

Holdfast Marine Policies - for Hulls

Issued - 01/11/2004

SECTION A - INTRODUCTION AND PREAMBLE -

This Policy is based upon the details submitted to and accepted by John Holman & Sons Ltd and is subject to the payment of the Policy premium.

SECTION B - DEFINITIONS APPLICABLE TO THE POLICY CONTRACT; -

Agent - The Company or person as registered with the Financial Services Authority through whom the Assured may place this Policy with the Company.

Assured - The person(s) or corporation or society or association named in the Certificate whom have an insurable interest in the Vessel insured.

Assured Person - means any person on board the insured Vessel other than any person employed in any capacity whatsoever by any owner of the Vessel.

Bodily Injury - means identifiable physical injury arising solely and independently of any cause (other than illness directly resulting from or medical or surgical treatment rendered necessary by such injury) which occasions the death or disablement of the Insured Person within 12 months from the date of the accident.

Certificate - The pages attaching to and forming part of this policy which shows the Assured, Vessel, Navigation limits, Mooring location and type, Laid up dates (as applicable) and Policy endorsements which apply to the Policy contract. Such Certificate to be signed by an employee of the Company.

in Commission - The period when the Vessel is prepared and ready for the Assureds immediate use.

laid up out of Commission - The period when the Vessel is not prepared and shall not be used by the Assured, except for the purpose of storing ashore or marina berth or whilst undertaking customary maintenance in preparation for the next season's use (in Commission).

the Company - John Holman & Sons Ltd acting on behalf of the Underwriters who provide the security for this Policy.

Excess - The first amount of any claim which is payable by the Assured, Underwriters pay in excess of this amount.

Houseboat / Residential use - Where the Vessel is used as a permanent address or lived on board in excess of two consecutive weeks (in any one Policy period,) by the Assured or other persons with the Assureds permission. Houseboat use shall not include any time when the vessel is being used on a planned voyage or passage within the Navigation limits as specified in the Certificate.

Insured Property - As specified in the Certificate but including the Vessel, dinghy and or boat and or tender, liferaft, outboard motor(s), trailer and special equipment which would normally be sold with the Vessel, plus Personal Effects.

Loss of Limb - means loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle and includes total and irrecoverable loss of use of hand, arm or leg.

Permanent Total Disablement - means disablement which entirely prevents the Assured Person from attending to any business or occupation for which he is reasonably suited by training, education or experience and which lasts 12 months and at the expiry of that period is beyond hope of improvement.

Personal Effects - Personal possessions belonging to the Assured and or family and or passengers including sailing gear (wet weather and leisure wear) and equipment (binoculars, navigational aids, safety equipment, telescopes, etc.) that is not permanently kept onboard the Vessel, and would not be normally sold with the Vessel. Excluding perishable or consumable items of any nature, money, credit cards, jewellery, fishing gear, moorings and the like.

Private and pleasure use only - Where the Vessel shall only be used by the Assured for pleasure purposes and shall not be used for any Charter, Hire, Reward, Commercial or Business use, unless the Company agree otherwise in writing.

the Security for the contract - The Lloyds syndicate(s) or Company that provides the indemnity in the event of recoverable claims being made against this Policy.

Speedboat - Speedboat, for the purpose of **Section 3 clauses g) and h)** shall mean any Vessel having a maximum design speed exceeding 17 knots.

Sum Insured - The **Agreed Value** of the Insured Property, for the purpose of fixing the maximum amount payable in the event of loss or damage covered herein or the maximum amount payable in respect of third party liability claims.

Underwriters - The Lloyds syndicate(s) or Company that provide the security for the contract.

Vessel - Includes hull engines machinery equipment spars sails and rigging, such as would normally be sold with the Vessel if she changed hands.

1) **SECTION 1. LOSS OF OR DAMAGE TO VESSEL - SUBJECT TO SECTIONS A, B, 3, 4, 5 & 6.**

- a) This Insurance covers the Vessel insured against loss of or damage to the said Vessel caused by:
- i) perils of the seas rivers lakes or other navigable waters
 - ii) fire
 - iii) jettison
 - iv) piracy
 - v) collision or contact with any external object other than water
 - vi) earthquake volcanic eruption or lightning
 - vii) contact with satellites aircraft helicopters or similar objects or objects falling therefrom.
- b) This Insurance covers the Vessel insured against loss of or damage to the said Vessel caused by:
- i) accidents in loading, discharging or moving stores, gear, equipment, machinery or fuel.
 - ii) explosion
 - iii) malicious acts
 - iv) theft of the entire Vessel or equipment or her boat(s), or outboard motor(s)
 - v) latent defect in the hull or machinery, breakage of shafts or bursting of boilers, but excluding the cost of repairing, replacing or renewing the defective part
 - vi) the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out for the account of the Assured and or the Owners or in respect of the maintenance of the Vessel
 - vii) barratry of skipper and crew

provided always that such Loss or Damage has not resulted from want of due diligence by the Assured, Owners, Managers or Skipper of the Vessel.

