

# *Nautical Insurance Services Limited*



## *Yacht and Motor Boat Insurance Policy*

*Nautical Insurance Services Limited  
57 Elm Road, Leigh-on-Sea  
Essex SS9 1SP*

*Telephone: 01702 470811  
Facsimile: 01702 470844  
E-Mail: [enquiries@nautical-insurance.co.uk](mailto:enquiries@nautical-insurance.co.uk)  
Website: [www.nautical-insurance.co.uk](http://www.nautical-insurance.co.uk)*

	Page
Introduction	2
Definitions	3
Claims Procedure	5
General Exclusions	6
General Terms	7
Warranties	8
Section A: Hull and Machinery	9
Section B: Legal Liabilities	11
Section C: Personal Effects	12
Section D: Personal Accident	13
Additional Benefits	15
Endorsements	16

## INTRODUCTION

This insurance, placed with certain Underwriters at Lloyd's, has been specially designed for sailing yachts and motor boats. It is intended to be clear in language and layout but it is important that you understand the extent of the cover provided by us and your own obligations in order to receive the full benefit of this insurance.

Many of the words and phrases used have a special meaning in the context of this insurance. Please refer to the DEFINITIONS.

We have relied on the proposal form and all other information provided in connection with it in deciding whether to accept this insurance and in determining the terms of such acceptance. You must ensure that all statements in the proposal form are accurate and that you have not withheld any material facts, otherwise the insurance may be avoided.

You must inform us of any changes in circumstances which materially affect this insurance. If you are in any doubt you should consult your Broker or Intermediary.

This policy is evidence of a contract of insurance as defined by Section 1 of the Marine Insurance Act 1906 and is subject to all the provisions of that Act except insofar as they are excluded or varied by the terms of this insurance.

Please read this policy, together with any endorsements, and the schedule attached, very carefully. If it is incorrect, return it immediately for alteration.

For and on behalf of Nautical Insurance Services Limited.

I M CRUMPEN  
Managing Director



NAUTICAL INSURANCE SERVICES LIMITED  
57 Elm Road, Leigh-on-Sea, Essex SS9 1SP  
Tel: 01702 470811 Fax: 01702 470844  
E-Mail: [enquiries@nautical-insurance.co.uk](mailto:enquiries@nautical-insurance.co.uk)

### THE LAW APPLICABLE TO THE CONTRACT

You and we have a choice as to which law should be applied, but in the absence of any agreement to the contrary, English Law will apply.

### COMPLAINTS PROCEDURE

This policy is underwritten by certain Underwriters at Lloyd's through binding authority granted to Nautical Insurance Services Limited, 57 Elm Road, Leigh-on-Sea, Essex SS9 1SP.

It is our aim to provide you with a high standard of service. 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', Nautical Insurance Services Limited, at the above address.

If the complaint cannot be resolved amicably you have the right to refer your complaint to the Lloyd's Complaints Department, Customer Services, Lloyd's, One Lime Street, London EC3M 7HA, E-Mail: [complaints@lloyds.com](mailto:complaints@lloyds.com) or the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR, E-Mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) in addition to any other action you may subsequently wish to take.

Nautical Insurance Services Limited is covered by the Financial Ombudsman Service. This means that in the event that you make a complaint and are dissatisfied with our response, you may refer to the Financial Ombudsman Service for an independent decision.

An application to the Financial Ombudsman Service must be made within 6 months of being notified of our final decision about your complaint.

