

# Marine Combined

## Policy document

### UCRC Policy Notes

This is an edited version of the policy, showing only active sections, which are:

Section G - Public and Products Liability  
Section H - Marine Hull Material Damage

For Section G, the following Endorsement applies:

5 Member to Member Extension

If you are a club member and require further information, please email the club.

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# Section G – Public and Products Liability

## Sub-section 1 Public Liability

The Insurer agrees to indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as compensation for:

- a) accidental death of or accidental Personal Injury to any person other than an Employee where such death or Personal Injury arises out of and in the course of the employment
- b) accidental loss of or accidental damage to material property
- c) accidental obstruction, accidental trespass, accidental nuisance, accidental interference with pedestrian, road, rail, air or waterborne traffic, accidental invasion of the right of privacy excluding any liability arising under Regulation (EU) 2016/679 (General Data Protection Regulation) or Data Protection Act 2018, or accidental interference with any right of air, light, water or way
- d) unlawful detention, imprisonment or arrest

occurring during the Period of Insurance within the Territorial Limits in connection with the Business of the Insured.

The liability of the Insurer under this Sub-section for all compensation payable by the Insured to any claimant or number of claimants in respect of any one occurrence or all occurrences of a series arising out of one original cause shall not exceed the Limit(s) of Indemnity.

## Exclusions applicable to Sub-section 1

The indemnity granted by this Sub-section shall not apply to or include:

- 1 liability arising from the ownership or possession or use by or on behalf of the Insured of any mechanically propelled vehicle or mobile plant
  - a) which is licensed for road use; or
  - b) for which compulsory motor insurance or security is required; or
  - c) which is more specifically insured

Provided always that this Exclusion shall not apply in respect of:

- i) liability not more specifically insured under any other policy arising during the act of loading or unloading mechanically propelled vehicles or mobile plant or the bringing to or the taking away of a load from such vehicle or such plant
- ii) the use of any mechanically propelled vehicle or mobile plant solely as a tool of trade unless more specifically insured or unless compulsory motor insurance or security is required

- iii) the unauthorised movement on the Insured's premises or contract site of any mechanically propelled vehicle or mobile plant unless more specifically insured or unless compulsory motor insurance or security is required
- 2 liability arising from the ownership or possession or use by or on behalf of the Insured of craft designed to travel through air or space or hovercraft
- 3 liability arising from Products after they have ceased to be in the custody or control of the Insured other than food or beverages for consumption on the premises of the Insured or at any other premises where the Insured is carrying on the Business
- 4 loss of or damage to that part of any property upon which the Insured or any servant or agent of the Insured is or has been working where the loss or damage is the direct result of such work
- 5 loss of or damage to property belonging to the Insured or held in trust by or borrowed, rented, leased or hired for use by the Insured but this Exclusion shall not apply to:
  - a) the personal effects (including vehicles and their contents) of directors, employees and visitors
  - b) buildings or their contents temporarily occupied by the Insured for the purpose of carrying out work therein or thereon
  - c) premises (or fixtures and fittings therein) hired, rented, leased or lent to the Insured other than such loss or damage if liability is assumed by the Insured under a tenancy or other agreement and would not have attached in the absence of such agreement
- 6 liability arising out of any trial or demonstration of any Vessel whilst afloat unless Extension 16 is stated in the Schedule to be operative
- 7 liability arising out of the delivery of a customer's Vessel, under the Vessel's own power, unless stated in the Schedule
- 8 liability arising out of towage or shifting other than of another Vessel
- 9 liability arising out of the towage or shifting of any Vessel while afloat outside a radius of five miles of the Premises stated in the Schedule unless stated in the Schedule
- 10 liability for loss of or damage to any Vessel whilst being transported by road outside a radius of five miles of the Premises stated in the Schedule unless otherwise stated in the Schedule
- 11 liability for loss of or damage to any Vessel under construction, in the course of assembly, during fit-out or at any time prior to sale or handing over
- 12 liability arising from the ownership or possession or use by or on behalf of the Insured of any power operated lift, elevator, hoist, crane, or mechanically propelled vehicle or trailer attached thereto unless stated in the Schedule
- 13 liability arising out of any salvage operation including associated towage

- 14 liability for loss of or damage to any trailer or craft kept thereon left in the custody or control of the Insured unless such trailer is immobilised and securely locked with an anti-theft device in addition to the normal method of attachment
- 15 liability for loss of or damage to any outboard motor attached to craft in the custody or control of the Insured unless such outboard motor is securely locked with an anti-theft device in addition to the normal method of attachment
- 16 liability arising from any activity involving persons being pulled by any Vessel
- 17 the first amount stated in the Schedule as the excess of compensation payable for loss of or damage to material property in respect of any one occurrence or all occurrences of a series arising out of one original cause.
- 3 any Associated or Subsidiary Company of the Insured or Branch Office or Representative of the Insured with Power of Attorney domiciled elsewhere than in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- 4 exemplary, vindictive or punitive damages awarded by any Court of Law outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- 5 liability directly or indirectly caused by, contributed to by or arising out of any asbestos, asbestos fibres or any derivatives of asbestos including any product containing any asbestos fibres or derivatives
- 6 liability arising out of any actual (or alleged) unauthorised acts (including malicious acts) which results in access to, disruption of, or any failure of any computer or other equipment or component or system or item which processes, stores, transmits or receives Data.

This exclusion is not applicable to the indemnity provided by Extension 13 of this Section.

## Sub-section 2 Products Liability

- a) Accidental death of or accidental Personal Injury to any person other than an Employee where such death or Personal Injury arises out of and in the course of the employment
- b) accidental loss of or accidental damage to material property

occurring during the Period of Insurance within the Territorial Limits and caused by Products.

The liability of the Insurer under this Sub-section for all compensation payable by the Insured in respect of all such death or such Personal Injury and such loss of or such damage to such material property occurring during any one Period of Insurance shall not exceed the Limit(s) of Indemnity.

## Exclusions applicable to Sub-section 2

The indemnity granted by this Sub-section shall not apply to or include:

- 1 replacing, reinstating, rectifying, recalling or guaranteeing the performance of any Products
- 2 liability arising from any Products:
  - a) which at the time of the contract of sale or supply are knowingly
    - i) sold or supplied for use in craft designed to travel through air or space
    - ii) exported to the United States of America or Canada
  - b) in the custody or control of the Insured.

## Exclusions applicable to Section G

The indemnity granted by this Section shall not apply to or include:

- 1 liability in respect of liquidated damages or fines or penalties which attaches solely because of a contract or agreement
- 2 liability arising out of survey, inspection, condition report or valuation or professional advice given by the Insured for a fee or in circumstances where a fee would normally be charged

## Extensions applicable to Section G

### 1. Legal Costs

In addition to the indemnity provided by Sub-sections 1 and 2 of this Policy the Insurer will indemnify the Insured in respect of all legal costs awarded to any claimant or incurred in the defence of any claim that is contested by or with the consent of the Insurer.

Provided always that in the event of the Insurer exercising their right under the Discharge of Liability (Clause No. 1) to pay to the Insured in connection with any claim or series of claims the amount of the Limit(s) of Indemnity (after deduction of sums already paid as compensation in respect of such claim or claims or other relevant claims) or any lesser amount for which such claim or claims can be settled the Insurer relinquish the conduct and control of and be under no further liability in connection with such claim or claims then the Insurer's liability for such legal costs is limited to those costs and expenses incurred prior to the time of such payment.

### 2. Additional Benefit

The Insurer will pay the costs incurred with their consent for:

- a) representation at any Coroner's Inquest or Fatal Inquiry in respect of any death
- b) defending in any Court of Summary Jurisdiction any proceedings in respect of any act or omission causing or relating to any event

which may be the subject of indemnity under this Section.

