

# **WRECK REMOVAL CONVENTION ACT 2011**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Section 1: Wreck Removal Convention***

##### **Section 255P – Third parties’ rights against insurers**

34. This new section provides that a person who is entitled to recover costs from a shipowner under section 255G has the right of direct action against that shipowner’s wreck removal insurer.
35. The insurer is allowed to limit liability in the same manner and to the same extent as the shipowner, and claim defences which would be available to the shipowner. In addition the insurer may limit liability where the shipowner is not entitled to limit liability under the International Convention on Limitation of Liability for Maritime Claims (LLMC) 1976 and the 1996 Protocol (that is where the loss resulted from the shipowner's personal act or omission, committed with the intent to cause such loss, or recklessly and with the knowledge that such loss would probably result).
36. The insurer also has an additional defence if the incident was due to the wilful misconduct of the shipowner.
37. Similar provisions are contained in section 165 of the Act in relation to the International Convention on Civil Liability for Oil Pollution Damage 1992.