## DEFINITIONS

Accident/ Accidental	A sudden, unexpected, unintended specific event which occurs at an identifiable time and place.
Amount Insured	<p>Under Section A (Hull and Machinery) it is the amount for which we have agreed to insure the vessel. It is the most we will pay in the event of damage and the amount we have agreed to pay if the vessel is a total or constructive total loss.</p> <p>Under Section B (Legal Liabilities) it is the most we will pay in respect of any one accident or series of accidents arising out of one event, plus any legal costs we have agreed to pay.</p> <p>Under Section C (personal effects) it is the most we will pay in the event of loss or damage to the personal effects covered by this insurance.</p> <p>Under Section D (Personal Accident) it is the most we will pay as shown in the schedule.</p>
Barratry	Any wrongful act, wilfully committed without your knowledge or participation and to your prejudice by anyone on board, using or chartering the vessel with your permission.
Bodily Injury	An identifiable physical injury which is caused by an accident during the period of insurance which results in your or your crew members temporary incapacity, permanent incapacity or death solely and independently of any other cause (except illness directly resulting from medical or surgical treatment rendered necessary by such injury).
Crew/ Crew Member	A person or persons assisting in the form of crew on the vessel who is not receiving any remuneration for same.
Cruising limits	The geographical area within which we have agreed to insure the vessel.
Endorsement	A written variation to the terms of this insurance. It will either be incorporated into this insurance by reference in the schedule or be the subject of a separate written notice.
Houseboat use	When you or someone else with your authority stays aboard the vessel for more than an occasional night during the laid up period stated in the schedule.
In commission and laid up	The vessel is in commission when she is fitted out and ready for use with her normal gear and equipment on board. She is laid up when removable equipment is stored ashore and she is not ready for immediate use.
Inherent Vice or Delay	The perishable nature of consumables and spontaneous combustion is inherent vice following unreasonable delayed departure.
Jettison	Casting property overboard to lighten the vessel in time of danger.
Joint Insured	Part owner who enjoys the same benefits of this policy as the insured.
Latent Defect	A hidden flaw or defect in the construction of the ship which is not readily discoverable by a competent person using reasonable skill in an ordinary inspection.
Launch and Recover	The vessel is launched and removed from the water after use and must not be left unattended on a mooring at any time.
Locked and Immobilised	Keys removed from vessel and trailer wheel clamped.
Loss of limb	Loss by physical separation of a hand at or above the wrist or of a foot at or above the ankle and includes total and irrecoverable loss of use of a hand, arm or leg.

## DEFINITIONS

Maximum designed speed	The maximum speed which the vessel ought to be capable of attaining with the engines she is fitted with and without any modifications to reduce that speed.
Mortgagee	Lender who has a financial interest in the vessel.
Period of Insurance	The period of time stated in the schedule for which the insurance is in force. Any loss, damage or liability will only be covered by this insurance if the event which gave rise to it occurs during the period of insurance.
Permanent Total Disablement	A condition which entirely prevents you or a crew member from attending to their usual business or occupation which lasts continuously for twelve calendar months and at the end of that period in the opinion of our qualified medical practitioner is beyond improvement.
Personal effects	Personal possessions which do not form part of the vessel and are taken on board for personal use. Exclusions applicable as detailed in Section C, page 12.
Piracy	Robbery or hijacking committed aboard a boat whilst at sea.
Private pleasure	Use of the vessel by you for your own personal private pleasure. It does not include the use of the vessel for the pleasure purposes of others unless incidental to yours, or any other use of the vessel under the contract of hire or charter or any similar arrangement or for any commercial purpose.
Residential	Permanent home.
Schedule	The pages attached to this insurance which set out details of the policy holder, the vessel, amounts insured, period of insurance, cruising limits, in commission and laid up periods and state which terms of this insurance have been amended by agreement.
Temporary incapacity	A condition in which in the opinion of our qualified medical practitioner entirely prevents you or a crew member from attending to their usual business.
Total loss/ Constructive total loss/ Compromised total loss	An actual total loss occurs when the vessel or any separately insured property is completely destroyed, is sunk or is otherwise lost or irrecoverable. There is a constructive total loss where the vessel or other separately insured property is so damaged as to be irreparable within the amount insured or where you have been deprived of possession due to the occurrence of an insured event which is covered by this insurance and after a period of 12 months there is no reasonable prospect of the vessel or property being recovered, provided you have not failed to provide security or to pay any fine or penalty in order to secure the release of the vessel. A compromised total loss is an agreement between the both of us that the vessel or other separately insured property shall be treated as if it were a constructive total loss.
Vessel	The hull, machinery, gear and equipment as would normally be sold with the vessel and which we have agreed to insure for the amount stated in the schedule. It includes, where appropriate, the vessel's dinghies, tenders, outboard motors and any additional equipment which is separately valued in the schedule.
We/Us/Our	Syndicate 2001 at Lloyd's.
You/Your	The persons or company named in the schedule as the policy holder who are the owners of the vessel or on whose behalf this insurance has been effected, together with any other person to whom cover is extended under any section.

## CLAIMS PROCEDURE

### 1. *Your duty to give notice of claims and to minimise loss as if you were uninsured.*

We shall not be liable to pay any claim under this insurance unless you comply with all the following requirements:

- (a) Following the occurrence of any incident which may give rise to a claim under this insurance you must:
  - (i) notify us through your Broker/Insurance Intermediary and the nearest Lloyd's Agent if the vessel is abroad, as soon as reasonably practicable. You should not wait to obtain repair estimates nor wait until you receive notice of a claim against you before giving us notice of such incident
  - (ii) take all reasonable measures to avert or minimise any loss, damage or liability. We will reimburse you for the cost of doing so in addition to any other sums which we are liable to pay under this insurance
  - (iii) obtain repair estimates for our approval before carrying out any repair work, as soon as reasonably practicable. We shall have the right to appoint a surveyor and to decide where the vessel is to be taken for docking or repair (we will pay any additional expenses which this causes). We shall also have the right to obtain competitive tenders or repair estimates, or to require you to do so
  - (iv) advise us of any incidents that could give rise to a claim not reported to insurers within 90 days of such incident.
- (b) No action which either you or we take to save, protect or recover the vessel will be regarded as a waiver or acceptance of abandonment nor will it prejudice the right of either you or us.
- (c) In the event of loss or damage to the vessel or any potential liability to any third party, you must give us all possible assistance in obtaining evidence and take such steps as we may reasonably require.

