

## SEAFAR MEMBERSHIP

All SEAFAR members are required to be members of SEAFAR. General membership dues are \$200 plus \$25 for each of the four fishery Divisions (salmon, crab, shrimp and longline) for which a member holds a permit. SEAFAR is a non-profit Alaska corporation governed by a 12 member Board of Directors — 4 elected by the general membership and 2 from each of the fishery divisions. SEAFAR seeks to preserve, promote, protect and perpetuate the Southeast Alaska commercial fishing industry while promoting legislation, resource conservation, and at sea safety practices for the general welfare and benefit of the membership.

## FINANCIAL STATUS & REINSURANCE

SEAFAR is a non-stock association and is wholly owned by its members. SEAFAR is subject to Section 526 of the Internal Revenue Code and operates under the Revised Code of Washington, Title 48.01.50. To preserve member surplus, SEAFAR purchases a policy of re-insurance to limit any one or aggregate number of claims made against SEAFAR.

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1900 W Nickerson Suite 320  
Seattle, WA 98119  
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Email: [psvoca@psvoca.com](mailto:psvoca@psvoca.com) [www.psvoca.com](http://www.psvoca.com)

## IN WASHINGTON

1008 Fish Creek Rd  
Juneau, AK 99801  
(907) 465-7666 C (907) 523-1168 Fax  
Email: [seafa@gci.net](mailto:seafa@gci.net) [www.seafa.org](http://www.seafa.org)

## IN ALASKA

# SEAFAR



SEAFAR

# RESERVE

MARINE INSURANCE  
PROGRAM

TO APPLY, CALL OR CLICK  
907-586-6652 T  
907-523-1168 Fax  
[www.seafa.org](http://www.seafa.org)

## ORGANIZATION

The Southeast Alaska Fishermen's Alliance Reserve (SEAFAR) is an association of fishing vessel owners who are also members of the Southeast Alaska Fishermen's Alliance, Inc. (SEAFI). SEAFAR seeks to promote the safe operation and maintenance of vessels, provide for the adjustments of claims, and create a fund for the payments of losses or claims made by or against its members.

## MANAGEMENT

A nine member interim Board of Trustees passes upon all new applications and renewals. SEAFAR in consultation with Seine Management Services, Inc. (SMS) has the authority and responsibility to set contribution rates, adjust claims, invest funds, and establish all general policy guidelines.

## CHARACTER OF COVERAGE

SEAFAR can provide up to \$1 million in coverage for Hull, Protection & Indemnity, Net & Gear, Breach of Warranty and Pollution insurance. SEAFAR does not cover damages to vessel machinery otherwise covered under the inchmaree clause of a hull and machinery insurance policy. Higher limits and additional insurance coverages are available. There are no specific trading warranties for member vessels and operators. Rather, coverage can be extended to any fishery or area of operation approved by the Board of Trustees and identified in the Certificate of Insurance.

## METHOD OF PAYMENT

Annual payments are made in two equal installments — due April 1st and August 31st or other payment terms as set by the Manager. Payments by credit card will include the 2% transaction fee billed to SEAFAR.

## HULL OPERATIONS

For Hull insurance, members pay annual dues of 2.5% of the vessel value less a 1.0% credit for lay-up time. There is a \$3,500 deductible for hull claims. Single or dual outdrives are subject to an additional \$2,000 or \$4,500 deductible, respectively.

### EXAMPLE 1

Member A's vessel is valued at \$75,000. The vessel fishes 6 months per year. The first year's hull premium would be \$1,875

$$\$75,000 \times .025 = \$1,875$$

### EXAMPLE 2

In year two Member A's hull premium, taking into account the prior year's lay-up, would be \$1500

$$\begin{aligned} \$75,000 \times .025 \times .5 \text{ (6 mo fishing)} &= \$937 \\ \$75,000 \times .015 \times .5 \text{ (6 mo fishing)} &= \$563 \\ \text{Total second year Hull premium} &= \$1,500 \end{aligned}$$

### EXAMPLE 3

In year five, Member A's year one surplus is credited towards the year five premium. Assuming a surplus based on a 50% return of year one premium (.5 x \$1,875), Member A's year five premium would be \$563.

$$\begin{aligned} \text{Hull Premium} &= \$1,500 \\ \text{Surplus} &= \frac{<937}{2} \\ \text{Total fifth year Hull premium} &= \$563 \end{aligned}$$



## OPERATIONS P & I AND OTHER

For Protection & Indemnity (P&I) insurance coverages, members, who also have Hull coverage with SEAFAR, pay a varying rate depending on the number of crew and the amount of insurance requested. There is a \$2,500 deductible per P&I claim.

### BASE P&I

LIMIT	(Maximum 9 months of operation)
\$ 250,000	\$250
\$ 500,000	\$350
\$1,000,000	\$450

### CREW RATES

LIMIT	PER MAN/PER MO / 1/2 MO	
\$ 250,000	\$200	\$150
\$ 500,000	\$250	\$175
\$1,000,000	\$275	\$200

### EXAMPLE 4

Member A has 1 crew for a two month fall shrimp fishery, no crew for the summer salmon season and 1 crew for a 1 week longline trip. P&I coverage for \$500,000 would be \$1,025

Base Rate	\$350
Shrimp fishery	\$500
Salmon fishery	0
Longline	\$175
Total P&I premium	\$1,025

Members who do not have Hull insurance with SEAFAR will pay a varying P&I rate depending on the areas and months of operation.

### OTHER COVERAGES

BREACH OF WARRANTY	2%
<i>(Insures holder of vessel mortgage)</i>	
POLLUTION (\$250,000/\$500,000 limit)	\$125/\$250
NET & GEAR	1.0%