

Zurich Pleasure Craft

General Conditions of Guarantees



Welcome to Zurich

We would like to welcome you to the company and remind you that we are always available to help you with anything you need.

Zurich is committed to giving you the finest service whenever you need it with fast and effective solutions and clear information.

In these terms and conditions you will find a detailed description of what is in your new Zurich Pleasure Craft insurance.

ZURICH PLEASURE CRAFT

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I. Legal Regulations

Insurance company and authority supervising its operations

Zurich Insurance Public Limited Company is an insurance company registered in Ireland with Registration No. 13460, whose registered office is Zurich House, Ballsbridge Park, Dublin 4, Ireland. It is supervised and registered by the Central Bank of Ireland and authorised to operate in Spain under the right of establishment through its branch Zurich Insurance plc, Sucursal en España.

Zurich Insurance plc, Sucursal en España, holder of NIF W0072130H, whose registered address is Vía Augusta 200, 08021 Barcelona, is registered in the Administrative Registry of the General Insurance and Pension Funds Directorate with code no. E0189.

Pursuant to Section 123 of Royal Decree 1060/2015, of 20 November, on the organisation, supervision and solvency of insurers and reinsurers, it is hereby stated that in the event of the liquidation of the insurer, Spanish liquidation regulations do not apply.

Applicable legislation

- Insurance Contract Act 50/80, of 8 October.
- Organisation, Supervision and Solvency of Insurers and Reinsurers Act 20/2015, of 14 July.
- Insurance Compensation Consortium Legal Statute Regulation Act 7/2004, of 29 October.
- Any other regulation that might be applicable during the lifetime of the policy.

Complaints and claims

Complaints and claims may be submitted to the company's Customer Ombudsman under the procedure set out in the Customer Ombudsman Regulations drawn up by the company and which are available on our website www.zurich.es/defensacliente. These Regulations comply with the requirements of Ministerial Order ECO 734/2004 and any other regulations that may replace or amend it.

The Customer Ombudsman as regulated in the aforementioned Regulations will give its decision within the time limit indicated in the latter from the filing of the complaint or claim. When this period expires, the claimant may appeal to the Complaints Service in the General Insurance and Pension Plans Directorate if applicable.

Cancellation clause for distance contracts

In the case of insurance that is taken out exclusively by means of distance communication media, and for purposes other than the insured's business or professional activities, the insured may cancel the distance contract within fourteen calendar days of it being signed, provided that the adverse event covered by the insurance has not occurred, with-

out stating their reasons and without penalisation, in compliance with Article 10 of the Distance Marketing of Financial Services for Consumers Act 22/2007. To exercise this right the insured should write to the insurer. The insurer reserves the right to retain the part of the premium which is proportional to the cover period. The right of cancellation will not be applicable to compulsory insurance, travel or luggage policies lasting less than a month, or to ones whose effect terminates within the fourteen calendar day period.

Protection of personal details

Personal details will be stored in files owned by Zurich Insurance, plc, Sucursal en España, and its parent company Zurich Insurance, plc., whose purpose is and may be the proposal, completion, maintenance and control of the insurance contract and the carrying out of statistical studies, quality studies, technical analysis, the management of coinsurance if applicable and fraud prevention and processing by the parent company for the prevention of money laundering or the financing of terrorism.

Your personal details are provided voluntarily but are nonetheless necessary for the implementation of the contractual relationship. At any time you may exercise your rights of access, rectification, cancellation and opposition by writing to the contracting company which is responsible for the files and their processing, and whose address for this purpose is Vía Augusta 200, 08021-Barcelona.

Likewise, your personal details will also be used to enable Zurich Insurance plc Sucursal en España, Zurich Vida and Aide Asistencia, and other companies legally linked to the aforementioned organisations and through their authorised intermediaries, to offer products and services and to send information about products, goods or services which are marketed by other organisations and which, according to the personal details you have given us, may best meet your needs. If you do not wish your personal details to be used for this purpose, please tell us by writing to zurichlopd@zurich.com.

