

Waterski Plain Language Insurance Policy



Groves, John & Westrup

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SECTION 1 - GENERAL

A INTRODUCTION

1 Thank you for entrusting us with your insurance requirements and welcome to Groves John and Westrup Limited.

Here is your Plain Language Insurance Policy and Schedule and a copy of your proposal form. The Policy is a legally binding contract between you the insured and the Watkins Syndicate at Lloyd's, whose address is St Helens, 1 Undershaft, London, EC3A 8EE, which is arranged through Groves John and Westrup Limited.

The contract is based upon the proposal form and if the proposal form contains any material untruth or fails to disclose any material circumstance you should inform us immediately since if you do not do so the validity of the Policy may be affected. A material circumstance is one which could affect our assessment of the risk and the terms and conditions and premiums we impose and whether we accept the risk.

Please read the documents carefully. We are obliged to give you certain information before you make your decision to buy this Policy or alternatively to give you a "cooling off" period of 14 days from the time you received this Policy. If the Policy and Schedule do not provide you with the protection you want and you do not want to continue with the insurance you may cancel the Policy within this period and we will return part of the premium retaining a proportionate part of the premium for that period which we have been on risk providing no claims have been made.

2 Groves John and Westrup Limited and the Watkins Syndicate at Lloyd's are members of the Munich Re Group. Any correspondence with us should be directed to the address shown on the attached correspondence. Groves, John & Westrup's head office address is Silkhouse Court, Tithebarn Street, Liverpool L2 2QW, Telephone number 0151 473 8000, Facsimile 0151 473 8060, e.mail insure@gjwltd.co.uk.

3 Groves John & Westrup Limited are authorised and regulated by the Financial Services Authority - Firm reference number 310496.

B OUR SERVICE

Groves John and Westrup Limited are dedicated to Pleasure Craft Insurance. Our Policy represents our philosophy of fairness and integrity with our customer. It is a straightforward and easy to understand Policy and defines in simple terms the extent of cover available.

We are continually monitoring market conditions and modifying our Policy to ensure that we satisfy your requirements and provide you with excellent cover backed by a first class service particularly in the unfortunate event of a claim.

Groves John & Westrup Limited are a Lloyd's service company and in matters of claims act on behalf of the Watkins Syndicate.

As a Policyholder of Groves John & Westrup Limited you have access to our 24 hour manned emergency claims helpline number 0151 473 8099.

C COMPLAINTS

If for any reason you are dissatisfied with our service you may state your complaint in writing, marking the letter "For the attention of the Managing Director". We aim to resolve your complaint within 5 working days but if we are unable to do so we will acknowledge receipt of your complaint within that period. If the complaint cannot be resolved amicably you have the right to refer your complaint to the Complaints and Advisory Department at Lloyd's, One Lime Street, London EC3M 7HA. Under the terms of the Financial Services Ombudsman Scheme we must:

- (i) reply to you within four weeks; and
- (ii) resolve your complaint within eight weeks.

Failing satisfaction, if you are a private policy holder or a business with a turnover of less than £1 million or a charity with an annual income of less than £1 million or a trustee of a trust with a net value of less than £1 million, you may then approach the Financial Services Ombudsman, South Quay Plaza, 183 Marsh Wall, London, E14 9SR. Telephone Number 0845 080 1800 Facsimile 0207 964 1001 e.mail complaint.info@financial-ombudsman.org.uk who will advise whether he is able to deal with your complaint. This is in addition to any other action you may subsequently wish to take including legal action. An application to the Financial Services Ombudsman must be made within six months of being notified of our final decision about your complaint.

D LAW APPLICABLE TO THE CONTRACT

- 1 The law applicable to this insurance contract is subject to agreement between the parties.
- 2 Unless a special Endorsement to the contrary has been requested by you and agreed by us, the law applying to this insurance contract will be as follows:
- (i) if you are applying for insurance protection as a private individual, the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you or the first named Policy Holder normally resides; or
 - (ii) if you are applying for insurance protection in your capacity as a sole trader or as a company the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you have your principal place of business; or
 - (iii) if the above does not apply, the law of England and Wales.

E PAYMENT OF PREMIUM BY INSTALMENTS

Reference to the payment of premiums includes payment by instalments. If you pay by this method the Policy remains an annual contract and the date of payment and the amount of the instalments are governed by the terms of the Credit Agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 you will be given written notice, giving 10 days in which to remedy the default prior to your Policy being cancelled from the day when the instalment was due and the Credit Agreement being cancelled. If you pay the premium by instalment and you suffer a total loss or constructive total loss then we shall be entitled to deduct the balance of premium from any payment we make to you in respect of that total loss or constructive total loss.

