



Fact Sheet Vessel Charters

REFERENCE

- 1) [BUS-81 University of California Marine and Aviation Insurance](#)
- 2) [BUS-63 Vendor Insurance Matrix](#)
- 3) [Marsh Risk Services: Guidelines for Vessel Charters](#)

REPORT OF VESSEL CHARTER

A University vessel charter involves contracting for the commercial hiring or leasing of a non-owned vessel or space on a vessel by the University. The University requires that owners of vessels chartered by the University provide proof, in the form of a certificate of insurance that names the Regents of the University of California as the certificate holder and as additional insured, that they have Protection & Indemnity with Collision Coverage insurance as follows:

<u>Commercial Watercraft</u>	
1 - 10 passengers:	\$5,000,000
10+ passengers:	\$10,000,000
23+ passengers:	\$15,000,000
<u>Private Watercraft</u>	
Not Exceeding 30'	\$500,000
Exceeding 30'	\$1,000,000

The coverage evidenced shall also contain a waiver of subrogation in favor of The Regents of the University of California, its officers, agents, and employees on the boat operator's Hull & Machinery policy and the operator's insurance shall be primary and non-contributory to any other insurance that may be maintained by The Regents.

Departments shall, to the extent possible, comply with the best practices recommendations for vessel charters found in the [Marsh Risk Services Guidelines for Vessel Charters](#).

All people participating in UC boat charters, except for UC employees participating in the course and scope of their employment, shall sign a UC Waiver of Liability.

Departments and employees who want to charter boats on behalf of the University must work with the Purchasing Department to arrange a vessel charter. The department must first complete a [Report of Vessel Charter](#) and submit it to the Risk Management and Purchasing Offices. The Purchasing Office will complete a Purchase Requisition, Purchase Order, and Charter Agreement based on the information provided in the [Report of Vessel Charter](#).

For additional information call the Purchasing Office (805) 893-3001 or Risk Management Office at (805) 893-2860.

ALTERNATIVES TO VESSEL CHARTERS

- (1) It is possible to use University funds to purchase tickets on a boat without meeting the requirements for vessel charters described above if the following conditions are met:
 - a. The boat must be available as a regularly-scheduled service and the University trip must occur at the regularly-scheduled time.
 - b. Passage on the boat must be open and available to the general public and the public must be able to purchase tickets on the boat the University is using.
 - c. The University cannot purchase a block of tickets that amount >50% of the boat's passenger capacity.
 - d. It is preferable that cash be used to buy the tickets. A department may use a low-value purchase order. Under no circumstances can the low value purchase order, or the invoice from the boat company, contain any terms and conditions, other than the number of tickets purchased, the cost per ticket, and date of travel. Cash or a low-value purchase order are the only methods available to buy tickets under these circumstances.
 - e. **All participants, with the exception of University employees participating in the course and scope of their employment, shall sign a UC Waiver of Liability.**
- (2) A department may also use boat transportation for department activities without meeting the requirements for vessel charters described above if (1) no University funds are used, (2) participants use their own funds to purchase tickets, (3) the boat is a regularly-scheduled service (not scheduled to meet the University's needs but available to the public at regular, published times), (4) the boat is open to the public and tickets can be purchased by the public at the time the University is using the boat, and (5) there are no special arrangements between the boat owner and the University.

For additional information call the Risk Management Office at 893-2860.

FORMS

[Report of Vessel Charter](#)