the services of a surveyor where travel is unavoidable eg. With ships trading exclusively on the West Coast of Africa.

### **What is the difference between a Surveyor and an Inspector ?**

The inspectors referred to above are employed directly by the club and attend Club members ships in various parts of the world. The Inspectors, as well as checking the condition of ships are also there to assist the Master and Owner in any aspect of P&I.

A surveyor is an independent third party surveyor appointed by ourselves. We have a world-wide data base of suitably qualified and experienced people who are fully aware of Club requirements.

### **What happens if a ship is found to be ok ?**

If after a survey a ship is found to conform to club standards we inform Owners that 'It is suitable for entry in the Association', or 'Suitable for continued entry', depending on whether a pre or post entry survey has been carried out.

### **What about a ship that is ok....but !**

After the survey, the surveyor will give the Master a list of defects. This list is also sent to the ship inspection department. If we feel that the deficiencies are not very serious and we feel that the Owner/Ships staff are keen to address them, we will recommend that the defects be incorporated into the ships maintenance programme.

If the defects are serious, and could possibly lead to future claims eg arising from lack of cargoworthiness ( leaking hatch covers) we will issue recommendations for repair based on the original list of defects. The Owner is given a reasonable period in which to complete the recommendations after which the ship will be re-surveyed and if the attending surveyor finds all recommendations have been satisfactorily attended to then Owners will be informed that their ship is suitable for continued entry in the Association.

### **Will that be the end of it ?**

If after the follow-up survey, doubts remain over the continued maintenance of the ship, we will under rule 5Q request a further survey, usually after a 12 month period. If after that survey the ship is found to be in an acceptable condition then it will be monitored through the Club's ship inspection programme

### **What if the recommendations for repair are not completed ?**

If the recommendations are not completed in time and there is a good reason eg. the ships trading pattern, then an extension to the original deadline will be given.

If however there is no good reason why the recommendations have not been completed, and we consider the failure to attend to them to be sufficiently serious. the ship will be declared as being in breach of the Associations rule 5Q.

### **What does that mean ?**

If a ship is in breach of 5Q, it continues to have P&I cover. However such cover becomes 'discretionary'. That is at the discretion of the Club's Directors. This means for example if a claim should arise and a guarantee is required, the managers will not be in a position to provide the guarantee without authorization from the directors.

## **What is rule 5Q ?**

Rule 5Q states :

The managers at any time in their discretion may appoint a surveyor or such other person as they may think fit to inspect an entered ship on behalf of the Association. The Owner ( i ) shall afford such facilities as may be required for such an inspection, and ( ii ) shall comply with such recommendations as the managers may make following such inspection.

Unless and to the extent that the Directors in their discretion otherwise decide, an Owner who commits any breach of his obligations referred to in ( i ) and ( ii ) above shall not be entitled , in relation to any casualty ,event or matter occurring during the period of the breach , to any recovery from the Association in respect of any claim arising out of such casualty , event or matter.

## **How can the Breach be lifted ?**

Easy ! Complete all recommendations for repair and notify this office. A follow – up survey will be arranged, and, if the attending surveyor’s comments are favourable the breach will be lifted.

## **What happens if a ship grows old in the club ?**

If a ship is entered into the club at an age of less than 10 years, the ship will not have to be automatically surveyed on reaching 10 years, it will however continued to be monitored by the Club’s Ship Inspection programme, using the Club’s own inspectors.

## **How else can a ship be in breach of the Club’s rules ?**

If following a survey we receive information which indicates a possibility a ship is not in class, because of structural deficiencies eg. badly wasted ballast tanks, or does not comply with SOLAS or ISM, then we will notify Owners that they are in Breach of rule 5K and recommend that the ship’s classification society attend the vessel and issue recommendations regarding the deficiency.

If such action is taken by the Owner and we receive a copy of any report issued by the Classification Society then the Breach will be lifted.

A ship can also be in breach of rule 5R. If after a long period of lay-up ( 6 months or more) the Owner does not make the ship available for a survey prior to re-entering service. Then the ship will be in breach of 5 R

## **What is rule 5 K ?**

Rule 5K states :

**5K i .** The ship must be and remain throughout the period of entry classed with a Classification Society approved by the Managers.

**5K ii** Any incident or condition in respect of which that Classification Society might make recommendations as to repairs or other action to be taken by the Owners must be promptly reported to that Classification Society

**5Kiii** The Owner must comply with all the Rules , recommendations and requirements of the Classification Society relating to the entered ship within the time or times specified by the society.

**5K iv** The Owner authorises the Managers to inspect any information, relating to the maintenance of class of the entered ship , in the possession of any Classification Society with which that ship is or at any time has been classed , and will where necessary authorise such classification society or Societies to disclose and make available that information to the managers upon request by the Managers and for whatsoever purposes the Managers may consider necessary.

**5K v** The Owner must immediately inform the Managers if, at any time during the period of entry ,the Classification Society with which the ship is classed is changed and advise the Managers of all outstanding recommendations, requirements or restrictions specified by any Classification Society relating to that ship as at the date of such change.

**5K vi** The Owner must comply with all statutory requirements of the State of the ship's flag relating to the construction, adaptation, condition, fitment, equipment and manning of the entered ship and must at all times maintain the validity of such statutory certificates as are issued by or on behalf of the State of the ship's flag in relation to such requirements and in relation to the International Safety Management ( ISM ) Code.

Unless and to the extent that the Directors otherwise decide, an Owner shall not be entitled to any recovery from the Association in respect of any claim arising during a period when that Owner is not fulfilling or has not fulfilled those conditions.

**Provided Always That :**

Where the entry of a ship is solely in the name of or on behalf of a charterer other than a demise or bare boat charter the rights of recovery of such charterer shall not be dependent on the fulfilment of conditions ( ii ), ( iii), ( iv ), ( v ) or ( vi) of this paragraph ( K )

**What is rule 5R ?**

Rule 5R states :

( i ) If an entered ship has been laid-up for a period of 6 months or more, whether the ship has been entered in the Association for all or part of the period of lay-up and whether or not laid-up returns have been claimed or paid in accordance with Rule 27, the Owner shall give the Managers notice that the ship is to be recommissioned not less than 7 days before the ship leaves the place of lay-up .

(ii) Upon receipt of such notice the Managers in their discretion may appoint a surveyor or such other person as they may think fit to inspect the ship on behalf of the association and the Owner should afford such facilities as may be required for such inspection .

(iii) The Owner shall comply with such recommendations as the Managers may make following such inspection.

Unless and to the extent that the Directors in their discretion otherwise decide, an Owner who commits any breach of his obligations referred to in ( i ) to ( iii) above shall not be entitled, in relation to any casualty , event or matter occurring during the period of the breach , to any recovery from the Association In respect of any claim arising out of such casualty, event or matter. A breach of the obligation in (i) above shall be deemed to have ended at such time as the Owner has complied with his obligations referred to in ( ii ) above.