### 3. Health and Safety at Work etc. Act 1974 – Legal Defence Costs

The Insurer will indemnify the Insured or at the request of the Insured any director or Employee of the Insured against legal costs and expenses incurred in the defence of any criminal proceedings brought for a breach of the Health and Safety at Work etc. Act 1974 or the Health & Safety at Work (Northern Ireland) Order 1978 or any regulations made thereunder committed or alleged to have been committed during the Period of Insurance and which relates to any event arising in the course of the Business involving Personal

Injury which is or may be the subject of indemnity under this Section including:

- a) costs of prosecution awarded against the Insured or any director or Employee of the Insured
- b) legal costs and expenses incurred with the consent of the Insurer in an appeal against conviction arising from such proceedings.

Provided always that the Insurer shall not be liable under this Extension for the payment of fines and penalties of any kind or the cost of appeal against improvement or prohibition notices.

#### **4. Food Safety Act – Legal Defence Costs**

The Insurer will indemnify the Insured or at the request of the Insured any director or Employee of the Insured against legal costs and expenses incurred in the defence of any criminal proceedings brought for a breach of Food Safety Act 1990 or any regulations thereunder committed or alleged to have been committed during the Period of Insurance including legal costs and expenses incurred with the consent of the Insurer in an appeal against conviction arising from such proceedings.

Provided always that:

- a) the criminal proceedings relate to an offence committed in the course of the Insured's Business and which relates to any event involving Personal Injury or loss of or damage to material property which is or may be the subject of indemnity under this Section
- b) this Extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- c) the Insurer shall not be liable under this Extension:
  - i) where the Insured, director or Employee is insured by any other policy of insurance
  - ii) where the criminal proceedings are in respect of any deliberate or intentional criminal act or omission of the Insured, director or Employee
  - iii) in respect of legal costs and expenses which the Insured, director or Employee may be ordered to pay by a court of Criminal Jurisdiction in respect of the deliberate or intentional criminal act or omission of the Insured, director or Employee
  - iv) in respect of fines or penalties
  - v) for the cost of any investigation or inquiry other than a solicitor's investigation restricted to criminal proceedings as above defined
- d) the Insured, director or Employee shall give to the Insurer immediate notice of any summons or other process served upon the Insured, director or Employee and of any event that may give rise to proceedings against the Insured, director or Employee.

#### **5. Personal Representatives**

In the event of the death of the Insured the indemnity provided by this Section shall apply to any personal representative of the Insured in respect of liability incurred by the Insured.

Provided always that such personal representatives shall as though he were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy.

#### **6. Indemnity to Directors and Employees**

In the event of any claim in respect of which the Insured named in the Schedule hereto would be entitled to receive indemnity under this Section being brought or made against:

- a) any director or Employee of the Insured
- b) any officer, member or Employee of the Insured's social, sports or welfare organisations or first aid, security, fire or ambulance services

the Insurer will indemnify such person if the Insured so requests against such claim and/or any costs, charges and expenses in respect thereof.

Provided always that:

- i) such person is not entitled to indemnity under any other insurance
- ii) such person shall as though he were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy
- iii) the Insurer shall not be liable under this Extension unless the Insurer has the sole conduct and control of all claims.

#### **7. Personal Liability Overseas**

At the request of the Insured this Section shall apply to the personal liability:

- a) of any director or Employee of the Insured or any member of the family of such director or Employee accompanying such director or Employee during temporary visits anywhere in the world in connection with the Business of the Insured
- b) of any member of Sports and Social Clubs operating in connection with the Business of the Insured engaged in club activities.

Provided always that:

- i) this Extension shall not apply to liability more specifically insured under any other insurance
- ii) any person indemnified under this Extension shall as though he were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy
- iii) the Insurer shall not be liable under this Extension unless the Insurer has the sole conduct and control of all claims.

#### **8. Indemnity to Principal**

In the event of any claim in respect of which the Insured would be entitled to receive indemnity under this Section being brought or made against any Public or Local Authority or other Principal the Insurer will indemnify the said Public or Local Authority or other Principal against such claim and/or any costs, charges and expenses in respect thereof.

Provided always that the Insurer shall not be liable under this Extension unless the Insurer has the sole conduct and control of all claims.

## 9. Libel and Slander

The indemnity provided by Sub-section 1 of this Section extends to indemnify the Insured in respect of legal liability to pay compensation and claimants costs and expenses in respect of claims made against the Insured during the Period of Insurance arising from any act of libel or slander committed or uttered in good faith by the Insured during the Period of Insurance in the course of the Business.

Provided always that:

- a) the indemnity granted by this Extension shall apply solely to the Insured's in-house and trade publications
- b) the liability of the Insurer under this Extension shall not exceed £250,000 in any one Period of Insurance.

## 10. Defective Premises Act 1972

The Insurer will indemnify the Insured against liability at law incurred by the Insured under Section 3 of the Defective Premises Act 1972 or Section 5 of the Defective Premises (Northern Ireland) Order 1975 in connection with premises which have been disposed of by the Insured.

Provided always that the Insurer shall not be liable under this Extension:

- a) for the cost of remedying any defect or alleged defect in the said premises
- b) in respect of liability more specifically insured under any other insurance.

## 11. Cross Liabilities

Where this Policy is issued in the joint names of more than one party it will indemnify each party in the same manner as if a separate Policy had been issued to each of them.

## 12. Contingent Motor Liability (Non-Owned Vehicles)

The Insurer will indemnify the Insured named in the Schedule and no other for the purpose of this Extension in respect of legal liability for accidental death of or accidental Personal Injury to any person and/or accidental loss of or accidental damage to property as within defined arising out of the use of any motor vehicle not the property of nor provided by the Insured and being used in connection with the Business.

Provided always that the Insurer shall not be liable under this Extension:

- a) in respect of loss of or damage to such vehicle or to goods conveyed therein or thereon
- b) for accidental death of or accidental Personal Injury to any person and/or accidental loss of or accidental damage to material property arising whilst such vehicle is being driven by the Insured or by any person who to the knowledge of the Insured or his representative does not hold a licence to drive such vehicle unless such person has held and is not disqualified from holding or obtaining such a licence
- c) in respect of liability more specifically insured under any other insurance
- d) in respect of liability arising outside Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

## 13. Data Protection

The Insurer will indemnify the Insured for legal costs and expenses incurred with the Insurer's prior consent, and all sums the Insured is required to pay as damages to an individual arising from proceedings brought against the Insured under:

- a) Sections 168 and 169 of the Data Protection Act 2018
- b) Article 82 of Regulation (EU) 2016/679 (General Data Protection Regulation).

Provided always that:

- i) the Insurer shall not be liable under this Extension for:
  - 1) fines, penalties, liquidated, punitive or exemplary damages
  - 2) the costs of notifying any person regarding loss of personal data
  - 3) the cost of replacing, reinstating, rectifying or erasing any personal data
  - 4) any deliberate or intentional criminal act or omission giving rise to any claim under this Extension committed by the Insured
- ii) the liability of the Insurer under this Extension shall not exceed £1,000,000 in any one Period of Insurance.

## 14. Court Attendance costs

In the event of any of the undermentioned persons attending court as a witness at the request of the Insurer in connection with a claim in respect of which the Insured is entitled to indemnity under this Section the Insurer will provide compensation to the Insured at the following rates per day for each day on which attendance is required:

- |   |      |
|---|------|
| a) any director or partner of the Insured | £250 |
| b) any employee                           | £100 |

## 15. Consumer Protection Act 1987 – Legal Defence costs

The Insurer will indemnify the Insured or at the request of the Insured any director or Employee of the Insured against legal costs and expenses incurred in the defence of any criminal proceedings brought for a breach of Part 11 of the Consumer Protection Act 1987 or any regulations made thereunder committed or alleged to have been committed during the Period of Insurance including legal costs and expenses incurred with the consent of the Insurer in an appeal against conviction arising from such proceedings.