The applicant expressly states their agreement to all of the foregoing.

Implementation of International Public Order

Without prejudice to the conditions of this agreement, the insurer of the coverage will not be required to make payments or provide a service or benefit for any insured or third party if such coverage, payment, service or benefit and/or any other business or activity of the insured may be in breach of trade legislation or regulations, trade embargo or economic sanctions affected by an international public order.

Likewise, late-payment interest will not accrue in the event that the insurer, when completing the procedures provided for in the said regulations, should exceed the maximum time allowed for compliance with certain obligations.

II. What to do in the event of a loss

You are reading the Zurich Pleasure Craft policy which you have taken out with our company, whose service, reliability and technology you will be able to count on from now on.

Thank you for choosing us.

We think that you will find it useful to have a look at some of the basic features of these Terms and Conditions which we have set out below:

The covers you get with the insurance

You will find a summary on page 7.

Check the wording of the covers contained in articles 2, 3 and 4.

What to do in the event of a loss

The purpose of your insurance policy is to help you and to compensate you financially in the event of a loss.

If a loss covered by this policy occurs, we recommend that you do the following:

- Use all means within your power to minimise its consequences.
- Read the “Object and scope of the Insurance” section of your policy carefully and make sure that the loss really is covered.
- Contact us or your broker and give a detailed explanation of what caused the loss and what its consequences are.
- Send the claim report form to us as soon as possible giving as detailed an account as you can of any damage sustained.
- Make a statement to the judicial authorities or report the incident to the police, depending on the type of claim, stating the date and time when it occurred, the causes, circumstances, damaged objects and an estimate of the damage.

III. Summary of covers and maximum compensation limits for the sum insured

(This summary of covers is not intended to be exhaustive and is given for information purposes only. For full information about the covers you should refer to the Terms and Conditions.)

I) BASIC COVERS

Compulsory Public Liability Vessels (according to Royal Decree 607/1999)

II) OPTIONAL COVERS

- Voluntary Public Liability, bonds and defence 100%
- Claims 100%
- Accidents of occupants (including pilot)
 - Death 100%
 - Permanent Disability 100%
 - Medical care expenses 100%
- Total loss
 - Fire 100%
 - Explosion 100%
 - Lightning strike 100%
 - Shipwreck 100%
 - Allision 100%
 - Collision 100%
 - Grounding 100%
 - Salvage 100%
 - Theft of the vessel 100%
 - Damage caused by theft 100%
 - Wreck removal 10%
- Particular averages
 - Fire 100%
 - Explosion 100%

- Lightning strike 100%
- Shipwreck 100%
- Allision 100%
- Contact with docks 100%
- Grounding 100%
- Salvage 100%
- Shipwreck 100%
- Acts of vandalism 100%
- Wreck removal 10% max. €6,000
- Institute Yacht Clauses 100%
- Assistance at sea and towing
- Personal belongings on board the vessel 100%
- Extension of covers Up to the limit stated
in the schedule

IV. Terms and Conditions

(Mod. 2/2.01.03.37 MAY2016)

Article 1. Definitions

As used in this contract the following words will have the meanings given below:

Accident. Bodily injury produced by a violent, sudden and external cause which is not intentional on the part of the Insured.

Vessel. Floating object consisting of a hull with or without an engine and designed for the use by its owners or users for private and non-commercial pleasure sailing purposes.

Auxiliary vessel. Floating object consisting of a hull with or without an engine and designed for the use by its owners or users for private and non-commercial pleasure sailing purposes, auxiliary to the main insured vessel and which has the same registration number.

Vessel accessories. Navigation equipment and instruments that are fixed to the vessel, such as sounders, GPS devices, wind instruments, radar, aerials, etc.

Explosion. Sudden and violent action of the pressure or drop in pressure of gas or steam.

Fire. Combustion and burning by flame that can spread of an object or objects that were not designed to be burned in the place and at the time that it happened.

