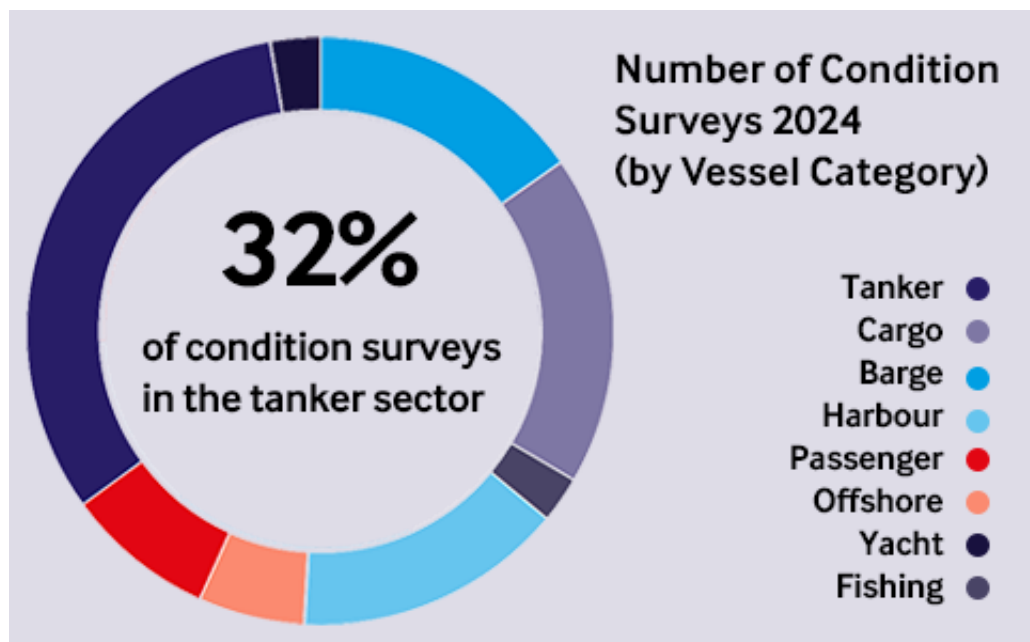


## What is the Condition Survey Programme?

Reducing Members' exposure to claims is central to the function of the Club's Loss Prevention department (LPD). As part of this mandate the department seeks to proactively address areas of concern identified by the Club or within the industry.

The Club's Condition Survey Programme (CSP) is a crucial tool that assists in fulfilling this mandate. The CSP is a core service that forms part of the Club's Risk Mitigation Framework and contributes to the Club's overall Vision, Ensuring peace of mind. The CSP is managed by the LPD, in close conjunction with both the Underwriting and Claim departments and exists to ensure that vessels entered with the Club are in a condition that is of mutual benefit to all Members.

In 2024, the Club carried out 461 condition surveys on a variety of vessels worldwide.



The Club's expertise lies in providing insurance solutions and services for the small and specialist vessel sector and, as such, the CSP has been appropriately designed to ensure its focus is on this niche tonnage. The survey remit itself includes the assessment of key areas such as general condition (including structural aspects), safety, on board management, security, and pollution prevention. In addition, the forms are regularly updated to ensure they remain relevant and embrace all relevant regulatory requirements and industry good practice. This enables the Club to assess all aspects of shipboard/shore operation and management for suitability for entry with the Club.

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There are a variety of factors that could trigger a Club instigated survey, including:

- Profile of the vessel (age, size, type, trading area, type of cargo carried, flag State and Classification Society etc).
- [Rule 35](#) - Reactivation of a vessel after a period of layup exceeding six months.
- A downgrade of Classification Society.
- Following a Port State Control detention / ban.

With over 33,000 vessels entered of various types, reviewing reported incidents (claims) allows the Club to pro-actively establish developing claim trends. Trends may be identified in relation to a particular operational region, vessel type, cargo commodity or Member. This information enables LPD to address the perceived issue by utilising a number of initiatives, as appropriate, to address the risk. One such initiative would be the use of the CSP to focus on the identified concern in the form of a Concentrated Inspection Campaign (CIC).

To ensure the effectiveness of the survey, local surveyors are appointed as this reduces possible language barriers and ensures that Members are dealing with a surveyor well-versed in local rules and regulations. During their on-board attendance, our surveyor is encouraged to interact with the crew and share their observations, so the crew understand the findings. Therefore, feeling the immediate benefits from the survey.

The survey findings are shared with the Member with the intention of assisting them to mitigate against future associated risks by increasing the safety level of their operation. The Club recognises that some of the risks on board may often be overlooked and not apparent to the vessel's crew or shore management. The Club's surveyors provide Members with the benefit of a fresh pair of eyes to assist identify any inherent risk so that they can be addressed accordingly.

### **What does the survey process normally look like?**

1. LPD contact the relevant broker to advise them that the Club requires a survey by a defined deadline. Whilst doing so, key information will be requested such as the vessel's upcoming itinerary and Person in Charge (PIC) details.
2. The broker would then contact the Member to gather the requested information and reply to the Club.
3. Dependent upon the vessel's location and potential availability, we formally appoint the most suitable surveyor from our trusted third-party network. The formal appointment email would have the broker in copy.
4. The surveyor will contact the nominated PIC and start making arrangements to attend the vessel on a date that works for all concerned parties, mindful of the set deadline. Should there be a genuine concern on completing the survey within the stated deadline, this should be communicated to the Club for consideration.
5. The Member is welcome to request a blank copy of the survey form, if this will assist with any preparations for the survey.
6. As part of the survey, the surveyor will review the certification/documentation, interact with crew and may also require their assistance in some instances. This, along with any

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other preparations can be discussed between the PIC and the attending surveyor prior the date of the survey.

7. After the survey is completed, the surveyor will compile a preliminary list of defects and discuss the same with the Member's representative on site.
8. Subsequently the surveyor would compile the final report and submit to the Club's LPD. Survey reports are always assessed by experienced mariners that work in the LPD. Where required, the LPD would reach out to the surveyor for further details/clarification.
9. Thereafter, the broker is informed of the outcome of the survey. This may include a list of defects (risks identified during the survey) that LPD want to bring to the attention of the Member together with a stated deadline. Depending on the number and nature of defects noted, we may either require a Follow up survey or alternately require the Member to share evidence of defect rectification with the Club.

The [LPD](#) is always happy to discuss the survey results. The Club considers the CSP to be a proactive benefit to our Members, and as such, it is imperative that our Members are equal stakeholders in the exercise. The Loss Prevention team has a wealth of seafaring experience on various vessel types. This, along with the team's combined Loss Prevention experience, ensures a pragmatic and focused approach toward the CSP.

The Club would like to reiterate to its Members that the CSP is in no way a fault-finding or intrusive measure. It is a value-added service to proactively protect Members' interests by highlighting and assisting with potential issues with the sole intention of mitigating future risks.