F DATA PROTECTION ACT 1998

To enable us to provide a fast and efficient service to our clients we operate a centralised database of all information relating to your Policy, including information provided to us on your Proposal Form, information contained within the schedule of insurance, policy periods and renewal dates, together with any correspondence that we might exchange. Under the Data Protection Act 1998 we need to obtain your consent to holding this information on our system. If we should need to store any additional information we will of course approach you first to obtain your permission. The information will be used for underwriting purposes and in the unfortunate event of a claim.

We may also share this information with Watkins Syndicate at Lloyd's. We may also use the data for direct marketing of our own products only and you have signified whether or not you are agreeable to this in the Proposal Form and we will of course follow your requests in that respect. We may also share this information with other insurers and/or the authorities. If you have any objections to us holding your information either in full or in part or wish to obtain details of any information we are currently holding on you, please let us know immediately or telephone our Data Protection manager, M.J. Pope on 0151 473 8000.

Under this legislation we are only able to discuss your Insurance with you unless we and you have specifically agreed to the contrary.

G RECORDING OF TELEPHONE CALLS

For your protection your telephone calls may be recorded and monitored.

H CLAIMS AND UNDERWRITING EXCHANGE

Insurers pass information to a claims and underwriting register. The aim is to help us check information provided and also to prevent fraudulent claims. When you tell us about an incident which may or may not give rise to a claim, we may pass information relating to it to the Register. You can ask us for more information about this. You should show this notice to anyone who has an insured interest under this Policy.

I DEFINITIONS

ANTI-THEFT DEVICE A device sold and marketed as a secure method of preventing theft or another security method approved by us except in respect of trailers when the term means a proprietry hitch lock and/or wheelclamp.

BARRATRY Any wrongful act committed without your knowledge or participation and to your prejudice by anyone using or on board the Vessel with your permission.

BOAT Any type of small craft which forms part of the Vessel's equipment and is used for the operation of the Vessel and is permanently marked with the name of the Vessel. Any reference to "Vessel" in the Policy includes the Vessel's boat(s) unless the context requires otherwise. A liferaft is not a boat.

SECTION 1 continued

CRUISING AREA	This is the area noted on the Schedule.
ENDORSEMENT	An alteration in writing to the terms of the Policy.
EXCESS	The amount noted on the Schedule to be deducted from each and every claim except in the case of actual or constructive total loss.
IMMEDIATE FAMILY	Those members of your family who reside permanently with you.
IN-COMMISSION PERIOD	This is the period when the Vessel is not required to be laid up and may be used in navigation.
INSURED VALUE	This is the sum(s) noted on the Schedule.
LATENT DEFECT	A defect which is not discoverable by the exercise of reasonable care.
MACHINERY	Includes main or auxiliary engines, electrical equipment, cables and fittings and hydraulic equipment, piping and fittings, boilers and shafts.
PERIOD OF INSURANCE	The period noted on the Schedule or in any endorsement.
VESSEL	<p>The Vessel noted on the Schedule including its engines, machinery, gear, equipment [including its boat(s)] and furniture and fittings. "Vessel" does not include:-</p> <ul style="list-style-type: none">(i) consumables such as food, lubricants, fuel, paint etc.;(ii) the Trailer for the Vessel or its boat(s);(iii) the personal property of any person;(iv) fishing or sporting equipment;(v) moorings not carried on board.
WAR, CIVIL DISTURBANCE AND TERRORISM	<p>War, civil disturbance and terrorism means:-</p> <ul style="list-style-type: none">(i) international war;(ii) any act of hostility by a nation or state against another;(iii) civil war, revolution, rebellion or insurrection;(iv) the detonation of any derelict mine, torpedo, bomb or other derelict weapon of war;(v) labour disturbances;(vi) acts of terrorists;(vii) acts of persons in furtherance of a political motive.
WILFUL MISCONDUCT	Includes but is not limited to conduct when under the influence of alcohol or prohibited drugs.