### 2. *Basis of settlement*

The basis on which your claim will be settled is as follows:

- (a) Section A - Hull and Machinery
  - (i) Where the cost of repairing the vessel is less than the amount insured, we will pay the reasonable cost of repair or damage which is directly caused by an occurrence which we have insured you against, less the policy excess stated in the schedule;
  - (ii) Where the vessel is an actual, constructive or compromised total loss, we will pay the full amount insured without deduction of the policy excess;
  - (iii) In respect of protective covers, sails, masts, spars, standing and running rigging or outboard motors we will, at our discretion, make a deduction up to an amount equal to one-tenth of the cost of repair or replacement for each year of the age of the lost or damaged item up to a maximum of 50%.
- (b) Section B - Legal Liabilities

We will pay up to the amount insured, less the policy excess stated in the schedule, the legal costs and other necessary expenses of defending any claim made against you, including any costs or damages which are awarded against you in legal proceedings or which are agreed to be paid.
- (c) Section C - Personal Effects

We will pay up to the amount insured, less the policy excess stated in the schedule, the reasonable cost of repairing or replacing your personal effects. If however the total value of your personal effects on board the vessel at the time of the loss or damage is more than the amount insured for personal effects, we will only pay a rateable proportionate part of your claim.
- (d) Section D - Personal Accident
  - A. We will pay up to the amount insured in respect of:
    - (i) accidental death, loss of limb or sight if such death or loss occurs within 12 months of the date of the accident
    - (ii) In respect of permanent total disablement.
  - B. The most we will pay in all will not exceed 100% of the amount insured.
  - C. If the consequences of any bodily injury are aggravated by any pre-existing

## CLAIMS PROCEDURE

condition which existed before the bodily injury occurred, the amount paid will be reduced to take account of any such condition. A pre-existing condition shall be any physical or mental condition, disability or infirmity for which you sought or received medical treatment or consultation at any time prior to the inception of this insurance.

In respect of Sections A to C only, claims procedure 3 below applies:

3. *Claims promise*

We undertake that we will provide:

- (a) an initial response to the claim at the very latest within 72 hours of notification to us
- (b) a computerised diary tracking of each claim to avoid delays and to monitor progress.

## GENERAL EXCLUSIONS

The following exclusions apply to all sections of this insurance.

This insurance does not cover:

1. *War and strikes*

loss, damage, expense or liability caused by or resulting from:

- (a) war (whether or not formally declared), civil war, revolution or any like action
- (b) capture, seizure, arrest, restraint or detainment or the consequences of those events or any attempt to effect them, but not excluding any loss which results from barratry or piracy
- (c) strikers, locked-out workmen, labour disturbances, riots or civil commotion
- (d) the actions of terrorists or persons acting from a political motive.

2. *Nuclear*

loss, damage, expenses or liability caused by or resulting from any atomic or nuclear reaction or radioactivity or the explosive or hazardous properties of any nuclear assembly or any part of such an assembly.

3. *Other insurance*

any claim where, but for the existence of this insurance, you would be entitled to make a claim under any other policy, except for any excess beyond the amount which is or would have been covered under such other policy.

4. *Excess*

the amount of the excess stated in the schedule for each incident of loss, damage or liability.

5. *Institute cyber attack exclusion clause*

1.1 Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

1.2 Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

6. *Institute radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons exclusion clause*

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

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

## GENERAL EXCLUSIONS

- 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 1.4 the radioactive, toxic, explosive or 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
- 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