Provided always that:

- a) the criminal proceedings relate to an offence committed in the course of the Insured's Business and which relates to any event involving Personal Injury or loss of or damage to material property which is or may be the subject of indemnity under this Section
- b) this Extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Isle of Man or the Channel Islands
- c) the Insurer shall not be liable under this Extension
  - i) where the Insured, director or Employee is insured by any other policy of insurance

- ii) where the criminal proceedings are in respect of any deliberate or intentional criminal act or omission of the Insured, director or Employee
  - iii) in respect of legal costs and expenses which the Insured, director or Employee may be ordered to pay by a court of Criminal Jurisdiction in respect of the deliberate or intentional criminal act or omission of the Insured, director or Employee
  - iv) in respect of fines or penalties
  - v) for the cost of any investigation or inquiry other than a solicitor's investigation restricted to criminal proceedings as above defined
  - vi) unless the Insurer has the sole conduct and control of all claims
- d) the Insured, director or Employee shall give to the Insurer immediate notice of any summons or other process served upon the Insured, director or Employee and of any event that may give rise to proceedings against the Insured, director or Employee.

**16. Trials or Demonstrations of any Customer's Vessel**  
Applicable only where stated in the Schedule.

The Insurer will indemnify the Insured under Sub-sections 1a) and 1b) in respect of liability arising from any Vessel owned by a customer whilst on a trial trip or demonstration.

Provided always that such trial trips or demonstrations are carried out:

- a) within a radius of ten miles of the Premises stated in the Schedule or any other premises where the Insured is carrying on the Business within the Territorial Limits
- b) at a speed not exceeding forty five knots
- c) for periods not exceeding four hours any one trial or demonstration
- d) on Vessels not exceeding the length limit stated in the Schedule.

Provided always that:

- i) this Extension are subject to the terms, limitations and conditions of the Policy insofar as they can apply
- ii) the total liability of the Insurer to pay compensation shall not exceed the limit(s) of Indemnity.

**17. Corporate Manslaughter and Corporate Homicide Act 2007**

The Insurer will indemnify the Insured in respect of legal costs and expenses incurred with the Insurer's prior written consent in connection with the defence of any criminal proceedings (including any appeal against conviction arising from any such proceedings) brought in respect of a charge and or investigations connected with a charge of corporate manslaughter or corporate homicide under the Corporate Manslaughter and Corporate Homicide Act 2007 or any equivalent legislation in the Channel Islands or the Isle of Man committed or alleged to have been committed during the Period of Insurance in the course of the Business and which relates to any event involving Personal Injury which is or may be the subject of indemnity under this Section.

Provided always that:

- a) the Insurer's liability under this Extension shall not exceed £5,000,000 in any one period of insurance or the limit of indemnity stated in the Schedule whichever is the lesser. This limit will form part of and not be in addition to the limit of indemnity stated in the Schedule
- b) this Extension shall apply only to proceedings brought in Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- c) the Insurer must consent in writing to the appointment of any solicitor or counsel who are to act for and on behalf of the Insured
- d) the Insured shall give to the Insurer immediate notice of any summons or other process served upon the Insured which may give rise to proceedings under this Extension
- e) in relation to any appeal counsel has advised there are strong prospects of such appeal succeeding
- f) the Insurer will be under no liability:
  - i) where the Insured has committed any deliberate or intentional criminal act giving rise to a corporate manslaughter or corporate homicide charge
  - ii) in respect of fines or penalties of any kind
  - iii) in respect of the defence of any criminal proceedings brought or in an appeal against conviction arising from such proceedings in respect of a breach of:
    - 1) the Health and Safety at Work etc. Act 1974 or the Health and Safety at Work Act (Northern Ireland) Order 1978 or any regulations made thereunder
    - 2) the Food Safety Act 1990 or any regulations made thereunder
    - 3) the Consumer Protection Act 1987 or any regulations made thereunder
  - iv) where indemnity for defence costs is available from any other source or is provided by any other insurance or where but for the existence of this Extension indemnity would have been provided by such other source or insurance
- g) where the Insurer has already indemnified the Insured in respect of legal costs or expenses incurred in the defence of any criminal proceedings arising out of the same cause or occurrence which gave rise to the charge of and or investigation connected with corporate manslaughter or corporate homicide under another section of this Policy the amount paid under that section will be taken into account in arriving at the Insurer's liability payable under this Extension.

**18. Environmental Clean Up Costs**

The Insurer will indemnify the Insured in respect of all sums including statutory debts that the Insured is legally liable to pay in respect of Clean Up Costs arising from environmental damage caused by Pollution or Contamination where such liability arises under an environmental directive, statute or statutory instrument.

Provided always that:

- a) liability arises from Pollution or Contamination caused by a sudden, identifiable, unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance. All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the same time such incident takes place
- b) the Insurer's liability under this Extension shall not exceed £1,000,000 for any one occurrence and in the aggregate in any one Period of Insurance and will be the maximum the Insurer will pay inclusive of all costs and expenses. This limit will form part of and not be in addition to the Limit of Indemnity stated in the Schedule
- c) immediate loss prevention or salvage action is taken and the appropriate authorities are notified
- d) the Insurer shall be under no liability:
  - i) in respect of Clean Up Costs for damage to the Insured's land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in the Insured's care, custody or control
  - ii) for damage connected with pre-existing contaminated property
  - iii) for damage caused by a succession of several events where such individual event would not warrant immediate action
  - iv) in respect of removal of any risk of an adverse effect on human health on the Insured's land, premises, watercourse or body of water whether owned, leased, hired, tenanted or otherwise in the Insured's care, custody or control
  - v) in respect of costs in achieving an improvement or alteration in the condition of the land, atmosphere or any watercourse or body of water beyond that required under any relevant and applicable law or statutory enactment at the time Remediation commences
  - vi) in respect of costs for prevention of imminent threat of environmental damage where such costs are incurred without there being Pollution or Contamination caused by a sudden, identifiable, unintended and unexpected incident
  - vii) for damage resulting from an alteration to subterranean stores of groundwater or to flow patterns
  - viii) in respect of costs for the reinstatement or reintroduction of flora or fauna
  - ix) for damage caused deliberately or intentionally by the Insured or where they have knowingly deviated from environmental protection rulings or where the Insured has knowingly omitted to inspect, maintain or perform necessary repairs to plant or machinery for which they are responsible
  - x) in respect of fines or penalties of any kind

- xi) for damage caused by the ownership or operation on behalf of the Insured of any mining operations or storage, treatment or disposal of waste or waste products other than caused by composting, purification or pre-treatment of waste water
- xii) for damage which is covered by a more specific insurance policy
- xiii) for damage caused by persons aware of the defectiveness or harmfulness of products they have placed on the market or works or other services they have performed
- xiv) for damage caused by disease in animals belonging to or kept or sold by the Insured.

### **19. Salvage sue and labour**

The Insurer will indemnify the Insured in respect of Salvage Charges, costs or expenses incurred in preventing or minimising a loss insured under this Policy in respect of Insured Vessels.

## **Definitions applicable to Section G**

### **1. Business**

In addition to the business stated in the schedule the following activities shall be included:

- a) maintenance of property and premises owned or occupied by the Insured
- b) the provision and management of canteen, social, sports and welfare organisations for the benefit of Employees of the Insured
- c) first aid, security, fire and ambulance services
- d) private work carried out within the Territorial Limits by an Employee of the Insured for any director or senior executive of the Insured
- e) participation in exhibitions within the Territorial Limits.

### **2. Personal Injury**

Personal injury shall mean bodily injury or disease.

### **3. Employee**

Employee shall mean any person under a contract of service or apprenticeship with the Insured which shall be deemed to include:

- a) any labour master or labour only subcontractor or persons supplied by any of them
- b) self-employed persons
- c) persons under work experience schemes
- d) any person hired or borrowed by the Insured from another employer

working for the Insured in connection with the business.

### **4. Territorial Limits**

Territorial Limits shall mean:

#### **Sub-section 1**

- a) Anywhere within the limits of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man
- b) manual and non-manual work carried out during temporary visits anywhere in the world (other than the United States of America or Canada); and



- c) non-manual work carried out during temporary visits to the United States of America or Canada.

## **Sub-section 2**

Anywhere in the world in respect of Products supplied in or from Great Britain, Northern Ireland, the Channel Islands or the Isle of Man.

## **5. Products**

Products shall mean any commodities or goods or any thing (including packaging, containers and labels) sold, supplied, hired out, constructed, erected, installed, treated, repaired, serviced, processed, stored, handled, transported or disposed of by or on behalf of the Insured or any structure constructed, erected or installed or contract work executed by or on behalf of the Insured in the course of the Business of the Insured.