- c) This insurance covers the expense of sighting the bottom after a stranding, if reasonably incurred specially for that purpose, even if no damage be found.
- d) Claims payable irrespective of percentage:
- i) but deductions new for old not exceeding one-third may be made at Underwriter's discretion in respect of loss or damage to protective covers, sails, standing and running rigging.
 - ii) but outboard motors limited to no more than market value at time of loss, whether or not insured by separate valuation under this Policy.
 - iii) In respect of specified items that are included in the Certificate without a value being given by the Assured in the proposal form, Underwriters liability shall not exceed the market value at the time of loss of the un-valued item(s).
- e) **EXCLUSIONS TO SECTION 1** - Provided always that Underwriters shall not be liable hereunder for claims in respect of:
- i) Wear and tear, depreciation and deterioration from use;
 - ii) Vessels boat(s) / tender(s) not permanently marked with the name of parent Vessel;
 - iii) Sails and protective covers split by the wind or blown away whilst set unless occasioned by the Vessel stranding or coming into collision or contact with any external object (ice included) other than water or in consequence of damage to the spars to which the sails are bent;
 - iv) Sails, masts, spars, standing or running rigging and blocks sustained whilst racing, unless caused by stranding, sinking, fire or collision, or contact with any external object (ice included) other than water;
 - v) Personal effects;
 - vi) Moorings, nets and fishing gear, or consumable stores;
 - vii) Motor and electrical machinery and batteries and their connections (other than the shaft and propeller) unless the loss or damage is caused by the accidental incursion of water into the Vessel or by the Vessel being stranded, sunk, burnt, on fire, in collision or contact with any external substance (ice included), other than water, or whilst being removed from or placed in the Vessel, or by theft of the entire Vessel, or by theft following upon forcible entry into the Vessel or store, or by theft of outboard motor provided it is securely locked to the Vessel or her boat(s) by an anti-theft device in addition to its normal method of attachment, or by fire in the store ashore, or by malicious acts.
 - viii) Any loss or expenditure incurred solely in remedying a fault in design or, in the event of damage resulting from faulty design and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment or alteration in design, or for the cost and expense of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction.
 - ix) Vessels boat(s) / tender(s) having a maximum design speed exceeding 17 knots, unless such boat is specially covered herein and subject also to the conditions of Speedboat clauses **Section 3 clause h**), or is on the parent Vessel or laid up ashore.
- f) **SECTION 1. LIABILITY LIMIT** - Provided further that Underwriters' liability under this **Section** shall not exceed:
- i) In the case of an Actual, Arranged or Constructive Total Loss, the sum appearing in the Certificate hereto as the **Sum Insured**;
 - ii) In the case of partial loss, the reasonable cost of repairing or reinstating the damaged or lost part of the Insured Property and necessary expenses in connection therewith.
 - iii) But in no case shall Underwriter's liability under this **Section** exceed the sum appearing in the Certificate hereto as the **Sum Insured** in respect of any one accident or series of accidents arising out of the same event, nor shall Underwriters be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the term covered by this Policy.

2) **SECTION 2. THIRD PARTY COVER - SUBJECT TO SECTIONS A, B, 3, 4, 5 & 6.**

- a) Against all claims made by Third Parties and law cost incurred, for which the Assured by reason of his interest in the insured Vessel may become legally liable and shall pay in respect of:
- i) Loss of life or personal injury; or hospital, medical or funeral expenses arising from accident on board or near the Vessel insured or any other vessel. Payments made on account of salvage, whether of life or property.
 - ii) Any attempted or actual raising, removal or destruction of the wreck of the insured Vessel or the cargo thereof, or any neglect or failure to raise, remove or destroy the same.
 - iii) Loss of or damage to any other vessel or goods merchandise, freight or other things or interests on board such other vessel.
 - iv) Damage to harbours, wharves, piers, stages jetties, docks, gridirons, slipways, pontoons and similar structures or other property.
- b) The provisions of this **Section** shall extend to any person, other than a person operating or employed by the operator of a shipyard, marina, repair yard, slipway, yacht club, sales agency or similar organisation, navigating or in charge of the insured Vessel with the permission of the Assured named in this Policy and who whilst so navigating or in charge of the insured Vessel shall in consequence of any occurrence enumerated in this **Section** become liable to pay and shall pay any sum or sums to any person or persons, other than to the Assured named in this Policy, but indemnity under this clause shall inure to the benefit of the Assured, and only to a person navigating or in charge of the Vessel as described above at the written request of and through the agency of the Assured. This extension shall be subject to the limitations of Underwriters' liability imposed by this **Section** and to all other warranties, terms, conditions and limitations of this Policy. This insurance also to pay the expenses, after deduction of the proceeds of salvage, not otherwise recoverable, of the removal of the wreck of the Vessel from any place owned, leased or occupied by the Assured.
- c) **EXCLUSIONS TO SECTION 2** - Provided always that Underwriters will not be liable for:
- i) Claims in respect of any property belonging to, or under the custody or control of the Assured, or the Assured's employees or agent, or members of the Assured's household or family.
 - ii) Claims howsoever arising in respect of accidents to or illness of workmen or any other persons employed in any capacity whatsoever by the Assured, or by any person to whom the protection of **Section 2** of this Policy is afforded, in on or about or in connection with the insured vessel or any work or repair thereto.
- d) **SECTION 2. LIABILITY LIMIT** - Provided further that under this **Section** Underwriters shall not be liable for more than the sum appearing in the Certificate hereto as the **Sum Insured** in respect of any one accident or series of accidents arising out of the same event, but Underwriters will pay in addition any legal expenses incurred with their written consent (including those incurred in connection with Board of Trade Inquiries and Coroners' Inquests).