SECTION 2 - THE VESSEL

A COVER FOR THE VESSEL

COVER

Subject to the warranties and the other terms of the Policy we shall cover you in respect of physical loss of or damage to the Vessel caused by:-

- (i) accidents (including fire, explosion, collision, stranding, grounding and heavy weather);
- (ii) latent defect in the Vessel;
- (iii) negligence;
- (iv) theft of the entire Vessel;
- (v) theft of any part of the Vessel provided that at the time of the theft the part is either;
 - (a) securely fastened to the Vessel; or
 - (b) inside a locked compartment on board the Vessel or in a locked place of storage ashore;
- (vi) malicious acts of third parties (including vandalism, piracy or barratry);
- (vii) freezing;
- (viii) rodents.

B EXCLUSIONS TO COVER FOR THE VESSEL

VESSEL

This policy does not cover physical loss of or damage:-

1. to the Vessel caused by:-
 - (i) theft;
 - (a) while left unattended at anytime on a trailer unless an anti-theft device protects the trailer;
 - (b) by trick or deception against you;
 - (ii) wear, tear or depreciation;
 - (iii) insects, marine borers, barnacles, marine growth, vermin, fungi or molluscs;
 - (iv) corrosion, rot, rust, mildew, dampness or weathering;
 - (v) electrolysis;
 - (vi) osmosis;
 - (vii) civil, criminal or administrative proceedings, action by customs officers or executive action of a government or government department unless arising out of an event which is covered by this Policy;
 - (viii) fire or explosion if the Vessel has an inboard engine if it is not fitted with a fire extinguishing system in both the engine room/space and if design allows the tank space:
 - (a) automatically operated or being remotely controlled from the steering position; and
 - (b) which is properly installed and maintained in an efficient working order in accordance with the manufacturer's instructions.
 - (ix) war, civil disturbance and terrorism.

MACHINERY

2. to the Vessel's machinery and outboard motors unless caused by:-
- (i) accidental incursion of water into the Vessel but not the engine alone; or
 - (ii) the stranding or sinking of the Vessel or the Vessel being on fire; or
 - (iii) theft or malicious persons; or
 - (iv) freezing providing the machinery has been maintained in accordance with manufacturers' recommendations by a competent mechanic and the machinery has been protected by appropriate antifreeze mixed and inserted in accordance with the manufacturer's specification; or
 - (v) impact between the Vessel and any substance including ice (but not water) other than contact with the seabed, lakebed or riverbed but any claim will be subject to either:
 - (a) a minimum Excess of £100 or double the Excess shown on the Schedule, whichever is the greater; or
 - (b) if the Vessel is at the time of the loss or damage occurring, participating in races run under the Rules and Regulations of the British Waterski Federation and/or approved by the British Waterski Federation or whilst practising for such races, payment will be limited to two thirds of the total cost of repairs subject to a maximum payment of £1,500 whichever is applicable.

TRANSIT

3. to Vessels:-
- (i) with an overall length of more than 30 feet, from any cause while being transported by land, sea or air;
 - (ii) of any length, caused by scratching, bruising or denting during:
 - (a) the preparation for transportation by land, sea or air; or
 - (b) while being so transported

**C AMOUNT PAYABLE
IN THE EVENT OF
LOSS OF OR DAMAGE
TO THE VESSEL**

1. It is hereby agreed that this Policy is not a Valued Policy and is an Unvalued Policy and the Insured Value is our limit of liability.
2. We shall pay the market value of the Vessel or its boat(s) or outboard(s) but not exceeding the Insured Value if:-

TOTAL LOSS

- (i) the Vessel or its boat(s) or outboard(s) is totally lost or destroyed;

**CONSTRUCTIVE
TOTAL LOSS**

- (ii) the cost of recovering and/or repairing the Vessel or its boat(s) or outboard(s) would exceed the market value of the Vessel not exceeding the Insured Value;

**CONSTRUCTIVE TOTAL
LOSS CAUSED BY
LOSS OF USE**

- (iii) you have been deprived of the free use and disposal of the Vessel or its boat(s) or outboard(s) for a period of 12 consecutive months commencing during the period of insurance except in cases of theft when the period shall be a reasonable period depending upon the facts of each individual case.

PARTIAL LOSS

3. In all other cases we will pay the reasonable cost of recovering the Vessel or its boat(s) or outboard(s) and the reasonable cost of effecting repairs, less the Excess.

**UNREPAIRED
DAMAGE**

4. If we make a payment for partial loss and the Vessel is unrepaired at the time that the Vessel subsequently becomes a total loss or a constructive total loss, we will deduct the amount of the original payment from our payment for total loss or constructive total loss.