## **6. Clean Up Costs**

Clean Up Costs shall mean:

- a) testing for or monitoring of Pollution or Contamination
- b) the costs of Remediation required by any Enforcing Authority to a standard reasonably achievable by the methods available at the time that such Remediation commences.

## **7. Remediation**

Remediation shall mean remedying the effects of Pollution or Contamination including primary, complementary and compensatory actions as specified in the Environmental Damage (Prevention and Remediation) Regulations 2009.

## **8. Enforcing Authority**

Enforcing authority shall mean any government or statutory authority or body implementing or enforcing environmental protection legislation within Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

## **9. Pollution or Contamination**

Pollution or contamination shall mean:

- a) all pollution or contamination of buildings or other structures or of water or land or the atmosphere; and
- b) all loss or damage or Personal Injury directly or indirectly caused by such pollution or contamination.

## **10. Vessel**

Vessel shall mean any watercraft including its hull, machinery, boats, gear, equipment and ship's tools as would normally be sold with it.

## **11. Seaworthy**

Seaworthy shall mean that the Vessel is constructed, fitted-out, manned and ready to be navigated in conditions which can reasonably be expected.

## **12. Salvage Charges**

Salvage Charges shall mean charges which apply in maritime law to compensate a third party in the event of a successful salvage due to a voluntary act by that third party independent of any contract.

## **13. Data**

Data shall mean data of any sort whatever, including without limitation tangible or intangible data, and any programs or software, bandwidth, cryptographic keys, databases, documents, domain names or network addresses or anything similar, files, interfaces, metadata, platforms, processing capability, storage media, transaction gateways, user credentials, websites, or any information whatever.

## **Clauses applicable to Section G**

### **1. Discharge of Liability**

The Insurer may at any time pay to the Insured in connection with any claim or series of claims the amount of the Limit(s) of Indemnity (after deduction of sums already paid as compensation in respect of such claim or claims or other relevant claims) or any lesser amount for which such claim or claims can be settled and upon such payment being made the Insurer relinquish the conduct and control of and be under no further liability in connection with such claim or claims other than the payment of costs and expenses incurred prior to the time of such payment.

### **2. Moorings Clause**

All moorings must be thoroughly examined at least once a year and a full record of such inspections prepared and made available on request.

### **3. Pollution Clause**

This Section excludes all liability in respect of Pollution or Contamination other than caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the Period of Insurance.

All Pollution or Contamination which arises out of one incident shall be deemed to have occurred at the time such incident takes place.

### **4. Surveys and Inspections Clause**

The Insurer may at any time through a duly authorised representative examine the premises, and the Insured shall be bound to give them every facility for so doing. In the event that such examination shall identify any defect or deficiency the Insurer shall notify the Insured of the particulars of such defect or deficiency and shall give the Insured a specified time in which to remedy the same.

### **5. Terms of Business Clause**

Any estimate, tender, indemnity, agreement, contract and acceptance whether verbal or in writing given, prepared or issued by the Insured shall incorporate or draw attention to the terms of business currently sponsored by the British Marine Federation or other such Terms of Business as may have been approved by the Insurer.

### **6. Terrorism Limitation Clause**

The limit of liability payable under this Section in respect of any claim against or by the Insured or series of claims against or by the Insured arising directly or indirectly from terrorism shall be £5,000,000.

For the purposes of this Provision 'Terrorism' means:

- a) any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:
  - i) involves violence against one or more persons
  - ii) involves damage to property
  - iii) endangers life other than that of the person committing the action
  - iv) creates a risk to health or safety of the public or a section of the public
  - v) is designed to interfere with or to disrupt an electronic system
- b) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) above.

In any action or suit or other proceedings where the Insurer alleges that by reason of this Exclusion cover is not provided under this Policy the burden of proving that cover is provided under this Policy will be upon the Insured.

#### **7. Use of Heat Clause**

It is a condition precedent to the liability of the Insurer under this Section that the following precautions are complied with on each occasion of the use or application of heat (as defined below) by or on behalf of the Insured taking place elsewhere than on the Insured's own premises.

For the purposes of this Clause the use or application of heat is defined as: the application of heat by means of electric oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers.

For cover to be effective:

- a) The area in the immediate vicinity of the work (including in the case of work carried out on one side of a hull, bulkhead, deck, floor, wall or partition, the opposite side of the hull, bulkhead, deck, floor, wall or partition) must be cleared of all loose combustible material; other combustible material must be covered by sand or overlapping sheets or screens of non-combustible material.
- b) At least two adequate and appropriate portable fire extinguishers, in proper working order, must be kept in the immediate area of the work being undertaken and used immediately smoke or smouldering or flames are detected.
- c) A fire safety check of the working area must be made approximately 60 minutes after the completion of each period of work and immediate steps taken to extinguish any smouldering or flames discovered.
- d) Blow lamps and blow torches must be filled in the open and must not be lit until immediately before use and must be extinguished immediately after use.

- e) A person must be appointed by the Insured to act as an observer to watch for signs of smoke or smouldering or flames.

Sub-paragraph e) does not apply to the application of heat by means of blow lamps, blow torches, hot air guns or hot air strippers.

#### **Use of asphalt, bitumen, tar, pitch or lead heaters**

The heating must be carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel must be placed on a non-combustible heat insulating base.

### **Endorsements**

Applicable only where stated in the Schedule.

#### **1. Annual Programme of Events Condition**

It is a condition of this Section that the Insured's annual programme of events be forwarded to the Insurer prior to each renewal.

#### **2. Bonfire and Firework Party Condition**

It is a condition precedent to all liability of the Insurer that the Insured:

- a) advises the Insurer of any bonfire or firework party organised by the Insured not less than 14 days before the event
- b) comply with all relevant statutory requirements, manufacturers' recommendations and other regulations relating to the use of fireworks, or any other pyrotechnics
- c) adheres to HSE guidelines for the organisers of bonfire and fireworks parties
- d) require any independent stall holder, exhibitor, contractor or supplier engaged at, or for the event to hold relevant third party liability insurance for the duration of said event and to obtain confirmation such insurance is in place.

The Insurer will not pay any claim where the Insured's failure to comply with these conditions caused or worsened the Insurer's liability.

#### **3. Buoyancy Aid Condition**

It is a condition precedent to the Insurer's liability that a buoyancy aid is worn by any person using a Vessel.

#### **4. Kill-cord Condition**

It is a condition precedent to the Insurer's liability that the kill-cord, if fitted to any Vessel, is used whilst the Vessel is in operation.

#### **5. Member to Member Extension**

The Insurer will indemnify any officer or member of the Insured in respect of their legal liability to any other officer or member arising out of their activities as a club member, but excluding any liability arising out of the use or navigation of any watercraft not covered under Section H.

Provided always that:

- a) such person is not entitled to indemnity under any other insurance
- b) such person shall as though they were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy

- c) the Insurer shall not be liable under this Extension unless the Insurer has the sole conduct and control of all claims.

**6. Rescue Craft Condition**

It is a condition precedent to the Insurer's liability that a rescue Vessel is on the water and in attendance at all times when any other Vessel is in use.

**7. Royal Yachting Association (RYA) and Adventure Activity Licensing Authority (AALA) Condition**

It is a condition precedent to the Insurer's liability that the Insured is RYA approved and licensed under the AALA regulations.

**8. Royal Yachting Association (RYA) Condition**

It is a condition precedent to the Insurer's liability that the Insured is RYA approved.

**9. Skipper Condition**

It is a condition precedent to the Insurer's liability a director or employee of the Insured with a minimum of 3 years experience of skippering a similar vessel on board and in charge whilst the Vessel is in use.

**10. Watercraft Exclusion**

This Section excludes liability arising from the ownership or use of any watercraft not insured under Section H.