## GENERAL TERMS

1. *Continuation*  
If the vessel is at sea or in distress or at a port or place of refuge when this insurance expires (unless by reason of cancellation) we agree to hold her covered at a premium to be agreed until she arrives at her next port of call, provided you give us prompt notice of her arrival there.
2. *Assignment*  
No assignment of this insurance or of any interest in it or of any monies which are due to be made payable under it shall be binding upon us unless written notice of such assignment signed by you is given to and agreed by us and is endorsed on this insurance.
3. *Change of ownership*  
If the vessel is sold or transferred to a new ownership or, where the vessel is owned by a company, if there is a change in the controlling interest in the owning company, this insurance shall be cancelled from the time of such sale, transfer or change, unless we agree otherwise in writing, and a return of premium will be made. If however the vessel is at sea at the time of such sale, transfer or change this insurance will continue until her arrival at a safe port if you request us to do so in writing before the sale, transfer or change takes place.
4. *Sister ships*  
If the vessel is in collision with or is salvaged by any other vessel wholly or partly in the same ownership or management, all question of liability, damages, salvage or reward are to be referred to a sole arbitrator to be agreed upon between us and you.
5. *Cancellation and return of premium*  
If you decide you do not want to accept your new policy or renewal you must return the certificate of insurance and all documents to us or your Insurance Intermediary within 14 days of receiving it or renewal documents 14 days from your renewal date. We will only charge you on a pro rata basis for time you have been on cover, although we will always retain a minimum premium of £50 + tax + cancellation fee (or equivalent currency as per schedule). Your Insurance Intermediary may wish to apply a charge for their service. The balance will be returned to you.  
  
You or we may cancel the policy at any other time subject to us both having to give each other 30 days notice or by mutual agreement. Any return of premium will be calculated as above.  
  
Should the vessel be sold or ownership transferred you must notify us or your Insurance Intermediary immediately. In respect of a jointly owned vessel, confirmation of the sale or transfer of ownership will be required from all parties. The insurance shall become cancelled from the date of sale or transfer and a pro rata daily return of premium calculated on the annual premium charged subject to our cancellation fee. Your Insurance Intermediary may wish to apply a charge for their service.
6. *Law and jurisdiction*  
Unless otherwise expressly agreed and stated in the schedule, this insurance is governed by English law. If there is a dispute, it will only be dealt with in the courts of England and Wales.



## WARRANTIES

You should note that breach of the warranty will cause this insurance to become void from the date of the breach unless we have agreed in advance to a variation in the terms of the warranty and the variation is endorsed on this insurance.

We will not exercise our right to avoid this insurance on grounds of a breach of warranty where the circumstances of a loss are unconnected with the breach, unless any fraud is involved in relation to the loss or the presentation of a claim.

You warrant that:

- (a) you will take all reasonable steps to maintain and keep the vessel in a seaworthy condition and to safeguard her against loss or damage
- (b) the vessel will not be taken or navigated outside the cruising limits stated in the schedule
- (c) the vessel will only be used for your private pleasure purposes
- (d) the vessel will be laid up out of commission at the place and for the period stated in the schedule
- (e) the maximum designed speed of the vessel and/or her boats does not exceed 17 knots
- (f) when the vessel is underway you or some other competent person over the age of 18 will be on board and in control
- (g) the vessel will only be used for lawful purposes, that she will be operated in a lawful manner and that all safety requirements of her flag (or place of domicile if the vessel is unregistered) will be complied with. Negligent navigation in breach of the Collision Regulations will not however be regarded as a breach of this warranty.

Warranties (c) and (e) may be deleted with the prior consent of insurers and reference therefore should be made to the schedule of insurance.

The vessel is covered while she is:

- (a) in commission afloat within the cruising limits stated in the schedule, but not while the vessel is being towed (except as is customary or when in need of assistance) or is towing other vessels (except in an emergency);
- (b) laid up out of commission, including lifting out, launching and being towed in connection with those operations or for the purpose of fitting out or repair within the port of place of lay-up, but not while the vessel is being used as a houseboat or is under major repair or undergoing alterations unless you have first given notice to us and agreed to pay any additional premium we may require.

You are covered against physical loss or damage, occurring during the period of insurance, to the vessel directly caused by fortuitous accidents which occur as a direct consequence of the use or the operation of the vessel at sea and are incidental to such use or operation, or as a direct consequence of some other use for which the vessel is covered, including:

1. fire or explosion
2. jettison
3. piracy or barratry
4. impact between the vessel and any dock or harbour equipment, land conveyance or aircraft or anything falling from an aircraft
5. earthquake, volcanic eruption, tsunami or lightning
6. accidents during loading, discharging or moving stores, gear, equipment, machinery or fuel
7. malicious acts of third parties
8. theft of:
  - (a) the entire vessel or of her dinghies or tenders
  - (b) outboard motors
  - (c) the vessel's machinery, gear or equipment from the interior of the vessel or from a secure place of storage ashore following violent and forcible entry into such areas
  - (d) gear, equipment or fittings from the exterior of the vessel where they are removed by violent and forcible means
9. latent defects in the vessel
10. negligence
11. breakage of shafts
12. act of government to prevent or mitigate a pollution hazard or the threat of such hazard, provided the act is the direct result of loss or damage to the vessel which is covered under this insurance and has not resulted from a want of due diligence on the part of you or your agents to prevent or minimise such hazard or threat
13. the cost of inspecting the bottom of the vessel after stranding, even if no damage is found, provided the inspection was made solely for that purpose and it was reasonable to do so
14. salvage charges, provided the charges were properly and reasonably incurred to prevent or minimise loss or damage to the vessel by the occurrence of an event which is covered by this insurance
15. to include cover following: Loss or damage caused by sudden accidental incursion of water into the vessel howsoever arising, provided such loss or damage has not resulted from want of due diligence by the owners of the vessel or by the Managers, or by any Insured Person
16. Vermin.