3) **SECTION 3. - WARRANTIES, TERMS, CONDITIONS AND LIMITATIONS APPLYING TO THE WHOLE POLICY CONTRACT -**

- a) **LAW AND PRACTICE APPLICABLE TO THE CONTRACT** - This Policy shall be governed by English law and practice and shall be subject to the exclusive jurisdiction of English courts.
- b) **DUTY OF THE INSURED (SUE AND LABOUR) -**
- i) It is warranted that the Assured shall ensure that the Vessel is kept in good condition, is properly maintained and seaworthy whenever it is used.
 - ii) It is warranted that the Assured shall not allow the Vessel to be used for houseboat use or as a permanent residence.
 - iii) Warranted the Assured shall not allow the Vessel to be used for singlehanded voyages.
 - iv) The Assured shall use their best endeavours to avert and minimise any loss or damage that may be covered by this Policy.
 - v) This Policy excludes all loss or damage or liability or expense or cost directly attributable to the wilful misconduct or gross negligence or illegal act of the Assured. Further all benefit under the Policy shall be forfeited if any claim be in any respect fraudulent or intentionally exaggerated.
- c) **CHARTER HIRE REWARD COMMERCIAL OR BUSINESS USE** - No claim shall attach to this Policy if the Vessel is let out on charter or hire or for reward or used for commercial or business use or used for anything other than private pleasure purposes only unless specially agreed by endorsement of this Policy.
- d) **TOWAGE** - No claim shall attach to this Policy if the Vessel is towed, or undertakes towage or salvage services under a pre-arranged contract made by the Assured, Owners, Managers or Skipper, except as is customary or when in need of assistance, unless specially agreed by endorsement of this Policy.
- e) **MOORING WARRANTY AND NAVIGATION WARRANTY -**
- i) It is warranted that the Vessels permanent place of mooring/storage and type of mooring/storage shall be as specified in the Certificate.
 - ii) It is warranted that the Vessel shall be laid up as specified in the Certificate.
 - iii) It is warranted that the Vessel shall not navigate outside of the limits specified in the Certificate.
 - iv) The Company agree to Hold Covered in the event of an emergency situation that forces the Assured to breach iii) above subject to the payment of an additional premium warranted the Assured shall give immediate notification.
- f) **PARAMOUNT CLAUSES - THE FOLLOWING CLAUSES SHALL BE PARAMOUNT AND SHALL OVERRIDE ANYTHING CONTAINED IN THIS INSURANCE INCONSISTENT THEREWITH**
- i) **WAR & STRIKES EXCLUSION** - In no case shall this Policy cover loss damage liability or expense caused by:
 - (a) war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power;
 - (b) capture, seizure, arrest, restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat;
 - (c) derelict mines, torpedoes, bombs or other derelict weapons of war.
 - (d) Strikers, locked-out workmen, or other persons taking part in labour disturbances, riots, or civil commotions.
 - ii) **TERRORIST, POLITICAL MOTIVE AND MALICIOUS ACTS EXCLUSION** - In no case shall this Policy cover loss damage liability or expense arising from:
 - (a) any terrorist
 - (b) any person acting from a political motive
 - (c) the use of any weapon or the detonation of an explosive by any person acting maliciously or from a political motive.
 - iii) **RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION** - In no case shall this Policy cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
 - (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
 - (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
 - (c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes.
 - (e) any chemical, biological, bio-chemical or electromagnetic weapon.

- g) SPEED WARRANTY -**
- i) Warranted that the maximum designed speed of the insured Vessel or the parent Vessel in the case of a Vessel with boat(s) / tender(s) does not exceed 17 knots.
 - ii) Where Underwriters have agreed to delete this Warranty the conditions of the Speedboat Clauses **Section 3 clause h** shall also apply.
- h) SPEEDBOAT CLAUSES - WHERE THESE SPEEDBOAT CLAUSES APPLY THEY SHALL OVERRIDE ANY CONFLICTING PROVISIONS CONTAINED HEREIN.**
- i) It is a condition of these Clauses that when the Vessel concerned is under way the Assured named in the Policy or other competent person(s) shall be on board and in control of the Vessel.
 - ii) No claim shall be allowed in respect of:
 - (a) loss of or damage to the Vessel or liability to any third party or any salvage services:
 - a. caused by or arising from the Vessel being stranded, sunk, swamped, immersed or breaking adrift while left moored or anchored unattended off an exposed beach or shore;
 - b. arising while the Vessel is participating in racing or speed tests, or any trials in connection therewith;
 - (b) rudder, propeller, strut, shaft and their connections, unless loss or damage is caused by the Vessel being immersed as a result of heavy weather or is caused by the Vessel being stranded, sunk, burnt, on fire, or in collision with any other vessel, pier or jetty, or whilst being removed from or placed in the Vessel.
 - (c) any liability to or incurred by any person engaged in water ski-ing, riding on a knee board, riding on or in a ring, banana, or the like, or aquaplaning whilst being towed by the Vessel or preparing to be towed or after being towed until safely on board the Vessel.
 - (d) any liability to or incurred by any person engaged in a sport or activity, while being towed by the Vessel or preparing to be towed or after being towed until safely on board or ashore.
 - (e) If the Vessel is fitted with inboard machinery no liability shall attach to this Policy in respect of any claim caused by or arising through fire or explosion unless the Vessel is equipped in the engine room or engine space, and tank space, with a fire extinguishing system automatically operated or having controls at the steering position and properly installed and maintained in efficient working order. Manual fire extinguisher and fire blanket to be kept in the galley.
- i) AVERAGE CLAUSE -** This Policy is subject to the conditions of average, that is to say, if the property covered shall at the time of any loss be of greater value than the **Sum Insured** herein, the Assured shall only be entitled to recover hereunder such proportion of the said loss as the **Sum Insured** bears to the total value of the said Insured Property.
- j) THEFT PROVISIONS -**
- Theft of the Vessel or its equipment or outboard motor(s) or trailer shall only be covered under the following conditions;
- i) theft of the entire Vessel;
 - (a) when allowed to be afloat under the terms of the policy the Vessel shall be kept adequately secured to its mooring, in respect of Speedboats RIBs and Dayboats they shall additionally be locked to their mooring with Marine approved lock and chain.
 - (b) when ashore the Vessel shall be kept adequately secure and immobilised within;
 - a. Boatyard, Marina, or other locked and secured recognised compound or
 - b. the Insureds home address locked and secured,