# Section H – Marine Hull Material Damage

In the event of accidental loss or damage to the Vessel during the Period of Insurance within the Territorial Limits whilst being used for the Permitted Use the Insurer will pay to the Insured:

- a) in the event of a Total Loss or constructive Total Loss either the Agreed Value of the Vessel or provide a replacement Vessel of a similar age, size and type even if the appearance and condition of the Vessel is not the same
- b) in the event of loss of or damage to outboard motors and unspecified boats, the maximum amount payable shall be the market value of the item at the time of loss or damage.

Provided always that the Insurer shall pay no more than the Sum Insured indicated in the Schedule.

No deduction in respect of new material replacing old will be made except in respect of sails, protective covers, canopies and side screens, running rigging, batteries, outboard motors and unspecified boats or items identified as obsolete or for which parts or a replacement are no longer available or legally compliant.

The amount payable in respect of claims for unrepaired damage shall be the reduction in the market value of the Vessel at the time of the damage, but not exceeding the reasonable cost of repair or replacement. In no case shall the Insurer be liable for unrepaired damage in the event of a subsequent Total Loss.

## Definitions

### 1. Agreed Value

Agreed value shall mean the amount stated in the Schedule as the Sum Insured which represents the value of the Vessel as declared by the Insured and agreed by the Insurer.

### 2. In Commission

In commission shall mean when the Vessel is fitted out and ready for use.

### 3. Laid Up Out of Commission

Laid up out of commission shall mean when the Vessel is not fitted out or available for use.

### 4. Machinery

Machinery shall mean the Vessel's motors, electrical machinery, gear and equipment, batteries and their connections, (but not shaft and propeller).

### 5. Total Loss

Total loss shall mean when the Vessel is irretrievably lost or destroyed. A constructive Total Loss is when the cost of replacement or repair exceeds the Sum Insured.

### 6. Vessel

Vessel shall mean any watercraft as described in the Schedule including its hull, machinery, boats, gear, equipment and ship's tools such as would normally be sold with the craft including any additional items stated in the Schedule.

### 7. Salvage Charges

Salvage Charges shall mean charges which apply in maritime law to compensate a third party in the event of a successful salvage due to a voluntary act by that third party independent of any contract.

### 8. Seaworthy

Seaworthy shall mean that the Vessel is constructed, fitted-out, manned and ready to be navigated in conditions which can reasonably be expected.

### 9. Territorial Limits

Territorial limits shall mean the Territorial Limits stated in the Schedule.

### 10. Permitted Use

Permitted Use shall mean the Permitted Use stated in the Schedule.

## Exclusions applicable to Section H

Section H does not cover:

- a) the cost of replacing, repairing or renewing a defective part of the Vessel
- b) the cost of making good any defect in repair, maintenance or alteration work carried out for the account of the Insured resulting from either negligence or breach of contract
- c) the cost of remedying a fault or error in design or construction or attributable to betterment or alteration in design or construction
- d) theft of the entire Vessel or any trailer if not immobilised or fitted with an anti-theft device whilst left unattended
- e) theft of any outboard motor if not securely locked with an anti-theft device in addition to its normal method of attachment
- f) theft of machinery including outboard motors, gear and equipment not involving forcible entry into the Vessel or place of storage or following forcible removal of fixed gear and equipment from the exterior of the Vessel
- g) loss or damage arising from electrolysis or osmosis
- h) loss or damage arising from the failure, fault, short circuit or breakdown of Machinery
- i) loss or damage arising from frost damage to Machinery unless manufacturers recommendations have been complied with
- j) loss or damage to a jet drive or jet propulsion unit, as a result of ingestion of an underwater or floating object.
- k) loss or damage to Machinery as a result of gradual incursion of water into the Vessel unless following physical damage to the Vessel resulting from impact
- l) loss or damage to Machinery resulting from water gradually escaping from any fixed pipe appliance or pipe
- m) loss or damage in respect of fire or explosion where the Vessel is fitted with inboard machinery and the maximum design speed exceeds 20 m.p.h. or 17 knots unless it is equipped with automatic fire extinguishing apparatus in the engine compartment

- n) loss or damage to sails, protective covers, canopies and side screens split by the wind or blown away unless as a result of the Vessel stranding or being in contact with any external substance (including ice) other than water or as a result of damage to spars to which sails are bent
- o) loss or damage to consumable stores, the Vessel's own moorings or fishing gear, or cargo
- p) wear and tear, deterioration from use or gradual deterioration
- q) depreciation, or loss in value following repair
- r) the Vessel's boat not permanently marked with an identifiable mark
- s) loss or damage to the Vessel caused by or arising from the Vessel not being Seaworthy
- t) loss or damage to the Vessel whilst being transported as either marine or air cargo.

## Extensions applicable to Section H

### 1. Grounding

This insurance covers reasonable costs necessarily incurred in inspecting the Vessel following grounding even if no damage is found.

### 2. Pollution hazard

This insurance includes loss 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 Insurer is liable under this Section, provided such act of governmental authority has not resulted from want of due diligence by the Insured, the owners or managers of the Vessel or any of them to prevent or mitigate such hazard or threat. Masters, officers, crew or pilots will not be considered owners within the meaning of this Extension should they hold shares in the Vessel.

## Clauses applicable to Section H

### 1. Excess clause

The Insured has agreed to bear the first loss up to the amount stated in the Schedule in respect of each claim except in the case of Total Loss of the Vessel.

### 2. Sistership clause

Should the Vessel come into collision with or receive salvage services from another Vessel belonging wholly or in part to the Insured or under the same management, the Insured shall have the same rights under this Policy as the Insured would have were the other Vessel entirely the property of owners not interested in the 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 Insurer and the Insured.

## Endorsements

The following endorsements are applicable to Sections H where stated in the Schedule.

### 1. War extension

This Policy extends to include cover for loss, damage or expense caused by:

- a) war, civil war, conflict or commotion
- b) terrorism
- c) capture, seizure, arrest, restraint, detainment, confiscation, expropriation and the resulting consequences.

Provided always that this Policy does not cover:

- i) loss or damage arising from outbreak of war between any of the following:
  - United States of America
  - United Kingdom
  - France
  - the Russian Federation
  - the People's Republic of China
- ii) loss or damage whilst the Vessel is in the territorial waters of the countries listed on our War and Strikes Areas of Exclusion Notice
- iii) hostile detonation of an atomic or nuclear weapon
- iv) loss or damage whilst the Vessel is ashore.

### Cancellation

The Insurer may cancel this cover by giving 7 days notice. The Insured may cancel this cover by giving 7 days notice. The Insurer may re-instate the cover providing the Insurer and the Insured agree on a revised premium and the conditions of the cover offered.

### 2. Frost cover

This insurance includes loss or damage to the Vessel's machinery caused by frost, subject to all reasonable precautions being taken to safeguard the machinery.

### 3. Road transit

This insurance includes road, rail or transit on a 'roll-on, roll-off' vehicle ferry within the limits of Great Britain, Northern Ireland, the Channel Islands or the Isle of Man including loading and unloading but excluding scratching, bruising, denting and claims for repainting.

### 4. Machinery damage extension

This Insurance shall cover loss or damage to Machinery caused by:

- a) latent defects in the Machinery but excluding the cost of replacing or repairing a defective part
- b) 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 at the expense of the Insured or in respect of the maintenance of the Vessel.

Providing always that the Machinery is:

- i) regularly maintained within the original manufacturer's guidelines or an independent marine engineer
- ii) evidence of servicing and repair is verifiable and can be provided on request to the Insurer.

The Policy Excess is doubled in respect of this Extension.

#### **5. Strikes extension**

This Insurance shall cover loss, or damage or expense caused by:

- a) strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- b) any terrorist or any person acting from a political motive.

#### **6. Loss of income**

If during the currency of this Policy the Vessel becomes damaged under Section A so as to be unfit for normal charter usage, the Insurer agrees to indemnify the Insured for such loss of charter usage until the Vessel is repaired or replaced subject to the following indemnity limits not being exceeded

£1,000 loss of charter fees payable per week up to a maximum of £10,000 arising out of any one occurrence up to 10 weeks but excluding the first 14 days

Provided always that:

- a) no claim is to attach in respect of booking during which the loss occurs payments shall only be made under this clause in respect of proven bookings made in respect of the Vessel, which is the subject of the claim, prior to such loss or damage occurring
- b) the Insured shall take all responsible practicable steps to minimise the period in which the Vessel so lost or damaged is not available for hire and shall arrange repairs to the Vessel or replacement of the Vessel as soon as possible
- c) all vessels built, hired or chartered by the Insured following the accident or occurrence to be deemed replacement vessel
- d) in the event of the vessel being hired or chartered by the insured following a loss under this Extension the Insurer will indemnify the Insured for any additional costs incurred
- e) the Insurer has the sole conduct and control of all claims covered by this Extension.

