

POLICY ON LOAN OF CORK EQUIPMENT

LOAN OF BOATS AND EQUIPMENT

Upon request, Kingston Yacht Club or other groups may use a boat or equipment owned by CORK provided that:

- a) A request is received in writing
- b) No scheduling conflicts exist
- c) Expenses, including any repairs, as determined by CORK, are reimbursed
- d) Appropriate documentation is signed by the borrower
- e) In the case of a boat, a driver approved by CORK is in charge at all times

For any loan of boats or equipment a security deposit, maintenance fee and/or declaration of insurance may be required.

Insurance Aspects of the Loan of Boats by/to CORK

CORK from time to time borrows boats from sailing clubs/organizations and also lends its own boats to assist in the running of regattas. Two types of risk can arise in these circumstances: injury or damage caused to others as a result of operation of the boats (liability risk) and damage to the boats themselves (damage risk). Insurance coverage differs as between the two types of risk:

As to the risk of **liability** from operation of a boat, when:

- CORK is borrowing a boat: if requested by the lender, CORK will add the lender as a temporary "additional insured" under the liability coverage in CORK's policy;

- CORK is lending a boat: CORK will request a certificate of insurance attesting that it has been added as a temporary "additional insured" under the liability coverage in the borrower's policy. If for some reason CORK has not in fact been added as an "additional insured" under the borrower's policy, CORK's own policy will cover the liability, but it is always preferable to have the borrower's coverage in first priority.

The risk of **damage** to the boat itself, however, is covered under the boat owner's (lender's) own policy. If CORK borrows a boat and it is damaged, the lending club will look to its own insurer to compensate the club for the damage to its boat. (Note however that the club's insurer could claim reimbursement from CORK based on its negligent operation of the boat, for example, or based on a breach by CORK of a provision in the loan agreement between it and the lender).