These exclusions apply in addition to the General Exclusions on page 6/7. You should also refer to the Warranties on page 8.

This insurance does not cover:

1. loss of or damage to sails, awnings or protective covers, unless the loss or damage is directly caused by heavy weather while sailing or while they are correctly furled and secured, or by damage to the spars to which the sails are bent, or by stranding, collision, impact or fire
2. loss of or damage to sails, masts, spars or standing or running rigging while racing
3. loss of or damage to the engines or other machinery, electrical equipment, batteries or (in each case) their connections, unless directly caused:
  - (a) by the immersion of the vessel as a result of heavy weather
  - (b) by stranding, collision or impact
  - (c) while being removed from or placed aboard the vessel
  - (d) by malicious acts
  - (e) by fire, including while in store ashore
  - (f) by theft of the entire vessel or of her dinghies or tenders
  - (g) in the case of outboard motors, by theft provided they are securely locked to the vessel or her dinghies or tenders by a proprietary anti-theft device in addition to their normal method of attachment
4. loss of or damage to the engines or other machinery, electrical equipment, batteries or (in each case) their connections, caused by or contributed to by or resulting from latent defect
5. the cost of repairing or replacing any part of the vessel which is latently defective or defective in design or construction or of remedying such defect
6. the cost of rectifying any defective workmanship in the maintenance, alteration or repair of the vessel
7. any expense incurred by reason of betterment or alteration in design or construction
8. loss or damage to dinghies or tenders with a maximum designed speed in excess of 17 knots
9. dinghies or tenders not permanently marked with the name of the vessel
10. moorings or consumable stores
11. loss of or damage to the vessel while in transit by land, air or sea
12. loss of or damage to the vessel which is caused by or results from the ordinary action of the wind and waves, ordinary wear and tear, ordinary leakage and breakage, inherent vice or delay
13. theft of outboard motor unless the engine serial number has been safely recorded by you
14. loss or damage to outboard motors, dinghies/tenders, trailers or other equipment used in conjunction with the vessel where an individual value has not been declared and accepted by us
15. loss, damage, liability or expense directly or indirectly caused by or arising from acts of recklessness or wilful misconduct by you or other persons in control of the vessel including, but not limited to, conduct when under the influence of alcohol or drugs.

You should check the schedule to see if this section is in force.

The following cover is provided during the period of insurance:

1. Your legal liability to pay damages or compensation which arises by reason of your interest in the vessel and out of an accident which directly causes:
  - (a) death, personal injury or illness to any person
  - (b) loss of or damage to any other vessel or property.
2. The legal liability of any crew member or other person using the vessel solely for private pleasure with your permission.
3. Legal costs incurred in contesting liability or claiming against any third party, including representation at a coroner's inquest or official inquiry.
4. The cost of raising or attempting to raise the wreck of the vessel, her removal or destruction, or any neglect or failure to raise, remove or destroy her.

## EXCLUSIONS

These exclusions apply in addition to the General Exclusions on page 6/7. You should also refer to the Warranties on page 8.

This insurance does not cover:

- (a) any liability to you
- (b) any liability to any paid crew member, workman or others employed in any connection with the vessel
- (c) any liability to any person in charge or control of the vessel with your permission, or of such a person to you
- (d) any liability arising out of the use of any dinghies or tenders with a maximum designed speed in excess of 17 knots
- (e) any liability to or incurred by any person being towed by the vessel, or while preparing to be towed by the vessel in connection with water-skiing, aquaplaning or any similar activity
- (f) any liability arising while the vessel is in transit by land, air or sea
- (g) any award of punitive or exemplary damages
- (h) legal costs which have been incurred without our written consent having first been obtained
- (i) other than as provided in clause 3 of this section, any liability or expense, including legal costs, which you incur or are ordered to pay in any proceedings arising out of a breach of criminal law, whether or not the liability or expense would also give rise to a claim in civil law.

You should check the schedule to see if this section is in force.

You are covered against physical loss or damage, occurring during the period of insurance, to personal effects which belong to you or any member of your immediate family, while on board or in use in connection with the vessel including while in transit between your home and the vessel.

