Narrative
A person or a company acting as charterer of a ship assumes responsibilities broadly similar to those of an owner. The contracting parties - normally a cargo owner or sub-charterer - will view the charterer as the “owner” of the ship. The charterer also assumes liabilities towards the vessel owner, including damage inflicted on the ship.

Description
Most ships are chartered either on a Time Charter or Voyage Charter contract. In both cases the charterer becomes liable as he occupies a position similar to an owner towards the sub-contracting party (either a sub-charterer or cargo owner). His liabilities are broadly similar to those of a shipowner, with liability to cargo, to freight and, in rare circumstances, also to pollution claims.

Simultaneously, he assumes liabilities towards the party he charters the ship from - the vessel owner or another charterer. Primarily, this type of liability relates to damage caused to the ship in the course of cargo-handling, such as stevedore damage or damage resulting from an unsafe port or berth.

Charterers in any role, whether as voyage charterers or time charterers, need cover for this exposure. Even where the charterparty contractually imposes the liability on the shipowner, most jurisdictions allow a claimant to pursue compensation from a party he finds most suitable. The claimant has freedom of choice, to sue either the charterer or the owner. The charterparty will eventually determine, contractually, who should bear the cost, but this may follow a long legal process. Some charterparties provide a clear definition of the division of blame (such as the NYPE). Charterer’s Liability Insurance is a P&I cover primarily, but for charterers with a fixed premium.

Many claims between owner and charterer refer to stevedore damage or unsafe port or berth. Therefore, in addition to the P&I cover, this cover may also include Charterer’s Liability to Hull. Even if the contract is on a Voyage Charter, where the shipowner has an obligation to ensure named ports are safe for his ships, the charterparty may name a range of ports for discharge. If the port is unsafe, the charterer may have a liability to the shipowner, should damage to the ship occur. Stevedore damage to vessels is commonplace when loading or discharging cargo. This is yet another typical liability imposed on the charterer.

All charterers, regardless of position in the “chartering chain”, require cover for both P&I liabilities and damage to hull. As soon as the contract is signed, whether voyage or time charter, the charterer has an insurable exposure.

Slot Charter Insurance is designed for a situation in which the charterer only charters a limited space or a number of slots on a vessel.

This note is a general description of Slot Charter Insurance. For more detailed information, please refer to the slip or Certificate of Entry.

Conditions
- The cover is based on The Swedish Club Rules for Protection & Indemnity, Rule 9.
- Including Damage to Hull, as per Club Rules.
- Including War.