SECTION 2 continued

AVERAGE	5.	If at the time of any partial loss the market value is greater than the amount shown on the Schedule our liability will be limited to the proportion which the amount shown on the Schedule bears to the market value.
D EXCLUSIONS TO AMOUNT PAYABLE	1.	We shall not pay the cost and expense of rectifying or repairing:-
FAULTY DESIGN ETC.	(i)	a fault in design or construction;
	(ii)	any part (including the whole or any part of the hull) which is subject to a fault in design or construction or to a latent defect [ie the defective part itself including the whole or any part of the hull];
DEFECTIVE WORKMANSHIP	(iii)	defective workmanship carried out or materials provided by an independent contractor employed to carry out maintenance, repairs or alterations to the Vessel.
BETTERMENT	2.	We reserve the right to deduct:-
	(i)	up to one third of the replacement cost of protective covers, canopies and outboard motors;
	(ii)	a reasonable amount from the cost of repairs or replacement to take account of any betterment to the Vessel arising out of repairs or replacement.
E ADDITIONAL SUMS PAYABLE	1.	We shall also pay the following:-
EXPENSE OF INSPECTION	(i)	the expense of inspecting the Vessel after grounding (even if no damage is found);
MINIMISING LOSSES	(ii)	expense incurred for the purpose of averting or minimising physical loss of or damage to the Vessel provided that in each case the expense:
	(a)	is both reasonably incurred and reasonable in amount; and
	(b)	results from an event (or the possibility of an event) for which there is or would be cover under this Policy.
	2.	Any sums payable under Section 2E 1(i) and (ii) above are subject to the Excess.
AMOUNT RECOVERABLE	3.	The total amount recoverable under Section 2E 1(i) and (ii) above and arising out of any one event is limited to the Insured Value of the Vessel.

SECTION 3 - THE TRAILER(S)

- A COVER FOR THE TRAILER(S)**
1. Subject to the warranties and the other terms of the Policy we shall cover you in respect of physical loss of or damage to the Trailer(s) caused by:-
- (i) theft;
 - (ii) fire, explosion or lightning;
 - (iii) collision or accident whilst in use.
- B EXCLUSIONS TO COVER FOR THE TRAILER(S)**
- THEFT OF UNLOCKED TRAILER(S)**
1. This Policy does not cover physical loss of or damage to the Trailer(s) caused by:-
- (i) theft during preparation for or in the course of towage unless the Trailer(s) is securely locked to the road vehicle and the road vehicle is occupied or securely locked; or
 - (ii) theft otherwise than during preparation for or in the course of towage unless the Trailer(s) is secured by an anti-theft device or is in a locked place of storage.
- EXCLUSIONS TO COVER FOR TYRES**
2. This Policy does not cover physical loss of or damage to the Trailer(s) tyres caused by the application of brakes or by punctures, cuts, bruises or by wear and tear.
- C AMOUNT PAYABLE IN THE EVENT OF LOSS OF OR DAMAGE TO THE TRAILER(S)**
1. It is hereby agreed that this Policy is not a Valued policy and is an Unvalued Policy and the Insured Value is our limit of liability.
2. We shall pay the market value up to the Insured Value of the Trailer(s) if:-
- (i) the Trailer(s) is totally lost or destroyed; or
 - (ii) the cost of recovering and/or repairing the Trailer(s) will exceed the market value of the Trailer(s); or
 - (iii) you have been deprived of the free use and disposal of the Trailer(s) for a period of 12 consecutive months commencing during the period of insurance except in cases of theft when the period shall be a reasonable period depending upon the facts of each individual case.
- TOTAL LOSS**
- CONSTRUCTIVE TOTAL LOSS**
- CONSTRUCTIVE TOTAL LOSS CAUSED BY LOSS OF USE**
- PARTIAL LOSS**
3. In all other cases we shall pay the reasonable cost of recovering the Trailer(s) and the reasonable cost of effecting repairs, less the Excess.
- AVERAGE**
4. If at the time of any Partial Loss the market value is greater than the amount shown on the Schedule our liability will be limited to the proportion which the amount shown on the Schedule bears to the market value.