## EXCLUSIONS

These exclusions apply in addition to the General Exclusions on page 6/7. You should also refer to the Warranties on page 8.

This insurance does not cover:

- (a) loss or damage caused by or arising from:
  - (i) wear and tear, gradual deterioration, damp, mould, mildew, moth or mechanical derangement
  - (ii) breakage of articles of a delicate nature, unless directly caused by the vessel being stranded, sunk, burnt, on fire, in collision, or by stress of weather, burglars or thieves
  - (iii) items valued in excess of £250 (or equivalent currency as per schedule) unless specifically declared
- (b) loss or damage to:
  - (i) cash, currency, banknotes or travellers cheques or credit/debit cards
  - (ii) water-skis, wetsuits, diving equipment, fishing equipment, mobile telephones, camcorders, jewellery, watches, photographic equipment or items of fine art
  - (iii) personal or lap-top computers
  - (iv) hand/pocket computers
  - (v) consumable stores
  - (vi) pedal cycles or motorised modes of transport
  - (vii) personal audio/visual equipment.

You should check the schedule to see if this section is in force.

We will pay up to the amount insured if you or your guests suffer bodily injury during the period of insurance while on board the vessel, including embarking or disembarking, within the cruising limits stated in the schedule, which results in your accidental death, loss of limb or permanent incapacity.

#### PERSONAL ACCIDENT EXTENSION

This extension is only applicable if the insurance to which it is attached is in the name of an individual where the vessel is used solely for private pleasure use.

##### 1. COVER

This insurance will indemnify the Insured Person(s) up to a maximum of 6 for bodily injury caused by an accident, or to the Executors or Administrators in the event of the death of the Insured Person(s) during the period of this insurance whilst on board, embarking or disembarking from the insured vessel and subject to the definitions, terms, conditions, limits and exclusions as set out below, and in the insurance to which this clause is attached.

##### 2. PERIOD OF INSURANCE

This insurance shall be for the same period as the insurance on the vessel as set out in the schedule.

##### 3. GEOGRAPHICAL LIMITS AND USE OF VESSEL

This insurance shall remain in force provided the vessel to which the insurance is attached is

- (a) within the cruising limits defined in the schedule;
- (b) used solely for private pleasure purposes.

##### 4. DEFINITIONS

*"Insured Person"* means any person on board the insured vessel other than any person employed in any capacity whatsoever by any owner of the vessel.

##### 5. SCHEDULE OF COMPENSATION

Compensation shall not be payable under more than one of the items of this Schedule of Compensation in respect of the consequences of one accident to any one Insured Person.

The total sum payable under this insurance in respect of more than one accident to any one Insured Person shall not exceed £20,000 (or equivalent currency as per schedule). No more than two claims may be made under this insurance during the period of insurance.

Claims in respect of 1, 2, 3, 4, 5 and 6 shall only be considered when death or loss occurs within twelve months of the accident.

1.	Death	£20,000
2.	Total and irrecoverable loss of sight of both eyes	£20,000
3.	Total and irrecoverable loss of sight of one eye	£10,000
4.	Loss of one limb	£10,000
5.	Loss of two limbs	£20,000
6.	Total and irrecoverable loss of one limb	£10,000
7.	Permanent Total Disablement (other than total and irrecoverable loss of sight of one or both eyes or loss of limb(s))	£20,000

You should check the schedule to see if this section is in force.

These exclusions apply in addition to the General Exclusions on page 6/7. You should also refer to the Warranties on page 8.

This insurance does not cover death or disablement directly or indirectly arising out of or consequent upon or contributed by:-

1. war, invasion, acts of foreign enemies, hostilities (whether war will be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or cyber attack
2. contamination by radioactivity, chemical, biological, biochemical or electro magnetic weapons
3. suicide or attempted suicide or intentional self-injury or the Insured Person being in a state of insanity
4. deliberate exposure to exceptional danger (except in an attempt to save human life), or the insured's own criminal act
5. illness or disease
6. you abusing or having abused, or being under the influence of alcohol, drugs or controlled substances, other than drugs legally and appropriately prescribed by a qualified medical practitioner and properly used by you
7. Human Immune Deficiency Virus (HIV), Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) or any virus, complex or syndrome that is related to the foregoing or any sexually transmitted disease
8. your participation in any kind of race
9. any person aged 80 years or over
10. chartering the vessel for hire or reward.

**CONDITIONS**

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

## ADDITIONAL BENEFITS

The following clauses are incorporated into this insurance by reference in the schedule, and cover under the insurance is extended accordingly, subject always to the warranties, terms and exclusions of this insurance.

