

# John Holman & Sons Limited – Holdfast Policy for Yachts & Motor Boats

## Financial Services Authority – Policy Summary of Cover

Issued – 01/11/2004

This document provides a **Summary of the cover available** for the Vessel and **highlights the main exclusions warranties conditions and limitations** applying to the Policy contract. This should be read in conjunction with the main Policy document.

The Policy is designed to offer specialist cover and can be tailored to suit a wide variety of vessels and uses. The Policy has separate Cover Sections (1, 2 & 3) an endorsement section and a claims section.

### Cover under Sections 1 Loss of or Damage to Vessel and 2 Third Party Cover is set out below;

#### Policy cover:

1. The Policy is an 'Insured Perils' cover this means that cover is provided only for the perils listed in Section 1 of the Policy (see page 2 of the Policy document.)
2. 'Perils of the sea' includes all 'Fortuitous' loss or damage, however it does not include the ordinary action of the wind and seas.
3. 'Fortuitous' means loss or damage that is not knowingly about to occur.
4. In respect of 'Latent' defects insurers will pay for the resultant damage following the action of an 'Latent' defect, however unless the policy is otherwise endorsed the actual 'Latently' defective part is excluded.
5. Further a 'Latent' defect is one that is not discoverable by usual checks or by an expert eye, however once a defect has been discovered it is considered to be a 'Patent' defect this type of damage is not covered within the terms of the policy.
6. In respect of 'Motor and electrical machinery and batteries and their connections' claims in respect of these items on their own are restricted to a narrower set of 'Insured Perils' as set out in the exclusion section of Section 1.
7. The Policy under Section 2. also provides cover for Third Party Liability that you might incur. It is important to remember that the cover is against the Assureds negligence which may have to be demonstrated in court.
8. Therefore it is important not to accept or agree to any Liability without the written permission of this Company doing so might prejudice any claim you have under this Section of the policy.

#### Cover includes;

**Policy cover:** The Policy automatically provides cover for;

1. Medical expenses up to £250 any one event.
2. Pollution Hazard
3. Sue and Labour, Salvage and other expenses **Section 3.**
4. Transit risks for Vessels under 30' in length in transit by Rail or Road. Vessels over 30' are not covered and Transit risks other than road or rail are not covered by the Policy.

**The Certificate** attaching to the Policy sets out the additional clauses that apply to the Policy each should be read in conjunction with this document and the Policy wording in order that the full cover conditions can be understood.

### General Warranties, Conditions and Terms applying to the whole Policy contract;

#### Law applicable to the contract:

1. This Policy is subject to English Law and Practice and the exclusive Jurisdiction of English Courts, under EU regulation the parties to this contract are free to agree an alternative Law and Jurisdiction, however Underwriters will not agree to any alternative other than that offered.
2. As such the Policy is subject to the Marine Insurance Act 1906.
3. The contract is based upon 'utmost good faith' where there has been a lack of 'utmost good faith' John Holman & Sons Ltd and or Underwriters may at their option treat the policy as being void 'ab initio' that is from inception.
4. Please note that the contract is based upon the details provided by the assured and or agent at the time of initial quotation and the fully completed proposal form, where there is a material non-disclosure or a misrepresentation John Holman & Sons Ltd and or Underwriters may at their option treat the Policy as being void 'ab initio' that is from inception.

### Warranties conditions limitations and exclusions applying to the policy:

The policy is subject to the following exclusions these should be noted specifically when considering this cover

