

NEWSFRONT

GREEK SHIPPING INTELLIGENCE

16 December 2022

Vol. 23/ No. 47



LEGAL OPINION

Marine Insurance / Perils of the sea

A pleasure yacht semi – drawn while in berth; it was assumed that this occurred due to possible contact with floating object while sailing, such contact leading to removal of the cleaning valve, which allowed water penetration. Adverse weather conditions contributed to the penetration of large quantities of water, thus accelerating semi – drawing.

Yacht owner sought insurance remuneration under "perils of the sea" coverage of applicable institute yacht clauses. Insurers refused to pay and owner sued them.

The Court considered the notion of "perils of the sea" and found that it does not refer to situations reasonably apprehended on the sea; that "there must be a peril, an unforeseen and inevitable result, and it must be of the seas, not merely on the seas".

In view of above, the Court opined that, under the invoked circumstances, there was no proof of the peril occurred as an unforeseen and inevitable event, due to extraordinary action of the wind and waves, resulting as a proximate cause to the semi – drawing. Nor was the cleaning valve removal proven as a fact. Accordingly, lack of proof of extraordinary circumstances led to rejection of the lawsuit.

Piraeus One – membered Court of Appeal Judgment no 343/ 2021, Presiding: Th. Karakatsanis, Attorneys at law: I. Tzifas, A. Koutsoukos, Commercial law Review vol. 72, p. 1011.

NOTE: The lawsuit was rejected as "vague", ie it did not specify the facts of the claim which, if assumed true, would lead to approval of the lawsuit. In such cases, the plaintiff has a second chance: He can cure vague points and re-submit the lawsuit within six months from the lawsuit final rejection.

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