in respect of Speedboats RIBs and Dayboats additionally out of sight of the main road and if on a trailer the trailer shall be immobilised by way of a ball hitch lock and a wheel clamp.
 - ii) theft of equipment following upon forcible and violent entry into;
 - (a) or removal from the Vessel
 - (b) place of storage,
 - iii) theft of outboard motor(s) following upon forcible and violent entry into;
 - (a) or removal from the Vessel
 - (b) place of storage,

provided the Assured provides to the Company full details of the outboard motor(s) and serial numbers and that the outboard motor(s) is / are securely locked to the Vessel or her boat(s) / tender(s) by an anti-theft device in addition to its normal method of attachment or is kept in a locked and secured building.
 - iv) theft of trailer following forcible and violent removal from place of storage, subject in addition to the trailer being immobilised by a ball hitch lock and a wheel clamp.
- k) EXCESS CLAUSE -** The Assured shall bear the amount specified as the excess in the Certificate hereto of every claim under this Policy in respect of each accident or series arising out of the same event, but claims in respect of Actual, Arranged or Constructive Total Loss of the Insured Property to be payable in full.
- l) NON-CONTRIBUTION CLAUSE -** This Policy does not cover any loss or damage, which at the time of happening of such loss or damage is insured by or would, but for the existence of this Policy, be insured by any existing Policy or Policies, except in respect of any excess beyond the amount which would have been payable under such Policy or Policies had this insurance not been effected.

m) COMMENCEMENT OF COVER AND CANCELLATION AND RETURNS CLAUSE –

The Policy attaches at 0001 hours on the attachment date shown in the Certificate, unless otherwise agreed in writing by the Company

This Policy may be cancelled;

- i) by the Assured within 14 days of receiving the Certificate and Policy (or within 14 days of the Policy renewal) subject to the full Policy documentation being returned to the Company, a pro rata time on risk premium will be charged subject to a minimum retained amount of £50 being kept by the Company on behalf of Underwriters, however there will be no return of premium where a Total Loss is paid within the terms and conditions of the Policy.
- ii) where the 14 day time limit has been exceeded by mutual agreement, when a pro rata daily net return of premium shall be made calculated on the premium charged for the in commission and or laid up period, less the administration fee as stated within the certificate, subject to a minimum retained amount of £50 being kept by the Company on behalf of Underwriters
- iii) by the Company at any time subject to 30 days notice to the Assured, when a pro rata daily net return of premium shall be made calculated on the premium charged for the in commission and or laid up period, less the administration fee as stated within the certificate, subject to a minimum retained amount of £50 being kept by the Company on behalf of Underwriters

however there will be no return of premium made where a claim has been made or intimated under the terms and conditions of the Policy.

n) CONTINUATION - Should the Vessel be cruising at the expiration of this Policy or be in distress or at a port or place of refuge or call, she shall, provided prompt notice be given to Company, be held covered at a premium to be arranged until anchored or moored at her next port of call in good safety.

o) SALE OR TRANSFER AND ASSIGNMENT -

- i) Should the Vessel herein insured be sold or transferred to new ownership, then unless the Company agree in writing to such sale or transfer, this Policy shall thereupon become cancelled from the date of sale or transfer, and a return of premium shall be made for the unexpired period. If, however, the Vessel shall have left her moorings or be at sea the time of sale or transfer, such cancellation shall be suspended, if required by the Assured, until arrival at port or place of destination.
- ii) It is agreed that no assignment of or interest on this Policy or in any moneys which may be or may become payable thereunder is to be binding on or recognised by the Company unless a dated notice of such assignment or interest signed by the Assured and (in the case of subsequent assignment) by assignor be endorsed on the Policy and the Policy with such endorsement be produced before payment of any claim or return of premium thereunder.
- iii) But nothing in this clause is to have effect as an agreement by the Company to a sale of transfer to new management.
- iv) This clause shall prevail, notwithstanding any provision whether written, typed or printed in the Policy inconsistent herewith.

p) ALTERATION IN RISK – The Company must be advised as soon as possible of any circumstances which may in any way increase the risk insured herein.

q) SISTER SHIP CLAUSE -

Should the insured Vessel come into collision with or receive salvage services from another Vessel belonging wholly or in part to the Assured, or under the same management, the Assured shall have the same rights under this Policy as he would have were the other Vessel entirely the property of Owners not interested in the insured Vessel; but in such cases the liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Company and the Assured.

r) DATE RECOGNITION CLAUSE –

It is understood and agreed that in no case shall this Policy cover loss or damage to any item of equipment where such loss or damage is due to the item (or the relevant part of the item) not recognising the date correctly. However subsequent loss or damage which is otherwise included in the Policy shall be covered.

s) CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999 –

A person or company who is not a party to this Policy has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any terms of this Policy, but this does not affect any right or remedy of a third party which exists or is available apart from the Act.

t) NO CLAIMS BONUS CLAUSE (Not applicable to Vessels valued at over £250,000)

- i) In the event of this Policy having been in force for 12 months, including a commission period of not less than 4 months, and no claim having arisen during the currency thereof, a bonus of 5% will be allowed off the renewal premium, if renewal on the same conditions for a further 12 months, including a period of not less than 4 months in commission, is effected with the same Company subscribing thereto, there being no obligation on the Company to renew.
- ii) After 2 years without claim the bonus shall be 10%.
- iii) After 3 years without claim the bonus shall be 15%.
- v) After 4 or more years without claim the bonus shall be 20%.
- vi) Solely at the Companies discretion an NCB may be allowed either as an introduction where there have not been previous claims or where there is a transferable NCB earned with another Insurer.