1. *No-claims bonus – vessels not exceeding £250,000 (or equivalent currency as per schedule) or otherwise at our discretion*

In the event of no claims arising under this Policy, the same having been in force for 12 consecutive months (including a commission period of not less than 4 months), the renewal premiums will be reduced as follows:-

If no claim arises in respect of 1 year	5%
If no claim arises in respect of 2 consecutive years	10%
If no claim arises in respect of 3 consecutive years	15%
If no claim arises in respect of 4 consecutive years	20%
If no claim arises in respect of 5 or more consecutive years	25%

The no claims bonus will be fully protected in the event of an incident giving rise to a claim being presented. However, if two or more claims are made during any policy period the no claims bonus will be reduced by one year's increment other than a total or compromised total loss, when the entire bonus will be forfeited.

2. *Paid crew (full time occupation)*

This insurance covers loss of or damage to paid crew clothing which you provide for wear in connection with the vessel up to £1000 (or equivalent currency as per schedule) in total any one claim any one year up to a maximum £1000.

3. *Medical expenses*

This insurance will refund any Doctors or Surgeons Fees limited to £1000 (or equivalent currency as per schedule) for attendance upon you or your wife (or husband as the case may be) or member of the crew, as the direct result of personal injuries caused by the insured vessel sinking, or being in collision with another vessel or with any external object.

4. *Strike risks*

Notwithstanding the provisions of general exclusion 1(c), this insurance covers loss of or damage to the vessel directly caused by strikers, locked-out workmen, labour disturbances, riot or civil commotion.

5. *Outboard motors*

Notwithstanding the provision of Section A - exclusion 3, this insurance covers loss of or damage to outboard motors directly caused by dropping off or falling overboard.

6. *Frost damage*

Notwithstanding the provisions of Section A - exclusion 3, this insurance covers damage to the vessel's machinery caused by freezing, provided that all manufacturers' recommendations have been complied with and any other reasonable precautions have been taken.

7. *Road transit*

Notwithstanding the provisions of Section A - exclusion 11, for vessels not exceeding 30 feet in length this insurance covers loss of or damage to the vessel while in transit by road within Great Britain, Ireland and the Channel Islands, but excluding scratching, bruising, denting and chipping.

8. *Marina benefit*

Where the vessel is marina based as specified in the schedule. In the event of a claim under this insurance for loss or damage to the vessel while moored on a pontoon berth in a marina or ashore in a marina, the excess specified in the schedule shall not be deducted.



## ENDORSEMENTS

The following clauses are all excluded unless cover under this insurance is extended accordingly, subject always to the warranties, terms and exclusions of this insurance.

A. *Racing risks clause*

This insurance is extended to cover loss of or damage to sails, masts, spars, standing and running rigging while the vessel is racing. However:

1. we shall pay only two-thirds of the cost of repair or replacement (but without deduction of the policy excess stated in the schedule) unless the loss or damage is directly caused by the vessel being stranded, sunk, burnt, on fire, in collision or by impact with an external substance (including ice) other than water, when we will pay the full cost (but subject to deduction of the policy excess stated in the schedule and the basis of settlement provision for depreciation)
2. cover under this clause in respect of any one occurrence shall be calculated on the basis that the full replacement cost of all sails carried (whether set or not) masts, spars and standing and running rigging does not exceed the amount stated in the schedule
3. for the purpose of this clause you agree that no additional insurance will be placed to cover any part of the cost of repair or replacement of any item covered under this clause.

B. *Speedboat clause*

This insurance is extended to cover the vessel notwithstanding that her maximum designed speed exceeds 17 knots but subject to the following additional conditions and exclusions:

1. There is no cover for any loss of or damage to the vessel for any salvage services:
  - (a) caused by or arising from the vessel being stranded, sunk, swamped, immersed or breaking adrift while left moored or anchored unmanned in an exposed place; or
  - (b) arising while the vessel is participating in racing or speed tests or any trials for that purpose.
2. There is no cover for any loss or damage to the rudder, strut, shaft, bracket, propeller or (in the case of outboards or inboards/outboards) gears or casings caused by or resulting from:
  - (a) negligence or latent defect; or
  - (b) heavy weather, except where the loss or damage is directly caused by the vessel being immersed by heavy weather; or
  - (c) impact, other than with another vessel, pier or jetty.
3. If the vessel is fitted with inboard machinery there is no cover for any loss of or damage to the vessel or for any salvage services caused by or arising from fire or explosion unless the vessel is fitted in the engine room or engine space, tank space and galley with a fire extinguishing system which is automatically operated or which has controls at the steering position and is properly installed and maintained in efficient working order.
4. Where the maximum designed speed of the vessel's boats exceeds 17 knots and where this clause is incorporated into this insurance the above provision shall apply separately to each of such boats.

