Subsea/Over the Side Insurance Program

Policy Year: January 1, 2020—January 1, 2021
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Subsea/Over the Side Insurance Program

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Cover photo credit to Susan Holmes, OSU
Procedures

Registration for Insurance Coverage

To obtain insurance on subsea/over the side equipment, principal investigators will visit:

risk.oregonstate.edu/insurance/over-the-side

Prior to registration, the principal investigator should:

2) Develop a loss control plan. In developing the loss control plan, the principal investigator may use the Risk Assessment Tool Over-the-Side example. Upon opening, click on ‘ENABLE CONTENT’ to make edits.

To register, the principal investigator will click on the Over the Side Registration button.

The information collected through this form includes: contact information, project name, coverage dates, asset number, equipment name, description, equipment value, description of the project and a loss control plan.

Additionally, the principal investigator will need to attest to either:

(1) being able to comply with all the terms listed in the Marine & Offshore Equipment – Terms and Conditions, or
(2) being unable to comply or need to vary a term, condition or obligation, and thus need to request an exemption.

If an exemption is to be requested, an explanation needs to be submitted as part of the registration.

After submitting the registration, an email is sent to Insurance and Risk Management Services and the principal investigator confirming submission.

Insurance and Risk Management Services will forward the information to the insurance broker for Underwriter review.

Upon the agreement of the Underwriter, a document titled Quote: Over-the-Side will be sent to the principal investigator. The quote will be based on: the value of the equipment, type of equipment, whether or not transit is needed, an assigned rate, and the number of days at risk.

All deployments are subject to a $2,000 minimum premium.
Procedures

If the principal investigator agrees to the quote, he or she will sign and date the Quote: Over-the-Side document, and include the index number to which the charge will be applied.

An email confirming that the insurance has been bound will be sent to the principal investigator by Insurance and Risk Management Services.

See EXAMPLES to see how the premium is calculated.

Filing a Claim

The Subsea/Over the Side Claim Form should be completed when direct physical loss of or physical damage to insured subsea equipment occurs.

One should describe or list:
- equipment lost or damaged,
- the detail of the loss or damage,
- any attempts for recovery,
- GPS coordinates and
- Any contributing factors.

Be specific in describing the damage or loss.

The completed Claim Form should be sent to risk@oregonstate.edu within 24 hours or as soon as practicable, but in no case later than 14 days. The Underwriter must be notified in writing within 30 days or no coverage is provided.

If the equipment is damaged or recovered, take photographs. Do not discard damaged equipment, until advised that it is OK to do so by the Insurer.

Insurance and Risk Management Services will need copies of all documentation related to the claim including, but not limited to: correspondence; invoices/costs to avert or minimize the physical loss or physical damage; expenses related to search, rescue or retrieval of insured equipment; estimates for repair; photographs; and any other information related to the incident. All information should be emailed to risk@oregonstate.edu.

A Claims Professional within Insurance and Risk Management Services will file the claim with the Insurer and will provide oversight on the claim. If additional information is required by the Insurer, then the Claims Professional will contact the principal investigator to obtain the necessary information. During the claim process, any request for information or documents must be complied with within 14 days.
Rates, Deductibles & Examples

If the claim is a covered loss, any insurance proceeds, less the deductible, will be sent via journal voucher to the index code provided by the principal investigator.

See Marine & Offshore Equipment – Terms and Conditions for terms related to Coverage, Measures of Indemnity, Conditions and Exclusions.

Rates

The rates charged for deployments are categorized into two sections: Section 1 and Section 2.

Section 1: Operational Activities

Actual physical loss of or damage to the property declared and agreed to by the Underwriters prior to deployment per the Marine & Offshore Equipment – Terms and Conditions. Coverage attaches upon completion of loading onto the operating unit/vessel and continues during temporary storage, set-up, calibration, testing, trials and operational risk. Coverage terminates at end of unloading from vessel.

Section 2: Transit and Storage

Actual physical loss of or physical damage to the property declared and agreed to by the Underwriters prior to deployment per the Marine & Offshore Equipment – Terms and Conditions. Transit and/or Storage coverage attaches from the time the Insured Interest is first moved in the warehouse, including packing, disassembly, loading during transit, storage in the normal course of transit, unloading and reassembly (when applicable). Coverage terminates either at completion of unloading from the operating unit/vessel or at delivery to the destination. General storage attaches from the time the property is unloaded at the warehouse or place of storage.