#### **7. Loss of income following total loss**

If during the currency of this Insurance the within Insured Vessel becomes a Total Loss a sum not more than 10% of the Total Sum Insured will become payable in addition to the sum insured shown in the schedule.

#### **8. Skipper requirement**

It is a condition precedent to all liability of the Insurer that a director or employee of the Insured with a minimum of 3 years experience of skippering a similar vessel is on board and in charge whilst the Vessel is in use.

#### **9. Outboard retaining clamps**

Exclusion 5) is amended to read as follows:

This Policy excludes theft of any outboard motor if attached to the Vessel unless it is securely locked with a purpose manufactured anti-theft device which prevents retaining bolts/clamps being undone in addition to its normal method of attachment.

#### **10. Trailer wheel clamp**

Exclusion 4) is amended to read as follows:

This Policy excludes theft of the entire Vessel or any trailer if insured hereunder unless the trailer is fitted with and securely locked with a purpose manufactured wheel clamp whilst left unattended.

#### **11. Increased excess for underwater gear**

It is agreed that the excess is doubled in respect of claims for loss or damage to the Vessel's propulsion, stability and steering equipment that is under the water.

#### **12. Reduced excess**

It is agreed that the excess is reduced to £150 in respect of claims for loss or damage to any outboard motor or Vessel's boat.

#### **13. Trials and demonstrations**

This insurance includes trials or demonstrations to prospective purchasers within the Territorial Limits.

#### **14. Vessel security ashore**

It is a condition precedent to all liability of the Insurer that Vessels are kept ashore in a locked building or compound when not in use.

#### **15. Vessel laid up ashore**

It is a condition precedent to all liability of the Insurer that Vessels are laid up ashore when not in use.

#### **16. Crew repatriation, salary and personal effects**

The Insurer will indemnify the Insured in respect of claims arising from the Insured's interest in the Vessel in respect of:

- a) repatriation costs of the Vessel's crew up to a maximum of £5,000 per crew member
- b) up to two months salary of the Vessel's crew up to £6,000 anyone crew member
- c) personal effects of the Vessel's crew up to £1,000
- d) medical expenses of the Vessels crew of no greater than £1,000.

Provided always that:

- i) the aggregate indemnity any one period of insurance does not exceed £50,000
- ii) the Vessel is a Total Loss at the time of the claim
- iii) the crew member is employed by the Insured, on the Vessel, at the time of the Total Loss.

#### **17. Racing risks extension**

**Definition:**

##### **Sails and Rigging**

Sails and Rigging shall mean the Vessel's sails, masts and spars and standing and running rigging including fittings.

This insurance includes the replacement cost of the Sails and Rigging following loss or damage whilst the Vessel is racing.

Provided always that:

- a) loss or damage is covered by this Policy
- b) the value of the Sails and Rigging shall not exceed 50% of the Insured value of the Vessel or as stated in the Schedule
- c) no deduction in respect of new material replacing old will be made
- d) this Extension shall exclude one third of the value of the Sails and Rigging after deduction of the Policy Excess.

### **18. Indemnity to hirer – inland hire**

The Insurer will provide Indemnity to any person using any Vessel with the permission of the Insured, provided always that:

- a) such person is not entitled to indemnity under any other insurance
- b) such person shall as though they were the Insured observe, fulfil and be subject to the terms, limitations and conditions of this Policy.

### **Conditions applicable to this Extension:**

#### **1 Non-invalidating**

This Policy will not be prejudiced by the actions of any hirer or user of the Vessel providing this has occurred without the knowledge or consent of the Insured who upon becoming aware of these actions immediately informs the Insurer and takes steps to avoid a reoccurrence.

#### **2 Handover procedure**

It is a condition of this Extension that the Insured undertakes the Association of Pleasure Craft Operators (APCO) hire boat handover programme or similar to the hirers of the Vessel, prior to commencement of such period of hire.

### **19. Hired in equipment**

This insurance covers loss or damage to equipment not owned by the Insured but installed for use on the Vessel and for which the Insured has assumed contractual liability, whether such equipment be in the nature of aids to navigation or communication or otherwise and where such loss or damage is covered by this Insurance.

Providing always that:

- a) in no event shall the liability of the Insurer exceed agreed contractual value of the equipment or its replacement market value
- b) all such equipment shall be included in the insured value of the Vessel
- c) the maximum indemnity provided under this Extension shall not exceed £50,000 any one item of equipment.

### **20. Loss of hire: passenger vessels**

In the event of the Vessel which is licensed to carry fare paying passengers becoming unfit for normal use as a result of an insured loss, this Insurance will pay additionally per day a sum which is 1/365 of an amount equal to 20% of the insured value of the Vessel concerned as shown in the Schedule.

Provided always that:

- a) no payment shall be made in respect of the first 14 days after the occurrence of the loss or damage giving rise to a claim under this Extension
- b) no payment shall be made in respect of periods out of service between 1st November and 31st March inclusive, unless specially agreed by the Insurer
- c) no payment shall be made for any period which this Insurance does not remain in force
- d) in the event of Vessels being hired to meet commitments, the cost of such hiring or of necessary temporary repairs to the insured Vessel shall be recoverable as a claim hereunder in lieu of and not exceeding the amount of the daily loss of use payment
- e) payment under this Clause shall be limited to a total of 90 days
- f) the Insured shall take all reasonable steps to minimise any loss under this Extension and shall arrange repairs and/or replacement as soon as possible
- g) no payment shall be made in the event of the Actual Total Loss of the Vessel, or where the agreed value of the Vessel is paid owing to the reasonable costs of recovery and/or repair exceeding the sum insured shown against the Vessel in the Schedule.

### **21. Stock extension**

Section H extends to cover stock of food, alcoholic and other beverages and tobacco products on board the Vessel, being the property of the Insured, up to the amount(s) shown in the Schedule but limited to loss or damage caused by fire, lightning, explosion and theft following violent and forcible entry into locked store on board the insured Vessel and Total Loss following Total Loss of the Vessel by an insured peril.

### **22. Rebate premium**

A rebate of 7.5% of the Gross Premium charged for the 12 months period of this Policy shall be allowed on expiry subject to:

- a) the insurance being renewed by the Insurer for a further 12 months from the expiry date subject to terms and conditions as may be agreed between the Insured and the Insurer
- b) the claims paid and outstanding as notified as occurring during the 12 months period not exceeding 40% of Gross Premiums charged during that period
- c) in the event of unquantified claims remaining at renewal date the Insurer reserves the right to withhold the rebate until such time as the likely claim cost is known.

### **23. Financial interest**

The following company holds an interest in the Vessel.

#### **24. Crew personal accident**

It is agreed that benefits in accordance with the Schedule of compensation below will be paid if at any time during the period of insurance a member of the crew of the Vessel whilst on board the Vessel shall sustain bodily injury caused by accidental violent and visible means which shall solely and independently of any other cause within 12 months from the date of the accident result in his/her:

Death	£25,000
Loss of One or More Limbs by Physical Separation at or Above the Wrist or Ankle	£25,000
Total and Irrecoverable Loss of Sight of One or Both Eyes	£25,000

#### **25. Towcon conditions of towage**

It is a condition of this Policy that the towage is undertaken as per the TOWCON conditions of towage.

#### **26. Towage exclusion – the towed vessel**

This Policy excludes liability to and of the towed vessel.

#### **27. Exhibition cover**

This insurance includes any Vessel owned by the Insured whilst on exhibition within Great Britain, Northern Ireland, the Channel Islands or the Isle of Man and in transit thereto and therefrom. This insurance excludes scratching, bruising, denting and claims for repainting occurring in transit or during loading or unloading.