## ENDORSEMENTS

### C. *Water-skiing clause*

This insurance is extended to cover your legal liability or that of any crew member or other person using the vessel solely for private pleasure with your permission to pay damages or compensation up to the amount stated in the schedule to any person being towed by the vessel or while preparing to be towed or after being towed in connection with water-skiing, aquaplaning or any similar activity and to any liability incurred by such a person while participating in such activity, but excluding any liability which you or any other person using the vessel may incur in respect of death, injury or illness of the other.

### D. *Machinery damage extension clause*

This insurance is extended to cover loss of or damage to the engines or other machinery, electrical equipment, batteries or (in each case) their connections directly caused by:

- (a) latent defects in the vessel or the breaking of shafts, but excluding the cost of replacing or repairing the defective part or the broken shaft
- (b) negligence, but excluding the cost of rectifying any defective workmanship in the maintenance, alteration or repair of the vessel
- (c) heavy weather.

### E. *Transit clause*

This insurance is extended to cover loss of or damage to the vessel while in transit by road, rail or as cargo on board ship, including loading and unloading from the conveyance, but excluding:

1. scratching, bruising, denting and chipping which arises during and results from the transit
2. any liability to any third party caused by or arising from any accident occurring while the vessel is being towed by or is attached to a motor vehicle or as a result of the vessel having become detached from the motor vehicle.

However, cover under this clause is conditional upon any trailer being immobilised and wheel clamped at all times whilst unattended.

### F. *War & strikes clause*

1. This insurance is extended to cover loss of or damage to the vessel which is directly caused by:
  - (a) war, civil war, revolution, rebellion, insurrection, or civil strife arising from such an event, or by any hostile act for or against a belligerent power
  - (b) capture, seizure, arrest, restraint or the consequence of such an event or any attempt to effect them
  - (c) derelict mines, torpedoes, bombs or weapons of war
  - (d) strikers, locked-out workmen or persons taking part in labour disturbances, riots or civil commotion
  - (e) any terrorist or any person acting from a political motive
  - (f) confiscation or expropriation.
2. If the vessel has been the subject of capture, seizure, arrest, restraint, detainment, confiscation or exportation which causes you to lose the free use or right of disposal of the vessel for a continuous period of 12 months then, for the purpose of ascertaining whether the vessel is a constructive total loss, you will be deemed to have been deprived of possession of the vessel without any likelihood of recovery.

## ENDORSEMENTS

3. We do not cover under this clause any loss, damage, liability or expense which is caused by or results from:
  - (a)
    - (i) ionising radiation 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 detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter hereinafter called a nuclear weapon of war
  - (b) the outbreak of war, whether or not there has been a declaration of war, between any of the following countries:

United Kingdom, United States of America, France, the Union of Soviet Socialist Republics, the People's Republic of China
  - (c) requisition or pre-emption
  - (d) capture, seizure, arrest, restraint, detainment, confiscation or expropriation by or under the order of the government or any public or local authority of the country in which the vessel is owned or registered
  - (e) arrest, restraint, detainment, confiscation or expropriation under quarantine regulations or infringement of any customs or trading regulations
  - (f) the operation of ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
  - (g) piracy
  - (h) any event which occurs before the vessel has been launched or while she is laid up unless under 1(d) above
  - (i) delay.
4.
  - (a) Either you or we may cancel cover under this clause at any time by giving notice to the other, such notice will be effective at the expiry of 7 days from midnight on the day of which it is given. However, we agree to reinstate cover under this clause provided that before the notice period has expired we agree with you on a new rate of premium and any additional terms which we may wish to impose.
  - (b) Cover under this clause shall terminate automatically and without notice immediately upon:
    - (i) the outbreak of war, whether or not there has been a declaration of war, between the following countries:

United Kingdom, United States of America, France, the Union of Soviet Socialist Republics, the People's Republic of China
    - (ii) the vessel being requisitioned, either for title or use.
  - (c) If cover under this clause is cancelled under (a) or (b) above, we will make a pro-rata net return of any additional premium you have paid.
  - (d) Cover under this clause shall not become effective if any event which would have caused it to be automatically cancelled under (b) above has occurred before this clause is agreed to be incorporated in this insurance.

*Broker / Intermediary Stamp*

*[01/07]*

*Nautical Insurance Services Limited  
57 Elm Road, Leigh-on-Sea  
Essex SS9 1SP*

*Telephone: 01702 470811  
Facsimile: 01702 470844  
E-Mail: [enquiries@nautical-insurance.co.uk](mailto:enquiries@nautical-insurance.co.uk)  
Website: [www.nautical-insurance.co.uk](http://www.nautical-insurance.co.uk)*