Rates for Section 1 and 2

| Section 1: Operational Activities Submersibles (Giders and AUVs) | 25% | Annual rate subject to daily charge |
| Section 1: Operational Activities All Other Equipment | 14% | Annual rate subject to daily charge |
| Section 2: Transit and Storage | 5% | Annual rate subject to daily charge |
Rates, Deductibles & Examples

Rates, continued

Maximum Limit Sections 1 & 2
Maximum any one location / transit / deployment $1,000,000 any one loss.

Section 3 & 4: Additional Covers, including Liability
Additional covers include reasonable search, rescue and recovery costs, freight and replacement by air costs, and redeployments costs, subject to the terms and conditions of the policy. Third party legal liabilities for collision arising out of insured’s operation may also be covered.

Terms, Conditions and Insured’s Obligations
This policy contains terms, conditions and obligations that must complied with. Failure of compliance will discharge Underwriters from all liability for claims arising from such failure of compliance. If a requirement/obligation cannot be complied with, an exception may be requested from Underwriters in writing along with the details for the exception. The Underwriter must specifically agree in writing to any deviations to the policy.

Deductible(s)
Section 1: Each deployment is subject to a deductible of USD $25,000 any one accident or occurrence.

Section 2: Actual physical loss or damage while in transit or storage is subject to a deductible of USD $10,000 any one accident or occurrence.

Section 3 & 4: Varies by type of coverage. Insurance and Risk Management Services will provide additional information regarding the specific deductibles upon request.

All deployments requiring physical damage coverage must be agreed and declared prior to deployment; otherwise, no coverage is given. Any exceptions to the Terms, Conditions or Insured’s Obligations must be agreed to by Underwriters pre-deployment. All deductibles to apply in the event of a Total Loss.

The transit insurance on this policy applies to ALL modes of transportation, including vessel, air, rail and ground transport. The mode of transportation needs to declared on the Subsea/Over the Side Registration Form.

In the event the transit insurance is NOT purchased and the transit is via water on a vessel or barge, it must be registered via the ocean cargo registration. Please contact Insurance and Risk Management Services for clarification, if needed.
### Examples

**Example #1:** One (1) Glider valued at $120,000  
Equipment onboard for glider operations valued at $130,000  
Start Date: 5/16/2020  
End Date: 6/21/2020  
Days at Risk: 37  
Transit Days: 6 (3 days each way)

<table>
<thead>
<tr>
<th>Item</th>
<th>Calculation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submersible</td>
<td>$120,000 x 25% = $30,000 annually</td>
<td>$3,041.09</td>
</tr>
<tr>
<td></td>
<td>$30,000 / 365 days = $82.1917</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$82.1917 x 37 days = $3,041.09</td>
<td></td>
</tr>
<tr>
<td>Other Equipment</td>
<td>$130,000 x 14% = $18,200 annually</td>
<td>$1,844.93</td>
</tr>
<tr>
<td></td>
<td>$18,200 / 365 days = $49.863</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$49.863 x 37 days = $1,844.93</td>
<td></td>
</tr>
<tr>
<td>Transit</td>
<td>$250,000 x 5% = $12,500 annually</td>
<td>$205.48</td>
</tr>
<tr>
<td></td>
<td>$12,500/365 days = $34.2465</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$34.2465 x 6 days = $205.48</td>
<td></td>
</tr>
<tr>
<td><strong>Total Charge:</strong></td>
<td></td>
<td>$5,091.50</td>
</tr>
</tbody>
</table>

**Example #2:** One (1) Glider valued at $120,000  
Equipment onboard for glider operations valued at $130,000  
Start Date: 5/16/2020  
End Date: 5/19/2020  
Days at Risk: 4  
Transit Days: 2 (1 day each way)