SECTION 4 - PERSONAL PROPERTY

- A COVER FOR PERSONAL PROPERTY**
1. The definition of Personal Property is extended to include waterskis, monoskis, kneeboards, wakeboards, hydroslides, ringos, biscuits, tubes and bananas noted on the Schedule.
 2. Subject to the warranties and the other terms of the Policy, we shall cover your Personal Property and the Personal Property of your immediate family against loss or damage, however caused, provided that the Property is:-
 - (i) on board the Vessel; or
 - (ii) being used in connection with the Vessel; or
 - (iii) in transit between your residence and the Vessel.
- B PROPERTY COVERED BY SPECIAL AGREEMENT**
- Unless otherwise covered by Special Agreement we do not cover you in respect of physical loss of or damage to:-
- (i) fishing gear or equipment; or
 - (ii) sporting equipment other than as is included in the definition of Personal Property or diving gear; or
 - (iii) any item with a value exceeding £200; or
 - (iv) jewellery, spectacles and contact lenses.
- C EXCLUSIONS TO COVER FOR PERSONAL PROPERTY**
1. This Policy does not cover:-
 - (i) money; or
 - (ii) travellers cheques; or
 - (iii) credit cards or debit cards; or
 - (iv) mobile telephones; or
 - (v) laptops and other PDA's (Personal Digital Assistants)
 2. Loss of or damage:-
 - (i) caused by:-
 - (a) theft unless following forcible and violent entry into or exit from the Vessel, place of storage, or carrying vehicle; or
 - (b) wear, tear or depreciation; or
 - (c) damp, rot, mould, mildew, corrosion or rust; or
 - (d) moth; or
 - (e) damage to machinery; or
 - (d) war, civil disturbance or terrorism; or
 - (ii) caused to articles of a brittle nature by breaking unless due to;
 - (a) the stranding or sinking of the Vessel or the Vessel being on fire; or
 - (b) impact between the Vessel and any external substance including ice (but not water); or
 - (c) heavy weather; or
 - (d) the action of thieves, robbers or burglars.

SECTION 4 continued

- D AMOUNT PAYABLE IN THE EVENT OF LOSS OF OR DAMAGE TO PERSONAL PROPERTY**
- TOTAL LOSS** (i) the Personal Property is totally lost or destroyed; or
- CONSTRUCTIVE TOTAL LOSS** (ii) the cost of recovering and repairing the Personal Property will exceed its insured value; or
- CONSTRUCTIVE TOTAL LOSS CAUSED BY LOSS OF USE** (iii) the insured or immediate family has been deprived of the free use and disposal of the Personal Property for a period of 12 consecutive months commencing during the period of insurance except in the case of theft when the period shall be a reasonable period depending upon the facts of each individual case.
- REMAINS** 2. If we agree to pay the value of the Personal Property we shall be entitled:-
- (i) to require you to sell the remains (if any) and account to us for the proceeds of sale; or
- (ii) in our absolute discretion to take over the remains.
- PARTIAL LOSS** 3. In any other case we shall pay the reasonable cost of effecting repairs.
- E EXCLUSIONS TO AMOUNT PAYABLE**
- UNDERVALUED PROPERTY** If at the time of loss of or damage to the Personal Property the actual value is greater than the Insured Value, our liability will be limited to the proportion which the Insured Value bears to the actual value.

SECTION 5 - LIABILITY TO THIRD PARTIES

A COVER FOR LIABILITY TO THIRD PARTIES

PERSONS COVERED

1. The Insured Persons referred to in this section are:-

- (i) you;
- (ii) any person using the Vessel with your permission.

COVER

2. Subject to the warranties and the other terms of the Policy we shall cover the Insured Persons in respect of legal liability to another person (including another person insured under this section) arising out of the Insured Person's interest in or use of the Vessel.

B EXCLUSIONS TO COVER FOR LIABILITY OF AND TO THIRD PARTIES

PERSONS NOT COVERED

1. This Policy does not cover the liability of the following persons:-

- (i) any person employed under a contract in connection with the Vessel, other than captain or crew and employed by you;
- (ii) an employee of or an operator of a marina, slipway, shipyard, yacht club, sales agency, similar organisation or crane or travel hoist;
- (iii) any person while engaged in any sport which involves being towed by the Vessel other than;
 - (a) waterskiers, monoskiers and bare-foot skiers providing no more than two persons are being towed or preparing to be towed by the Vessel at any one time; and
 - (b) on kneeboards, wakeboards providing no more than two persons are being towed or preparing to be towed by the Vessel at any one time; and
 - (c) on hydroskides, ringos, biscuits and tubes providing that no more than two persons are being towed or preparing to be towed by the Vessel at any one time; and
 - (d) on bananas providing that no more than six persons are being towed or preparing to be towed by the Vessel at any one time;
- (iv) any person whilst engaged in snorkelling, aqualung diving or other underwater sport including whilst disembarking or boarding.