4) **SECTION 4. - ADDITIONAL COVERS INCLUDED AUTOMATICALLY - SUBJECT TO SECTIONS A, B, 1, 2, 3, 5 & 6.**

- a) **MEDICAL EXPENSES CLAUSE** - It is hereby agreed that this Policy is extended to cover any Doctor's or Surgeon's Fees (limited to £1000 any one event) for attendance upon the Assured and or his family and or any non-fare paying passengers on board the vessel as the direct result of personal injuries caused by violent accidental external and visible means, sustained as the direct result of the insured Vessel sinking or being in collision with another vessel or in contact with any external object other than water.
- b) **POLLUTION HAZARD CLAUSE** - Subject to the terms and conditions of this Policy, this insurance covers loss of or damage to the Vessel directly caused by any governmental authority acting under the powers vested in them to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the Vessel for which the Underwriters are liable under this Policy, provided such act of governmental authority has not resulted from want of due diligence by the Assured, the owners, or managers of the Vessel or any of them to prevent or mitigate such hazard or threat. Managers, Skippers, Masters, officers, crew or pilots not to be considered owners within the meaning of this clause should they hold shares in the Vessel.
- c) **SUE AND LABOUR, SALVAGE AND OTHER EXPENSES -**
 - i) In case of misfortune to the insured Vessel it shall be lawful to the Assured or the Assured's factors and servants to sue, labour and travel for, in and about the protection or safeguard of the insured Vessel, without prejudice to this Policy, and Underwriters shall be liable for all reasonable charges thereof including the cost of towing or removing the Vessel to a place of safety necessarily so incurred and Salvage Charges, provided that the Assured Forwards at once to their Agent the, full particulars of the accident.
 - ii) It is especially declared and agreed that no acts of Underwriters or the Assured in recovering, saving or preserving the Vessel insured shall be considered as a waiver of acceptance of abandonment.
- d) **TRANSIT (only applicable to vessels of 30 feet in length and under unless specially agreed by Underwriters)**
 - i) This Policy is extended to cover the insured Vessel while in transit by rail provided it is accompanied or by road, but Underwriters shall not be liable for claims in respect of scratching, bruising, denting, repainting or revarnishing or claims made by third parties however arising.
 - ii) Loss of or damage to the trailer is only covered in accordance with the provisions of **Section 1** so far as applicable and only provided it appears specifically in the Certificate attaching hereto.

For Vessels over 30 feet in length and or for transits by sea please refer to the Company (via your Agent) who will under most circumstance provide a quotation for separate cover.

5) **SECTION 5. ENDORSEMENTS - (APPLICABLE ONLY WHERE SHOWN ON THE CERTIFICATE) - SUBJECT TO SECTIONS A, B, 1, 2, 3, 4 & 6.**

a) **ALL RISKS EXTENSION CLAUSE -**

Cover under **SECTIONS 1) a) and b)** is extended to cover the Vessel against All Risks of accidental physical loss or damage

provided always that such Loss or Damage has not resulted from want of due diligence by the Assured, Owners, Managers or Skipper of the vessel.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

b) **WATER SKIERS LIABILITIES CLAUSE -**

i) Where a sum insured is shown in the Certificate against "Limit of Liability to and of water skiers" the following clause shall apply, and shall override Speedboat Clause **Section 3 clause h)ii)(c) and h)ii)(d)**:

ii) This Policy extends to include any legal liability to or incurred by any person engaged in water ski-ing whilst being towed by the vessel or preparing to be towed or after being towed until safely on board the Vessel, in the event of:

(a) Accidental death of or bodily injury to any person.

(b) Accidental loss of or damage to property.

iii) **EXCLUSIONS to WATER SKIERS LIABILITIES CLAUSES** provided always that Underwriters shall not be liable in respect of:

(a) Any accident to any person employed in any capacity whatsoever in connection with the Vessel by, or under contract to, the Assured or any other person included hereon,

(b) claims arising whilst anyone included hereon is operating for hire or reward,

(c) loss or damage to property owned by or under the control of anyone included hereon,

(d) claims recoverable under any other policy of insurance.

(e) persons riding on or in a ring, banana, sled, aquaplaning or the like.

iv) **WATER SKIERS LIABILITIES CLAUSES LIABILITY LIMIT** - Provided further that under these Clauses Underwriters shall not be liable for more than the sum appearing in the Certificate hereto in respect of any one accident or series of accidents arising out of the same event, but Underwriters will in addition pay any legal expenses incurred with their written consent.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

c) **PERSONAL EFFECTS CLAUSE -**

i) Where a sum insured is shown for Personal Effects in the Certificate attaching to this policy it is hereby agreed that this Policy is extended to cover the Personal Effects other than jewellery and furs of the Assured and/or the Assured's family against all risk of whatsoever nature, while on board or used in connection with the insured vessel, including whilst in transit from the Assured's place of residence to the insured Vessel and until return thereto,

but excluding claims arising from:

(a) Wear, tear, gradual deterioration and mechanical derangement.

(b) Moth, vermin, damp, mould and mildew.

(c) Breakage of articles of a brittle nature, unless caused by the Vessel stranding, sinking, being on fire or in collision or caused by stress of weather or by theft following forcible entry.

(d) Loss of cash, Currency, Bank Notes, or Travellers Cheques.

(e) Loss of Water-skis or diving equipment, unless as a result of fire, or theft following forcible entry, or total loss of the vessel.

ii) Total value to be insured as shown in the Certificate hereto (Any single article valued at £350 or more to be specially declared).