<table>
<thead>
<tr>
<th>Item</th>
<th>Calculation</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submersible</td>
<td>$120,000 x 25% = $30,000 annually</td>
<td>$328.77</td>
</tr>
<tr>
<td></td>
<td>$30,000 / 365 days = $82.1917</td>
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<td></td>
<td>$82.1917 x 4 days = $328.77</td>
<td></td>
</tr>
<tr>
<td>Other Equipment</td>
<td>$130,000 x 14% = $18,200 annually</td>
<td>$199.45</td>
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<td></td>
<td>$18,200 / 365 days = $49.863</td>
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</tr>
<tr>
<td></td>
<td>$49.863 x 4 days = $199.45</td>
<td></td>
</tr>
<tr>
<td>Transit</td>
<td>$250,000 x 5% = $12,500 annually</td>
<td>$68.49</td>
</tr>
<tr>
<td></td>
<td>$12,500/365 days = $34.2465</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$34.2465 x 2 days = $68.49</td>
<td></td>
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<tr>
<td><strong>Total Charge:</strong></td>
<td></td>
<td>$596.71</td>
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</tbody>
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***Minimum Premium: $2,000.00***
Quote: Over the Side

Insurance and Risk Management Services
3015 SW Western Boulevard
Corvallis, OR 97333
risk@oregonstate.edu

PREPARED FOR
Principal Investigator
104 CEOAS Admin Bldg
Corvallis, OR 97331

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>CATEGORY</th>
<th>VALUE</th>
<th>START DATE</th>
<th>END DATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underwater glider</td>
<td>SUBMERSIBLE</td>
<td>$180,000.00</td>
<td>2/2/2020</td>
<td>3/10/2020</td>
<td>$4,684.93</td>
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*TOTAL: $4,684.93

*Subject to a $2,000 minimum premium per deployment

To purchase this insurance please sign, date and confirm the index number to which the premium should be charged. Please also send a copy to your Business Center Finance/Accounting contact.

Authorizing Signature: __________________________
Date: __________________________
Index Number: __________________________

If you have any questions about this quote, please contact Insurance and Risk Management Services at 541-737-7252 or risk@oregonstate.edu.

As a reminder, please thoroughly review the Marine & Offshore Equipment Terms and Conditions to ensure compliance with policy terms, obligations, and warranties. Please also share the Marine & Offshore Equipment Terms and Conditions with any others who may responsible for the equipment (i.e. other PIs, postdocs, technicians, captain, third parties, equipment pilots, etc.).
# Subsea/Over the Side Claim Form

Claims should be reported to Insurance and Risk Management Services at risk@oregonstate.edu within 24 hours or as soon as practicable.

<table>
<thead>
<tr>
<th>Incident Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Incident:</td>
<td>Time of Incident:</td>
</tr>
<tr>
<td>Location:</td>
<td>GPS Coordinates:</td>
</tr>
<tr>
<td>Weather Conditions:</td>
<td></td>
</tr>
<tr>
<td>Description of Incident:</td>
<td></td>
</tr>
</tbody>
</table>

List any equipment lost or damaged and its value:

Describe any recovery efforts:

Describe any contributing factors to the loss or damage:

Were any costs/expenses incurred in effort to:
- [ ] Avert/minimize the physical loss or physical damage
- [ ] Search, rescue, or retrieve the insured equipment

Cost in USD:

<table>
<thead>
<tr>
<th>Contact Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Investigator Name:</td>
<td></td>
</tr>
<tr>
<td>Principal Investigator Dept:</td>
<td></td>
</tr>
<tr>
<td>Email Address:</td>
<td>Phone Number:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Witness Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Witness Name:</td>
<td></td>
</tr>
<tr>
<td>Email Address:</td>
<td>Phone Number:</td>
</tr>
</tbody>
</table>

Version Date: 8/14/2020
Contact Information

Chana VanOrden
Risk Management & Insurance Specialist
risk@oregonstate.edu
(541) 737-1323

Aliesha Milligan
Claims Professional
aliesha.milligan@oregonstate.edu
(541) 737-7350

Christina McKnight, ARM-E, CRIS
Director
christina.mcknight@oregonstate.edu
(541) 737-4957

Katie Vorderstrasse
Assistant Director
katie.vorderstrasse@oregonstate.edu
(541) 737-9830

To learn more about how Insurance and Risk Management Services can help with your insurance needs, please contact any of the contacts listed above, email us at risk@oregonstate.edu, or visit our website at risk.oregonstate.edu.