LIABILITY NOT COVERED

2. This Policy does not cover liability to the following persons:-

- (i) any person employed under a contract in connection with the Vessel;
- (ii) any person while engaged in any sport which involves being towed by the Vessel other than;
 - (a) waterskiers, monoskiers and bare-foot skiers providing no more than two persons are being towed or preparing to be towed by the Vessel at any one time; and
 - (b) on kneeboards, wakeboards providing no more than two persons are being towed or preparing to be towed by the Vessel at any one time; and
 - (c) on hydroskides, ringos, biscuits and tubes providing that no more than two persons are being towed or preparing to be towed by the Vessel at any one time; and

- (d) on bananas providing that no more than six persons are being towed or preparing to be towed by the Vessel at any one time.

The items specified in this clause Section 5 B 2 (ii) are collectively called "Permitted Towed Items".

WILFUL MISCONDUCT

- 3. We shall not cover liability caused or contributed to by recklessness or wilful misconduct on the part of the Insured Person.

TRAILERS

- 4. We shall not cover liability to third parties:-
 - (i) caused or contributed to by the Trailer becoming detached from the towing vehicle;
 - (ii) as a result of an accident occurring on a highway or public or private place whilst the Trailer is attached to the towing vehicle.

CONTRACTUAL LIABILITY

- 5. We shall not cover liability arising out of a contract.

FIRE

- 6. We do not cover liability arising through fire or explosion if the Vessel has an inboard engine unless fitted with a fire extinguishing system in both the engine room/space and if design allows the tank space:
 - (i) automatically operated or remotely controlled from the steering position; and
 - (ii) which is properly installed and maintained in efficient working order in accordance with the manufacturer's instructions.

C AMOUNT PAYABLE IN RESPECT OF LIABILITY TO THIRD PARTIES

We shall pay the following:-

- (i) the amount which an Insured Person is held liable to pay a third party, up to the lesser of;
 - (a) the amount noted in the Schedule in respect of any one event;
 - (b) £2,000,000 whilst the Vessel is participating in waterski racing and/or practising for waterski racing; and
- (ii) the costs of an Insured Person in defending any claim brought against him, provided such costs are incurred with our prior written consent; and
- (iii) the costs of an Insured Person at any inquest, inquiry or similar proceeding, provided that such costs are incurred with our prior oral or written consent;

less in all cases the Excess.

D EXCLUSIONS TO AMOUNT PAYABLE

FINES

We shall not pay fines or punitive damages.

SECTION 6 - GENERAL EXCLUSIONS

RADIATION DAMAGE

1. This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from:

- (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- (ii) the radioactive, toxic, explosive, or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- (iii) any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter;
- (iv) the radioactive, toxic, explosive or any other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- (v) any chemical, biological, biochemical or electromagnetic weapons;
- (vi) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electrical system.

RACING OR SPEED TESTS

2. We shall not insure you against any loss, damage, costs, expense or any legal liability whether directly or indirectly caused by, contributed to or arising whilst the Vessel is participating in racing or speed tests or other connected trials except in respect of races run under the auspices of the British Waterski Federation.

LEFT AFLOAT

3. We shall not insure you against any loss, damage, costs, expenses or any legal liability whether directly or indirectly caused by, contributed to or arising whilst the Vessel is left unmanned afloat when not in use.

SECTION 7 - WARRANTIES

- A GENERAL NATURE OF A WARRANTY** 1. A warranty is a promise by you that:-
- (i) some particular thing shall or shall not be done; or
 - (ii) some condition shall be fulfilled; or
 - (iii) a particular state of affairs does or does not exist.
- STRICT COMPLIANCE NECESSARY** 2. A warranty must be strictly complied with. If it is not we are discharged from liability as from the date of the breach of the warranty.
- ALTERATIONS OR DELETION OF WARRANTIES** 3. If you give us prior notice in writing that you wish to alter or delete a warranty we may, in our discretion, and upon payment of any additional premium required, agree in writing to such alteration or deletion.
- B PRIVATE PLEASURE PURPOSES WARRANTY** You warrant that the Vessel will be used for private pleasure purposes only and that it will not be let out for hire or reward or otherwise used for commercial purposes.
- C CRUISING AREA WARRANTY** You warrant that the Vessel will remain within the cruising area noted on the Schedule.
- D STRUCTURAL ALTERATION WARRANTY** You warrant that you will not make any significant structural alteration or addition to the Vessel during the period of insurance without first obtaining our prior written consent.
- E TRAILER WARRANTY** You warrant that at all times the Trailer will be:-
- (i) securely locked to a road vehicle and the road vehicle will be occupied or securely locked; or
 - (ii) attended or secured by an anti-theft device or in a locked place of storage.
- F COMPETENT PERSON WARRANTY** You warrant that when the Vessel is underway you or another competent person will be on board and in charge of the Vessel at all times.
- G SEAWORTHINESS WARRANTY** You warrant that you will exercise reasonable care to make and keep the Vessel in a seaworthy condition and to keep the Vessel in a safe place when not underway.
- H WARRANTY THAT THE VESSEL WILL NOT TOW OR BE TOWED** You warrant that the Vessel will not tow another vessel or be towed by another Vessel except in emergency or when it is customary.