Permanent Disability. Anatomical loss or total or partial permanent and irreversible decreased functionality suffered by the Insured as the direct result of an accident.

Engine. Propulsion unit designed to drive and propel the vessel.

Death. The decease of the Insured as the direct result of an accident.

Occupant. Any person who travels on the insured vessel or boards it or disembarks from it free of charge with the authorisation of the Insured.

Condition of average. If in the event of a loss the sum insured is less than the value of the insured property, the compensation will be reduced by the same proportion.

Theft. The taking away of the vessel, its engines and fixed components permanently attached to it which is either performed or attempted by third parties for personal gain with forced entry, or from the premises on which they are kept, or with physical violence or threats which endanger the personal safety of the Insured or of the people who are safeguarding and looking after them.

Insured value. The replacement value of the vessel, this being taken to mean its hull, sails, engine(s), accessories, masts, spars, rigging and tackle.

Value as new. The value of the insured vessel when new and ready to sail, according to the sale prices of builders and in compliance with prevailing legal regulations.

Should the type of the insured vessel no longer be made, or if it should be a prototype, then the value as new will be deemed to be that of a similar vessel.

Actual value. The market value of the insured vessel as determined by its age, use and wear and tear at the time immediately prior to the loss.

Article 2. Object and scope of the insurance: basic covers

Within the limits set out in these Terms and Conditions, the schedule and special clauses, the insurance provides the following covers:

2.1. COMPULSORY PUBLIC LIABILITY: VESSELS

2.1.1. Covered risks

The Insurer will pay any compensation claimed from the Insured for damage caused to third parties as the user of pleasure and sports vessels under the terms and conditions set out in Spain's Royal Decree 607/1999 (Compulsory Public Liability Insurance Regulations for vessels) of 16 April (Official State Journal of 30 April 1999).

The cover includes the extra-contractual public liability of:

- a) The owners of pleasure or sports vessels.
- b) People who are skippering these vessels with the due authorisation of the owner.
- c) Any other people who assist them with skippering the vessel.
- d) Any skiers who are being towed by the vessel, **as long as this is expressly stated in the Schedule**, and objects towed at sea, for property damage and personal injury (death or bodily injury) and direct financial loss that is the result of this property damage and personal injury which, by reason of culpability or negligence, they may cause to third parties, to ports or other maritime installations, as a result of allision, collision and in general other events arising from the use of the vessel.

For the purposes of this cover the following will be deemed to be pleasure or sports vessels: floating objects designed to be used for pleasure and sports sailing purposes with an engine, including jet skis, and those which do not have an engine and are more than six metres in length.

Losses that occur while the contract is in force and for which a verifiable claim is made against the Insured or the Insurer during the lifetime of the policy or up to 12 months after the cancellation of the policy are covered.

2.1.2. Geographical scope

Spanish territorial waters, unless expressly extended in the Schedule.

2.1.3. Scope of cover

When the Insured is liable in accordance with any of the situations set out in section 2.1.1 above, the Insurer will cover:

a) Legal defence

The legal defence of the insured and of the person who caused the damage, together with the payment of costs in civil or criminal cases.

Should there be a conflict of interest between the Insured and the Insurer because the latter has to uphold interests in the claim which are contrary to the defence of the Insured, the Insurer will notify the Insured of this situation without prejudice to the carrying out of such legal formalities which in view of their urgency are necessary for the defence of the Insured. In this case, the Insured may choose between retaining the legal representation provided by the Insurer and entrusting their defence to another person. In the latter case, the Insurer will be obliged to pay the cost of such legal representation up to the minimum fees of the Bar Association to which the lawyer belongs or, failing that, those of the Barcelona Bar Association. These minimums will include all incidents and concomitances of the case, with the Insured paying for any difference there may be.

b) Compensation

The payment of any monetary compensation that the Insured is required to pay as the liable party.

c) Bonds

The posting of any bonds that may be required by the courts to grant release on bail or to ensure the payment of financial obligations derived from the public liability included in this cover.