#### **28. Delivery voyages**

This insurance includes the delivery of the Vessel by water, under the Vessel's own power, within the Territorial Limits.

#### **29. Private and pleasure use by directors**

This insurance includes private pleasure use of Vessels by directors of the Insured and senior employees with the permission of the Insured.



# General Conditions applying to the whole Policy other than Section K – Legal Expenses

## 1. Alteration

The Insured must notify the Insurer as soon as possible during the period of insurance if there is any change in circumstances or to the material facts previously disclosed by the Insured to the Insurer or stated as material facts by the Insurer to the Insured which increases the risk of accident, injury, loss, damage or liability.

Upon notification of any such change the Insurer will be entitled to vary the premium and terms for the rest of the period of insurance. If the changes make the risk unacceptable to the Insurer then the Insurer is under no obligation to agree to make them and may no longer be able to provide the Insured with cover.

If the Insured does not notify the Insurer of any such change the Insurer may exercise one or more of the options described in clauses c) i), ii) and iii) of General Condition 8 – Fair Presentation of the Risk but only with effect from the date of the change in circumstances or material facts.

## 2. Arbitration

If the Insurer admits liability for a claim but there is a dispute as to the amount to be paid the dispute will be referred to an arbitrator. The arbitrator will be appointed jointly by the Insured and the Insurer in accordance with the law at the time. The Insured may not take any legal action against the Insurer over the dispute before the arbitrator has reached a decision.

## 3. Authorised Persons

It is a condition of this Policy that the use of the Vessel is restricted to the Insured's appointed skipper or other persons authorised to operate the Vessel on behalf of the Insured other than whilst being loaned, hired, or chartered, unless otherwise stated in the Schedule.

## 4. Cancellation

This insurance may be cancelled by the Insurer at any time subject to 30 days notice to the Insured or by mutual agreement, when a pro rata daily return of premium shall be made calculated on the annual premium charged. Subject always to a minimum retained premium of £50.

## 5. Claims Procedures

- a) On the happening of any event which could give rise to a claim the Insured must notify, the Insurer or the Insured's insurance intermediary, as soon as reasonably possible. Our claims department telephone number is **01273 863400**. The Insured will need to tell the Insurer:
- the company name
  - the nature and cause of the loss or damage
  - any relevant telephone numbers and/or addresses

The Insured must:

- as soon as reasonably possible notify the Police in respect of any loss or damage by theft or attempted theft or by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances and malicious persons
- as soon as reasonably possible forward to the Insurer any writ or summons issued against the Insured by a third party
- take action to minimise the loss or damage and to avoid interruption or interference with the Business and to prevent further damage or injury
- at their own expense and within:
  - seven days of loss or damage caused by riot, civil commotion, strikers, locked-out workers or persons taking part in labour disturbances or malicious persons
  - thirty days of expiry of the Indemnity Period in respect of Sections B1, B2 and B3
  - thirty days of any other loss or damage interruption or interference with the Business or injury or disease

supply full details of the claim in writing to the Insurer together with any evidence and information that may be reasonably required by the Insurer for the purpose of investigating or verifying the claim and (if demanded) a statutory declaration of the truth of the claim and any matters connected therewith.

- b) No settlement, admission of liability, payment or promise of payment shall be made to a third party without the consent of the Insurer.

## 6. Compulsory Insurance

The Insured must repay the Insurer any amounts which the Insurer is required by compulsory insurance legislation to pay out under this Policy to the extent that the Insurer would not otherwise have been liable to make such payments on account of a breach of any of the terms or conditions of this Policy.

## 7. Contribution

If in the event of a loss, damage or liability under this Policy there shall be in force any other insurance providing cover against such claim:

- the liability of the Insurer shall be limited to its rateable proportion of such claim
- but which is subject to any provision excluding it from ranking concurrently with this Policy either in whole or in part or from contributing rateably to the claim then the liability of the Insurer shall be limited to such proportion of the claim as the sum insured bears to the value of the property.

## 8. Fair Presentation of the Risk

- a) At inception and renewal of this Policy and also whenever changes are made to it at the Insured's request the Insured must:
- disclose to the Insurer all material facts in a clear and accessible manner; and
  - not misrepresent any material facts.

- b) If the Insured does not comply with clause a) of this condition the Insurer may:
- i) avoid this Policy which means that the Insurer will treat it as if it had never existed and refuse all claims where any non-disclosure or misrepresentation by the Insured is proven by the Insurer to be deliberate or reckless in which case the Insurer will not return the premium paid by the Insured; and
  - ii) recover from the Insured any amount the Insurer has already paid for any claims including costs or expenses the Insurer has incurred.
- c) If the Insured does not comply with clause a) of this condition and the non-disclosure or misrepresentation is not deliberate or reckless this Policy may be affected in one or more of the following ways depending on what the Insurer would have done if the Insurer had known about the facts which the Insured failed to disclose or misrepresented:
- i) if the Insurer would not have provided the Insured with any cover the Insurer will have the option to:
    - 1) avoid the Policy which means that the Insurer will treat it as if it had never existed and repay the premium paid; and
    - 2) recover from the Insured any amount the Insurer has already paid for any claims including costs or expenses the Insurer has incurred
  - ii) if the Insurer would have applied different terms to the cover the Insurer will have the option to treat this Policy as if those different terms apply. The Insurer may recover any payments made by the Insurer on claims which have already been paid to the extent that such claims would not have been payable had such additional terms been applied
  - iii) if the Insurer would have charged the Insured a higher premium for providing the cover the Insurer will charge the Insured the additional premium which the Insured must pay in full.
- d) Where this Policy provides cover for any person other than the Insured and that person would if they had taken out such cover in their own name have done so for purposes wholly or mainly unconnected with their trade, business or profession the Insurer will not invoke the remedies which might otherwise have been available to the Insurer under this condition if the failure to make a fair presentation of the risk concerns only facts or information which relate to a particular insured person other than the Insured.

Provided always that if the person concerned or the Insured acting on their behalf makes a careless misrepresentation of fact the Insurer may invoke the remedies available to the Insurer under this condition as against that particular person as if a separate insurance contract had been issued to them leaving the remainder of the Policy unaffected.

## 9. Fraudulent Claims

If the Insured or anyone acting on the Insured's behalf:

- a) makes a fraudulent or exaggerated claim under this Policy; or
- b) uses fraudulent means or devices including the submission of false or forged documents in support of a claim whether or not the claim is itself genuine; or
- c) makes a false statement in support of a claim whether or not the claim is itself genuine; or
- d) submits a claim under this Policy for loss or damage which the Insured or anyone acting on the Insured's behalf or in connivance with the Insured deliberately caused; or
- e) realises after submitting what the Insured reasonably believed was a genuine claim under this Policy and then fails to tell the Insurer that the Insured has not suffered any loss or damage; or
- f) suppresses information which the Insured knows would otherwise enable the Insurer to refuse to pay a claim under this Policy

the Insurer will be entitled to refuse to pay the whole of the claim and recover any sums that the Insurer has already paid in respect of the claim.

The Insurer may also notify the Insured that the Insurer will be treating this Policy as having terminated with effect from the date of any of the acts or omissions set out in clauses a) to f) of this condition.

If the Insurer terminates this Policy under this condition the Insured will have no cover under this Policy from the date of termination and not be entitled to any refund of premium.

If any fraud is perpetrated by or on behalf of an insured person and not on behalf of the Insured this condition should be read as if it applies only to that insured person's claim and references to this Policy should be read as if they were references to the cover effected for that person alone and not to the Policy as a whole.

## 10. Insurer's Rights

The Insurer shall:

- a) be entitled to take over the defence or settlement of any claim made upon the Insured by any other party and the Insured shall give all assistance as may be reasonably required by the Insurer
- b) have the right to enter the premises where the loss or damage has occurred and to keep possession of any of the Property Insured and to deal with the salvage in a reasonable manner but the Insured shall not be entitled to abandon any property to the Insurer
- c) be entitled to take benefit of any rights of the Insured against any other party before or after the Insured has received indemnification under this Policy and the Insured shall give all assistance as may be reasonably required by the Insurer

- d) at its option indemnify the Insured by payment, reinstatement, replacement or repair in respect of any property lost or damaged or part thereof. If the Insurer elects to reinstate or replace any property the Insurer shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the Items insured more than the Sum Insured thereon.