1. A warranty is a promise by the Assured that they will undertake to either do something or not to do something, a breach of a warranty may allow us or Underwriters to avoid paying a claim under the Policy.
2. The following warranties apply to the Policy:
  - a. There is an implied warranty that the vessel is to be kept in good condition, properly maintained and is seaworthy whenever it is used
  - b. Warranted the Assured shall not allow the vessel to be used as a houseboat or residence
  - c. Warranted the vessel is moored as set out in the quotation and in the Policy certificate
  - d. Warranted the vessel is laid up as set out in the quotation and in the Policy certificate
  - e. Warranted the vessel is not to navigate outside the navigation limits set out in the quotation and the Policy certificate
  - f. Warranted the maximum design speed of the vessel does not exceed 17knots
3. The following conditions apply to the Policy a breach of a condition or failure to comply with a condition may allow us or Underwriters to avoid paying a claim under the Policy:
  - a. The assured shall use there best endeavours to avert and minimise any loss or damage
  - b. The Policy excludes all loss or damage or liability or expense attributable to the wilful misconduct of the assured
  - c. The Assured must not fraudulently or intentionally exaggerate any claim
  - d. The Assured shall not allow the vessel to be used for hire charter reward commercial or business use
  - e. The Assured shall not tow or allow the vessel insured to be towed except in an emergency
4. War, strikes and radioactive contamination are all specifically excluded from the Policy cover.
5. The Policy is subject to the condition of Average.
6. The Policy is subject to an excess(s) as shown in the Certificate which are applicable to all Sections of the Policy.

7. The following theft provisions apply, Theft of the Vessel or its equipment 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.
    - (b) when ashore the Vessel shall be kept adequately secure and immobilised within;
      - a. Boatyard, Marina, or other locked and secured recognised compound or locked and secured building
      - 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 should be immobilised by way of a wheel clamp.
  - ii) theft of equipment following upon forcible and violent entry into the Vessel or place of storage,
  - iii) theft of outboard motor following upon forcible and violent entry removal from the Vessel or entry into place of storage provided the Assured provides to the Company full details and serial numbers and that 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 is kept in 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 wheel clamp.

**Following Section 3** of the Policy are the standard clauses applying to the contract, that John Holman & Sons Ltd utilise in covering a variety of business, they apply to the contract automatically or as stated within the clause.

**The final page of the Policy** sets out the **further Conditions** applying, in the case of a claim notice must be given as soon as possible and prior to survey, for theft and or malicious damage the Police must be notified promptly. In the case of third party claims no liability should be admitted or legal expenses incurred or promise or payment be made to claimants without the written consent of the Company.

**The Complaints procedure** is set out below;

In the case of a complaint by you the Assured the complaints procedure is clearly set out below and in the Certificate, in summary it is set out below;

- a. In the first instance refer your complaint to your insurance Agent.
- b. 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.
- c. Following this procedure you may then involve the Underwriter in the resolution of the complaint, their procedure is attached to the quotation and insurance certificate.
- d. 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](mailto:enquiries@financial-ombudsmen.org.uk)  
You may contact the FOS at any stage of your complaint.
- e. Nothing in the procedure above amends or changes your rights at law.

#### **Financial Services Compensation Scheme**

The Assured should be entitled to compensation under the scheme in the event that Underwriters are unable to meet their obligations under the Policy, this stands at the first £2,000 in full and then 90% of the remainder.

Further information is available on [www.fscs.org.uk](http://www.fscs.org.uk) or you may contact the FSCS on 0207 892 7300.

#### **Option to cancel the Policy within 14 days**

There is the option to cancel the policy if the Assured decides they do not wish to accept the cover within the first 14 days, subject to the Assured notifying John Holman & Sons Ltd within the 14 day period and returning the original Certificate and Policy documentation directly to the office of John Holman & Sons Ltd. In the event of the Assured taking this option 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.

#### **Option to cancel the Policy outside of the above notified 14 day period**

The Policy may be cancelled where the 14 day time limit has been exceeded by mutual agreement or 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.

#### **Important Notes**

John Holman & Sons Ltd have not made a personal recommendation in respect of this quotation / Policy, we have based our quote and Policy cover on the information supplied to us. The extent of cover is set out in this summary, the Policy document and should be read in conjunction with the quotation / Certificate / Renewal invitation.

#### **Policy Administration**

John Holman & Sons Ltd hold the Assureds details in accordance with the Data Protection Act 1998, in order to administer the Policy we may share personal data provide to the us with other companies within the John Holman & Sons Group and with business partners including overseas companies. If we do transfer your information, we make sure that it has the same level of protection that it has with us under all relevant legislation within the UK.