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

d) RACING RISK EXTENSION CLAUSE -

Where a replacement value for masts, spars, sails, and rigging is shown in the Certificate attaching to this Policy and in consideration of the payment of an additional premium included in the Premium shown in the Certificate hereto it is agreed that notwithstanding the provisions of exclusions **(iii)** and **(iv)** under **Section 1e)** of this policy:

- (a) The cost of replacing or repairing sails, masts, spars, standing and running rigging lost or damaged by an insured peril whilst the Vessel herein insured is racing shall be recoverable hereunder, to the extent of only two-thirds of such cost (without additional deduction of thirds new for old, or the application of any excess clause in this Policy), unless the loss or damage be caused by the Vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water when the cost of replacement or repair shall be recoverable in full, subject only to the deduction of thirds new for old in respect of sails, standing and running rigging, and to the application of any excess or deductible franchise clause in this Policy. Warranted that no additional insurance is or shall be placed covering any part of the cost of replacement or repair not recoverable under the foregoing paragraph.
- (b) Subject to the provision of the foregoing clause **d)(a)** Underwriters' liability arising out of any one occurrence whilst racing shall be calculated upon the basis that the full replacement costs of all sails carried whether set or not plus masts, spars, standing and running rigging shall not exceed the sum appearing in the Certificate attaching hereto. Where no limit is stated in the Certificate Underwriters liability shall not exceed 25% of the Total Sum Insured as stated in the Certificate attaching hereto.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

e) STRIKING SUBMERGED OBJECTS CLAUSE -

- i) Agreed to extend the Policy to cover underwater gear against the risks of striking a submerged or semi-submerged object other than water (including ice.)
- ii) In respect of outboard motors the policy is limited to a maximum any one claim per outboard motor of £5,000 or €7,300 or \$7,300 but not exceeding the actual market value of the outboard at time of loss, which ever is the lesser.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

f) MACHINERY DAMAGE EXTENSION CLAUSE - In consideration of an additional premium this Policy is extended to include loss or damage to motor and electrical machinery and batteries and connections caused by:

- i) latent defect in the hull or machinery, breakage of shafts or bursting of boilers, but excluding the cost of repairing, replacing or renewing the defective part
- ii) the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out for the account of the Assured, Owners, Managers or Skipper of the vessel or in respect of the maintenance of the Vessel
- iii) heavy weather

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

g) SINGLEHANDED SAILING EXTENSION CLAUSE

Subject to the payment of an additional premium it is noted and agreed that the Policy is extended to allow singlehanded sailing during day light hours only subject to the following warranties;

- i) Warranted the Vessel is fitted with adequate self steering equipment, details to be notified to the Company in writing.
- ii) Warranted the self steering equipment is maintained and kept in working order.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

h) HOUSEBOAT / RESIDENTIAL USE CLAUSE

Noted and agreed to extend the Policy to cover the vessel whilst it is used as a houseboat or for residential purposes.

- i) Warranted the Vessel is adequately locked and secured whenever it is unmanned.
- ii) **Theft cover is not available for high risk items** such as laptop computers, mobile phones, jewellery of any nature, high value watches, musical instruments of any kind, money, documents of value, paintings and or collections of any kind unless notified to and agreed in writing by the Company. Such notification to include where appropriate a valuation or receipt as proof of original purchase price.
- iii) Theft is only covered following forcible and violent entry into the Vessel or place of storage.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

i) MARINA MOORING CLAUSE - It is warranted the Vessels permanent place of mooring shall be in a purpose built recognised Marina.

j) MARINA BENEFITS CLAUSE - Noted and agreed that should loss or damage occur to the Vessel whilst moored on its permanent Marina berth or any other purpose built Marina berth, such claim shall be paid, where recoverable within the terms of the Policy, without application of the Excess. Further where a claim is paid the Assureds No Claims Bonus shall not be effected, unless a total loss or constructive total loss claim is paid (in such cases the NCB will revert to 0%.)

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

k) THIRD PARTY ONLY COVER CLAUSE - This Policy is restricted to Third Party Only Risks as set out in **Section 2** of the policy, **Sections 1** and **4** of the policy are deleted **with no cover** for physical damage to the Vessel, sue and labour, salvage or other expenses absolutely.

- l) THIRD PARTY AND OR MORTGAGEES INTEREST CLAUSE** - It is noted that a Third Party as noted in the Certificate acting as Mortgagee has an interest in the Vessel insured herein, where appropriate and in the event of Total or Constructive Total loss underwriters may at their discretion contact the Mortgagees to establish the amount and contract terms of any outstanding Mortgage. Any payments made to finalise such a claim may be made on the basis of the underlying Mortgage contract.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

- m) TOWING OF TOYS CLAUSE** - Section 2 of the policy is extended to include liability to and of passengers towed on Rings, Sleds, Biscuits and the like and shall override Speedboat Section 3 clause h)ii)(c) and h)ii)(d), subject to the following limitations;

- i) Limit of Indemnity £3,000,000
- ii) Warranted all manufacturers recommendations shall be complied with.
- iii) Warranted the maximum number of passengers towed shall not exceed 2 at any one time.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

- n) PERSONAL ACCIDENT CLAUSE** -

- i) **COVER** - This Policy will indemnify the insured person for bodily injury caused by an accident, or to the Executors or Administrators in the event of the death of the insured Person during the period of this Policy whilst on board or embarking onto or disembarking from the insured Vessel.

- ii) **SCHEDULE OF COMPENSATION** - Compensation shall not be payable under more than one of the items of this Schedule of Compensation in respect of the consequences of one accident to any one insured person.

- (a) The total sum payable under this Policy in respect of more than one accident to any one insured person shall not exceed £10,000.