SECTION 8 - GENERAL TERMS

- A EXTENSION OF COVER**
1. If at or before expiry of this Policy you give us notice in writing that the Vessel is at sea, the Policy will be extended for 30 days or until the Vessel arrives at a safe mooring, anchorage or place, whichever occurs the sooner. We shall be entitled to charge an additional premium for any period by which the Policy is so extended.
 2. If the Vessel insured under this Policy is less than 26 feet in length overall we shall extend the cover for use in European Continental waters provided that:-
 - (i) you give us prior notice; and
 - (ii) the period when the Vessel is outside the cruising area noted on the Schedule does not exceed 30 days in total in any one period of insurance; and
 - (iii) the Vessel is transported to and from the European Continent by suitable conveyance; and
 - (iv) use of the Vessel is restricted to coastal waters (which for the purposes of this extension means waters within 3 miles of the coast); and
 - (v) when the Vessel is outside the cruising area noted on the Schedule the Excess will be doubled.
- B SALE OR CHANGE OF INTEREST IN THE VESSEL**
- Unless we agree in writing if during the period of insurance the ownership of the Vessel is sold or otherwise transferred or in the case of a vessel owned by a company limited by shares the ownership of more than 50% of the shares is sold or otherwise transferred in any one transaction or series of transactions to the same person this Policy will automatically be cancelled with effect from the date of the transfer and we shall return to you a proportion of the premium paid in respect of the unexpired period of insurance provided that no claim has been made during the Period of Insurance. Less a service charge of £25.
- C CANCELLATION**
- This Policy may be cancelled by us at any time by 45 days written notice sent by prepaid post to the address shown in the Schedule or by mutual agreement, when we shall return to you a proportion of the premium paid in respect of the unexpired period of insurance.
- D RENEWAL**
- If you wish to renew the Policy you must, before the renewal is agreed, disclose to us any change of circumstance which is material to the risk. If you fail to do so we shall be entitled to void the renewed Policy with effect from the date of its commencement.
- E NO-CLAIMS BONUS**
1. If you renew the Policy you will be entitled to a reduction of the premium on renewal provided that:-
 - (i) the net premium after deduction of any no-claims bonus is not below the minimum premium charged by us; and
 - (ii) the Policy has been in force for 12 consecutive months; and
 - (iii) you renew it for a further period of 12 consecutive months; and
 - (iv) no claim has been made under this Policy; and
 - (v) the insured value of your Vessel does not exceed £150,000.
 2. The amount of the reduction is as follows:-
 - (i) 20% for the first claim-free year;
 - (ii) 27.5% for the second consecutive claim-free year;
 - (iii) 35% for the third consecutive claim-free year;
 - (iv) 42.5% for the fourth consecutive claim-free year;
 - (v) 50% for the fifth consecutive claim-free year;
 - (vi) 55% for the sixth consecutive claim-free year;
 - (vii) 60% for the seventh consecutive claim-free year.

SECTION 8 continued

3. If the Insured Value of your Vessel exceeds £150,000 we may, in our absolute discretion, allow a No-Claims Bonus.
4. Upon receipt of the relevant additional premium the aforementioned rates of no claims bonus are protected following one claim in the current period of insurance.

F MEDICAL EXPENSES Subject to the warranties and other terms of the Policy we shall cover you and/or your crew for medical expenses incurred by you and/or them arising out of personal injuries caused by any of the perils covered by Section 2A of the Policy but not excluded by Section 2B of the Policy (pages 4 and 5).

Any payment under this part of the Policy will not exceed £500 in respect of any one event or series of events arising out of the same occurrence and will not be subject to the Excess.