### **11. Legal Representatives**

In the event of the death of the Insured the Insurer will indemnify the Insured's legal personal representatives in respect of liability at law previously incurred by the Insured provided they observe, fulfil and be subject to the Terms, Conditions and Limitations of the Policy insofar as they can apply.

### **12. Licence**

This Policy will immediately cease if the Insured does not hold the appropriate licence to operate, crew and maintain the Vessel, whether for Maritime Coastguard agency (MCA) or otherwise.

### **13. Premium Adjustment**

If any part of the premium is calculated on estimates furnished by the Insured the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow the Insurer to inspect such record. The Insured shall within one month from the expiry of each Period of Insurance furnish to the Insurer such particulars and information as the Insurer may require. The Premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Insured as the case may be subject always to the minimum premium stipulated.

### **14. Reasonable Care**

The Insured shall take all reasonable steps to:

- a) protect the Property Insured
- b) comply with statutory enactments Bye-Laws and any other obligations and Regulations imposed by any authority
- c) employ only competent employees
- d) prevent accidents
- e) maintain all Vessels in a sound condition and state of Seaworthy (as defined in Section G)
- f) maintain all ways, works machinery and plant in sound condition.

In the event of the discovery of any defect or danger the Insured shall forthwith cause such defect or danger to be made good or remedied and in the meantime shall cause such additional precautions to be taken as the circumstances may require.

### **15. Sanctions**

Notwithstanding any other terms of this Policy the Insurer will be deemed not to provide cover nor will the Insurer make any payment or provide any service or benefit to the Insured or any other party to the extent that such cover, payment, service, benefit and/or any business or activity of the Insured would violate any applicable trade or economic sanctions law or regulation.

# General Exclusions applying to the whole Policy other than Section K – Legal Expenses

This Policy does not cover:

## 1. Civil Commotion in Northern Ireland

DAMAGE or CONSEQUENTIAL LOSS in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of Civil Commotion

## 2. Communicable Diseases (Not applicable to Sections F and J)

any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with the following:

- a) a Communicable Disease; or
- b) the fear or threat (whether actual or perceived) of a Communicable Disease

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

This exclusion does not however apply to the following:

- i) Sections B1, B2 and B3 – Business interruption in respect of and only to the extent of cover expressly stated as being provided under the endorsement titled Named/Notifiable Diseases, Vermin, Defective Sanitary Arrangements, Murder and Suicide (if operative)
- ii) Section G – Public and products liability in respect of:
  - 1) food or drink poisoning; or
  - 2) Legionnaires' disease (if specifically covered by an endorsement applied to this policy but only to the extent of cover expressly stated as being provided under the endorsement).

## Definitions

For the purposes of this Exclusion, the following special meanings shall apply:

'Communicable Disease' shall mean any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and

- c) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

## 3. Date Related Performance and Functionality (Not Applicable to Section F)

loss, destruction or damage, CONSEQUENTIAL LOSS, additional expenditure or extra expenses, legal liability or other fees, costs, disbursements, awards or other expenses of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising in whole or in part from:

- a) the way in which any Data Processing System responds to or deals with or fails to respond to or fails to deal with any true calendar date
- b) any Data Processing System responding to or dealing in any way with:
  - i) any data denoting a calendar date or dates as if such data did not denote a calendar date or dates
  - ii) any data not denoting a calendar date or dates as if such data denoted a calendar date or dates

whether such Data Processing System is the property of the Insured or not but in respect of all insurances other than Public Liability or Products Liability this shall not exclude subsequent loss, destruction or damage or CONSEQUENTIAL LOSS, additional expenditure or extra expenses (not otherwise excluded) which itself results from a Defined Peril otherwise covered by this Policy

## Definitions

For the purposes of this Exclusion, the following special meanings shall apply:

'Data Processing System' shall mean any computer or data processing equipment or media or microchip or integrated circuit or any similar device or any computer software or computer firmware.

'Defined Peril' shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, theft or attempted theft, earthquake, subterranean fire, storm, tempest, flood, escape of water from any tank apparatus or pipe, impact by any vehicle or by goods falling therefrom or animal.

## 4. Electronic Risks

- a) DAMAGE caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack to any computer or other equipment or component or system or item which processes, stores, transmits, retrieves or receives data or any part thereof whether tangible or intangible including but without limitation any information or programs or software and whether the property is insured or not
- b) CONSEQUENTIAL LOSS directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Denial of Service Attack

but this will not exclude DAMAGE or CONSEQUENTIAL LOSS which results from a Defined Peril including the acts of thieves but excluding the acts of malicious persons which do not involve physical force or violence

## Definitions

For the purposes of this Exclusion the following special meanings shall apply:

'Denial of Service Attack' shall mean any actions or instructions constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems including but not limited to the generation of excess network traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks.

'Hacking' shall mean unauthorised access to any computer or other equipment or component or system or item which processes, stores, transmits, retrieves or receives data.

'Virus or Similar Mechanism' shall mean program code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data files or operations whether involving self-replication or not including but not limited to Trojan horses, worms and logic bombs.

### 5. Nuclear and War Risks, Government or Public Authority Order and Sonic Bangs

death, injury, disablement or loss or damage to any property or any loss or expense resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature 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, Nuclear Reactor or other nuclear assembly or nuclear component thereof
- c) any weapon or device 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 but this exclusion d) will not apply to radioactive isotopes other than nuclear fuel when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other peaceful purposes
- e) i) war, invasion, act of foreign enemy, hostilities whether war be declared or not, civil war, rebellion, revolution, insurrection, military or usurped power  
ii) nationalisation, confiscation, requisition, seizure or destruction by any government or public authority
- f) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds

a), b), c) and d) will not apply to Section F except where the Insured have undertaken under a contract or agreement either to indemnify another party or to assume the liability of another party in respect of such injury.

e) and f) will not apply to Section F.

## Definitions

For the purposes of this General Exclusion the following special meanings shall apply:

'Nuclear Installation' shall mean any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for:

- a) the production or use of atomic energy
- b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiation
- c) the storage, processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the production or use of nuclear fuel.

'Nuclear Reactor' shall mean any plant including any machinery, equipment or appliance whether affixed to land or not designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

### 6. Terrorism

Applicable to Sections A, B1, B2, B3, C, D, E and H only.

DAMAGE or CONSEQUENTIAL LOSS occasioned by or happening through or in consequence directly or indirectly of Terrorism.

In any action, suit or other proceedings where the Insurer alleges that by reason of this general exclusion cover is not provided under this Policy the burden of proving that such DAMAGE or CONSEQUENTIAL LOSS is covered shall be upon the Insured.

#### Definition

For the purposes of this General Exclusion the following special meaning shall apply:

'Terrorism' shall mean:

- a) in respect of any occurrence in England including the Channel Tunnel up to the frontier with the Republic of France as set out by the Treaty of Canterbury 1986, Wales, Scotland and Northern Ireland the Isle of Man and Channel Islands but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987, the Territorial Sea Act 1987 (Isle of Man) Order 1991, the Territorial Sea Act 1987 (Jersey) Order 1997 and Territorial Sea Act 1987 (Jersey) (Amendment) Order 2002:  
acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto
- b) in respect of any occurrence elsewhere than as described in a) above or the Isle of Man or Channel Islands:

any act or preparation in respect of action or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group whether acting alone or on behalf of or in connection with any organisation or government de jure or de facto and which:

- i) involves violence against one or more persons
  - ii) involves damage to property
  - iii) endangers life other than that of the person committing the action
  - iv) creates a risk to health or safety of the public or a section of the public
  - v) is designed to interfere with or to disrupt an electronic system
- c) any action in controlling, preventing, suppressing, retaliating against or responding to any act or preparation in respect of action or threat of action described in a) or b) above.