- (b) **No more than six claims** may be made under this Policy during the period of the insurance. **CLAIMS** under section a), b), c), d), e), f) & g) shall only be considered when death or loss occurs within twelve months of the accident;

a) Death	£10,000
b) Total and irrecoverable loss of sight of both eyes	£10,000
c) Total and irrecoverable loss of sight of one eye	£10,000
d) Loss of one limb	£10,000
e) Loss of two limbs	£10,000
f) Total and irrecoverable loss of one limb	£10,000
g) Permanent Total Disablement (other than total and irrecoverable loss of sight of one or both eyes or loss of limb(s))	£10,000

- iii) **EXCLUSIONS** - This Policy does not cover death or disablement directly or indirectly arising out of or consequent upon or contributed by:

- (a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power
- (b) radioactive contamination
- (c) suicide or attempted suicide or intentional self injury or the insured person being in a state of insanity
- (d) deliberate exposure to exceptional danger (except in an attempt to save human life), or the Assured's own criminal act
- (e) illness or disease

- iv) **CLAIMS** -

- (a) Notice must be given to the Underwriters as soon as reasonably practicable of any accident which causes or may give rise to a claim within the meaning of this Policy.
- (b) The insured person must, as soon as possible, place himself under the care of a duly qualified medical practitioner.
- (c) It is a condition precedent to any liability hereunder to pay compensation to any insured person (or his representatives) that all medical records, notes and correspondence referring to the subject of a claim or a related pre-existing condition shall be made available on request to any medical adviser appointed by or on behalf of Underwriters and that such medical adviser and advisers shall, for the purpose of reviewing the claim, be allowed so often as may be deemed necessary to make examination of the person of the insured person.
- (d) Any fraud or concealment or deliberate mis-statement by an insured person if unknown to the Assured in relation to any matter affecting this insurance or in connection with the making of a claim under this insurance shall render this insurance null and void insofar as it relates to the insured person in question but any such fraud, mis-statement or concealment by or known to the Assured shall render the whole insurance null and void and all claims hereunder shall be forfeited.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

o) WAR AND STRIKES CLAUSE -

- i) In consideration of an additional premium to be paid this Policy is extended to cover;
- (a) war civil war revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
 - (b) capture seizure arrest restraint or detainment, arising from perils covered under (a) above, and the consequences thereof or any attempt thereat
 - (c) derelict mines torpedoes bombs or other derelict weapons of war
 - (d) strikers, locked-out workmen, or person taking part in labour disturbances, riots or civil commotions
 - (e) any terrorist or any person acting maliciously or from a political motive
 - (f) confiscation or expropriation

Provided that the cover under perils (a) through to (f) excepting clause (d) shall not apply before the vessel is launched or whilst is hauled out ashore.

ii) Detainment

In the event that the vessel shall have been the subject of capture seizure arrest restraint detainment confiscation or expropriation, and the assured shall thereby have lost the free use and disposal of the vessel for a continuous period of 12 month then for the purpose of ascertaining whether the vessel is a constructive total loss the assured shall be deemed to have been deprived of the possession of the vessel without any likelihood of recovery.

iii) Exclusions

This Policy excludes loss damage liability or expense arising from;

- (a) any detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, herein after called a nuclear weapon of war
- (b) the outbreak of war (whether there be a declaration of war or not) between any of the following counties;
 - a) United Kingdom
 - b) United States of America
 - c) France
 - d) the Russia Federation
 - e) the People's Republic of China
- (c) requisition either for title or use or pre-emption
- (d) capture seizure arrest restraint detainment confiscation or expropriation by or under the order of the government or any public or local authority of the country in which the vessel is owned or registered
- (e) arrest restraint detainment confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading regulations
- (f) the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause

iv) Termination

This clause when operative may be cancelled by the Company or the Assured giving 7 days notice (effective 7 days from midnight on the day that the notice was issued.) The Company agree however to reinstate this clause subject to agreement between the Company and the Assured prior to the expiry of such notice of cancellation as to new rate of premium and or conditions and or warranties.

Whether or not such notice of cancellation has been given this clause shall **Terminate Automatically**;

- (a) upon the occurrence of any hostile detonation of any nuclear weapon of war as defined above wheresoever or whensoever such detonation may occur and whether or not the vessel may be involved
- (b) upon the outbreak of war (whether there be a declaration of war or not) between any of the following counties;
 - a) United Kingdom
 - b) United States of America
 - c) France
 - d) the Russia Federation
 - e) the People's Republic of China
- (c) in the event of the vessel being requisitioned either for title or use
- (d) in the event of cancellation by notice or of automatic termination of this clause as described above, a pro-rata return premium shall be payable to the Assured.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

p) COMMERCIAL USE EXTENSION CLAUSE -

- i) Noted and agreed the Policy is extended to cover the Vessel whilst engaged specifically in one or more of the activities set out below:
 - (a) sightseeing and or passenger carrying and or water taxi work
 - (b) angling and or potting and or netting and or scalloping and or creeling and or hand dredging and the like
 - (c) diving
 - (d) work boat duties towage
 - (e) survey and or film work
 - (f) limited cargo carrying
 - (g) rescue work for club or association
 - (h) tuition and or instruction
 - (i) skipper charter
 - (j) bareboat charter

please note only those activities noted in the attaching Certificate under clause 5(p)i) are covered, all other activities are specifically excluded (excepting private and pleasure use which is automatically included.)