G ROAD TRANSIT

TRAILERS

1. If the Vessel is carried on a Trailer you must ensure that both the Trailer and the towing vehicle are fit for the purpose.
2. This Policy does not cover loss of or damage to the insured property or liability to a third party attributable to a breach of this term.

H GAS

1. If gas is used on board the Vessel:-
 - (i) the installation and tubing must be to the approved British Standard and other recommendations; and
 - (ii) all gas containers must be secured against movement; and
 - (iii) all gas lockers must be properly vented to the exterior of the Vessel.
2. This Policy does not cover loss of or damage to the insured property or liability to a third party attributable to a breach of this term.

I PERMITTED TOWED ITEMS

Whilst preparing to tow and whilst towing Permitted Towed Items until the towed person is safely back on board the Vessel you or anyone you permit to use your Vessel will have on board at least two competent persons one acting as helmsman and one acting as lookout.

J ASSIGNMENT OF THE POLICY

We are not bound by any assignment of:-

- (i) the Policy;
- (ii) any interest in the Policy; or
- (iii) any money payable under the Policy;

K JURISDICTION

If we have agreed in writing that you may let out the Vessel for hire or reward or for commercial purposes the English Court has exclusive jurisdiction over any dispute arising out of the Policy.

L OTHER INSURANCES

We shall not pay for any loss or damage or provide any indemnity if at the time when the loss or damage occurs the Vessel, Trailer, the Personal Property or the liability of the Insured Person is or would, but for this insurance, be covered by any other insurance. If, however, the Insured Value of the property covered by this Policy or the indemnity provided by this Policy is greater than the Insured Value or indemnity provided by such other insurance we shall, subject to the warranties and other terms of the Policy, pay the difference.

SECTION 9 - CLAIMS

- NOTICE**
1. In this section "Insured Person" means any person whose property or liability is covered by this Policy.
 2. The relevant Insured Person must:-
 - (i) notify us directly of any occurrence which might give rise to a claim under the Policy as soon as possible;
 - (ii) notify the Maritime and Coastguard Agency of any accident occurring on water as soon as possible. This is required under regulation;
 - (iii) if the Vessel is outside the geographical area of the British Isles, Northern Ireland and Eire at the time of any occurrence which might give rise to a claim under the Policy in the unlikely event that you or they are unable to make contact with us directly or by use of the 24 hour Emergency Manned Claims Helpline Number 0044 151 473 8099, notify the local Lloyd's Agent as soon as possible;
- WRITTEN REPORT**
- (iv) provide us with a written report of the occurrence as soon as possible;
- THEFT ETC.**
- (v) notify the police as soon as possible of any theft, malicious damage or other crime involving the insured property.
- COURT PROCEDURAL RULES**
- (vi) in the unlikely event of court action involving a third party:-
 - (a) within 7 days sign and return to us or constructively comment upon any statement of truth that we, or our representative may require you to sign;
 - (b) search for and provide to us all documents that we, or our representative may require from you in relation to any claim under this Policy and within 7 days sign and return to us any statement of disclosure that we, or our representatives may request or comment thereupon.
- REPAIRS**
3. We shall have the absolute right in our discretion to decide where the insured property is to be repaired.
- CLAIMS CONTROL**
4. We shall have the absolute right in our discretion and at our expense:-
 - (i) to commence or take over and conduct the defence of any claim against or prosecution of an Insured Person arising out of an occurrence which might give rise to a claim under the Policy,
 - (ii) to commence or take over and conduct any claim brought in the name of an Insured Person to recover sums which are or which might be payable under the Policy;
 - (iii) to commence or take over and conduct the representation of an Insured Person at any inquest, inquiry or similar proceeding which might give rise to a claim under the Policy.
 5. The relevant Insured Person shall give us such assistance as we may reasonably request for the purpose of exercising our rights under Section 9.4.
 6. The relevant Insured Person must pass onto us as soon as possible unanswered communications from third parties relating to any matter which might give rise to a claim under the Policy.
 7. The relevant Insured Person must not without our prior written consent:-
 - (i) admit liability;
 - (ii) make any offer to settle, or compromise or pay a claim by a third party which might give rise to a claim under the Policy.

A handwritten signature in black ink, appearing to read 'M. G. Westrup'.

Underwriter
For and on behalf of Watkins Syndicate at Lloyd's
per Groves, John & Westrup Limited

NOTES



NOTES



YOUR BROKER /AGENT



Groves, John & Westrup

Registered and Head Office

Silkhouse Court, Tithebarn Street, Liverpool L2 2QW

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