



Information about The British Terms and Conditions, the Institute Yacht Clauses ZURICH GRUPOXANDRA

When it comes to insuring your boat, it's easy to feel a little overwhelmed by the vast variety of products and types of policies on the market nowadays; **Obligatory and Voluntary Public Liability, Sea Rescue, Spanish & English Clauses, Total Loss, Breakdowns...** an endless list of covers which can seem rather confusing when looking to insure your vessel! This introduction aims to clarify some of that confusion .

When you take your boat out, you just want to enjoy the waves, the wind in your hair and the endless horizon that awaits you. It's for this reason, and also because we never stop to think about the dangers that await us that your boat should be well-insured with cover that meets your individual needs and which guarantees your safety at sea.

Although there are many "package" type policies on the market, **each boat and each client has his own particular requirements** which should be studied on an individual basis: only that way can you guarantee that you have the correct cover **and that you aren't paying for something that you don't need...**

Basically, there are **two types of Public Liability: obligatory public liability (only covers damage to a 3rd party up to a limit established by law, in the Royal Decree 607/1999 of 16th April); and voluntary public liability which guarantees damage to your own boat.** An excess can be applied to voluntary public liability (i.e. a fixed amount which is payable by the Insured.).

In order to process any possible claim, the **captain of the boat must be in possession of the corresponding qualifications needed** and the boat must have passed all the **inspections** required by the governing bodies and have all the **relevant paperwork/licenses** up to date, **stating** the authorized **sailing radius** in which the boat may operate.

In principle, only boats destined for private and recreational use (motor or sail) can be insured and therefore excludes those used for other purposes (professional, such as fishing boats for sales to 3rd parties, sporting, etc...)

Normally a **value is assigned to both the hull and the engine (or to the sales, declaring a value per sail).** Usually these values coincide with the replacement costs new, of each item. At the time of taking out the insurance policy it's very important **not to forget any rigging and accessories** separate from the hull (unless you decide not to insure these), as the Insurance Company will not pay out for any damages to these items if they are not declared in the policy.



“Spanish Clauses” and “English Clauses”

Furthermore, there is another distinction to take into account regarding which clauses or stipulations are applied: the so-called **“Spanish Clauses”** and **“English Clauses”**. **Regardless of the origin of the boat, any policies issued in Spain tend to be included in the Spanish Clauses. However, the English Clauses, except in a few circumstances, have a wider range of guarantees and were drawn up by the Institute of Yacht Clauses of London (IYC).** The practical **difference** between the two is that the **English ones allow you to state the value of the boat.** In the **Spanish version, it is the market value of the boat which is declared.** If you can choose between the two, **it is always advisable to take out insurance with the English Clauses.** For example, Zurich Náutica offers the possibility to contract either the Spanish Clauses or the English Clauses (Institute of Yacht Clauses) for all boats whose insured value is more than €20,000 (euro’s).

Damages caused by the following are **usually covered; shipwreck, jettison, running aground, collision with a fixed or floating object, storm, sinking** (which is not due to bad maintenance of the boat), **theft in a secure and vigil place and malicious acts by third parties.** Amongst the **exclusions** of cover, it is worth pointing out, amongst others, **sails ripped by the wind, detachment of outboard motor, faulty maintenance of the boat, purely mechanical faults of any type, grave negligence, breakdowns produced by leaving the boat anchored in beaches or coves without assistance, etc. ..**

With regards to **total loss produced by an accident/breakdown** covered in the policy, it is **the market value which is reimbursed;** deducting the value of any items salvaged which will remain with the Insured. If **such an incidence occurred abroad,** the Insured **can get in touch with one of the Loss Adjusting bodies** (called Comisarios de Averías – they are the adjusters in the Transport & Boat Branch) who will undertake the valuing of the loss and forward this information to your Insurance Company.