- ii) Warranted the Assured / Owner or the Assureds / Owners Professional Skipper shall be in charge of the Vessel at all times whilst the Vessel is in use.
- iii) Where the Vessel is used for bareboat charter it is warranted that a minimum of one of the charterers / skippers shall have a minimum of 5 years experience with similar Vessels and that charterer / skipper shall be in charge of the Vessel at all times whilst it is in use. The charterer / skipper shall ensure that the Vessel is adequately manned with suitably experienced crew.
- iv) Warranted MCA (where applicable) and all relevant local authority licences held and Department of the Environment code of practice is complied with.
- v) Warranted that no more than 12 passengers are on board the Vessel at any one time.
- vi) Subject to the following limitations and conditions;
 - (a) Where the Vessel is being used for passenger carrying, skipper charter and or bareboat charter the policy excludes liability to and of passengers belongings personal or otherwise, goods, equipment, baggage and the like howsoever occurring.
 - (b) Where the Vessel is being used for fishing the Policy excludes liability to and of any catch howsoever occurring.
 - (c) Where the Vessel is being used for diving the Policy excludes liability to and of divers and their equipment from time of leaving the Vessel until taken back on board, other than the Assureds legal liability to divers arising from contact with the Vessel or its equipment.
 - (d) Where the Vessel is used for survey and or film work the Policy excluded liability to and of any equipment carried on board for the purpose of the work undertaken.
 - (e) Where the vessel is being used for towage the Policy excludes liability to and of the towed Vessel, barge, lighter or like item howsoever occurring.
 - (f) Where the Vessel is being used for the carrying of cargo the Policy excludes liability to and of the cargo carried howsoever occurring.
 - (g) Where the Vessel is used for tuition use it is warranted that a suitably Qualified Instructor is on board the Vessel and in charge at all times whilst the Vessel is underway. Instructors to have a minimum of the RYA Instructors Qualification or 10 Years experience.

Subject to all other warranties, terms, conditions, limitations and clauses of this Policy.

6) SECTION 6. COMPLAINTS & CLAIM CONDITIONS – SUBJECT TO SECTIONS A, B, 1, 2, 3, 4 & 5.

- a) **COMPLAINTS** - Please refer below and to the clauses set out in the attaching Certificate for the appropriate procedure which should be followed:

- i) **000N&G**, or
- ii) **000LLOYDS**,

as applicable to your contract and as specified on the Certificate.

In the first instance refer your complaint to your insurance Agent.

If the complaint is not resolved to your satisfaction then refer in writing to the Complaints Officer at John Holman & Sons Limited who will review your complaint.

Following this procedure you may then involve the Underwriter in the resolution of the complaint, their procedure is set out in the Certificate under the Clauses listed above.

If this line fails to resolve the complaint to your satisfaction you may then refer to the Financial Services Ombudsman their details are;

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Tel: 0845 0801800 or email: enquiries@financial-ombudsmen.org.uk

You may contact the FOS at any stage of your complaint.

Nothing in the procedure above amends or changes your rights at law.

- b) **ADVICE OF CLAIMS** -

- i) In the event of any occurrence whereby loss or damage may result in a claim under the Policy notice shall be given as soon as possible, prior to survey, to the Company or their Agent or if abroad to the nearest Lloyd's Agency, so that they may appoint their own Surveyor if they so desire. The Company shall be entitled to decide the port to which a damaged vessel shall proceed for docking or repairing (the actual additional expense of the voyage arising from compliance with Underwriter's requirements being refunded to the Assured), and the Company shall also have the right of veto in connection with the place of repair or repairing firm proposed and, whenever the extent of the damage is ascertainable, the Company may take or may require to be taken tenders for the repair of such damage. The Assured shall also give full information in writing as to circumstances of the accident, and of all claims made, with names and addresses of claimants and all witnesses of the accident, as soon as possible after the occurrence of the accident, or the receipt of claim or notice of claim.
- ii) Any theft or malicious damage must be reported promptly to the Police.

- c) **CONDUCT OF CLAIMS** -

- i) No liability of any sort shall be admitted, nor legal expenses incurred nor any offer, promise or payment made to claimants without the written consent of the Company, who shall be entitled if they so desire to take over and conduct in the name of the Assured the defence of any action, or to prosecute any claim for indemnity or damages, or otherwise, against any third party.
- ii) The assured also undertakes to send to Company or their Agent as soon as possible, all claims, letters, summons, writs, etc., relating to any accident addressed to the Assured or the Assured's servants by Authorities or by third parties.

- d) **OPTION TO UNDERWRITERS TO REINSTATE OR REPLACE** -

- i) The Company and or Underwriters shall have the option of reinstating or replacing any part or the whole of the insured property damaged or destroyed instead of paying the amount of the loss or damage in money, or may join with other Insurers in so doing.
- ii) Reinstatement as nearly as reasonably practicable to be deemed sufficient notwithstanding that the former appearance and condition of the property may not be precisely restored.
- iii) If the Company and or Underwriters elect to reinstate or replace, the Assured shall furnish to them when required all such plans, specifications and information as may be deemed necessary or expedient for the purpose.

- e) **CONSTRUCTIVE TOTAL LOSS** -

- i) In ascertaining whether the Vessel is a Constructive Total Loss, the **Sum Insured** value shall be taken as the repaired value and nothing in respect of the damage or break-up of the Vessel or wreck shall be taken into account.
- ii) No claim for Constructive Total Loss based upon the cost of recovery and/or repair of the Vessel shall be recoverable hereunder unless such cost would exceed the **Sum Insured**.
- iii) Payments made in respect of a Constructive Total loss shall take into account the value of what remains of the Vessel such value shall be deducted from any payment made to the Assured.

- f) **PERFORMANCE OF THE POLICY** -

The Policy shall be deemed to have fully performed when a Total Loss whether Actual, Arranged or Constructive has occurred in such cases the policy will cease immediately that such occurrence has happened or where a Constructive Total Loss is agreed. There shall be no return of any of the premium levied under this Policy to the Assured where such loss as defined above has occurred. Nothing in this policy shall extend Underwriters liability beyond the limits stated in the Certificate.

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