

Unscrupulous shipowners have been trying to use the International Ship and Port Facilities Security Code as a cover for avoiding their insured responsibilities.

The trick has been exposed by mutual insurer International Transport Intermediaries Club (ITIC).

ITIC has sent out a strong warning to ship agents to be wary when asked to sign unusual **letters of indemnity**, through which shipowners were seeking to contract out of liability.

Owners often attempt to obtain this type of letter of indemnity from parties boarding the ship, such as surveyors, engineers, working gangs, students, cadets and even P&I personnel.

However, for this type of letters to be signed is not a requirement of the ISPS Code.

ITIC reported that one agent was approached by a shipowner who said that a letter of indemnity was a requirement of the code.

The document provided that the agent agreed not to claim against the owner, regardless of whether the owner was negligent, and agreed to indemnify and insure the owner against any claims and expenses resulting from the performance of services provided by the agent.

Fortunately, the agent referred the request to experts at ITIC and was advised to refuse to sign the letter.

Said an ITIC specialist: "The shipowners, under the guise of complying with the ISPS Code, attempted to contract out of its liabilities."