2.1.4. Quantitative limits (sum insured)

All damage arising from the same event, irrespective of the number of claimants or instances of public liability that may be incurred, will be deemed to be a single loss.

Sum insured: up to the limit stated in the Schedule per claim for each of the items set out in section 2.1.3 above.

2.1.5. Not included in this cover are:

- a) Damage sustained by the policyholder, the owner of the vessel identified in the policy or the insured user of the vessel.
- b) Death or personal injury suffered by people being transported in the vessel who have paid for the cruise or trip.
- c) Death or personal injury suffered by people who are professionally involved in the maintenance, upkeep and repair of the insured vessel.
- d) Death or personal injury suffered by the vessel's captain or pilot.
- e) Damage sustained by the insured vessel.

- f) Damage caused by the vessel during its repair, stay on land or when being towed or transported on land either on a vehicle or in any other way.
- g) Damage to property which for any reason (ownership, safekeeping, use, handling, transport or other) is in the insured's possession or in that of their dependants or the occupants of the vessel.
- h) Personal injury or property damage suffered by people voluntarily occupying a vessel that is piloted or captained by a person lacking the necessary qualifications, if the insurer is able to prove that they were aware of this circumstance.
- i) Damage to vessels and objects being towed for the purposes of salvaging them and personal injury caused to their occupants.
- j) Personal injury and property damage caused by insured vessels which have been stolen.
- k) Payment of fines as well as the consequences of not paying them.
- l) Damage caused by the participation of vessels in regattas, races, competitions of any kind or training for them, unless otherwise indicated in the schedule, including bets and related challenges.

Article 3. Object and scope of the insurance: optional covers

The risks set out below are included in the cover of this policy provided that this is expressly stated in the Schedule.

3.1. VOLUNTARY PUBLIC LIABILITY

3.1.1. Covered risks

The Insurer will pay any compensation claimed from the Insured only for direct property damage or personal injury involuntarily caused to third parties, provided that the Insured is found to be liable for actions performed as the owner or user of the pleasure vessel stated in the schedule whether afloat or on land.

Also included is public liability for damage caused:

- a) By the vessel to third parties.
- b) By skiers who are towed free of charge, **provided that this is expressly stated in the Schedule.**
- c) By allision or collision with fixed or floating objects.
- d) By the auxiliary vessel, **provided that this is expressly stated in the Schedule.**
- e) To people being transported free of charge, provided that the number of people is not greater than the officially authorised maximum.

Losses that occur while the contract is in force and for which a verifiable claim is made against the Insured or the Insurer during the lifetime of the policy or up to 12 months after the cancellation of the policy are covered.

This cover is valid solely and exclusively when the Insured has valid compulsory public liability insurance, save in the case of vessels which do not have an engine and whose length is not greater than six metres.

3.1.2. Scope of cover

When the Insured is liable in accordance with any of the situations set out in section 2.1.1 above, the Insurer will cover:

a) Legal defence

The legal defence of the insured and of the person who caused the damage, and the payment of costs in civil or criminal cases.

Should there be a conflict of interest between the Insured and the Insurer because the latter has to uphold interests in the claim which are contrary to the defence of the Insured, the Insurer will notify the Insured of this situation without prejudice to the car-

rying out of such legal formalities which in view of their urgency are necessary for the defence of the Insured. In this case, the Insured may choose between retaining the legal representation provided by the Insurer and entrusting their defence to another person. In the latter case, the Insurer will be obliged to pay the cost of such legal representation up to the minimum fees of the Bar Association to which the lawyer belongs or, failing that, those of the Barcelona Bar Association. These minimums will include all incidents and concomitances of the case, with the Insured paying for any difference there may be.

b) Compensation

The payment of monetary compensation that the Insured is required to pay as the liable party.

c) Bonds

The posting of any bonds that may be required by the courts to grant release on bail or to ensure the payment of financial obligations derived from the public liability included in this cover.

3.1.3. Sum insured

All damage arising from the same event, irrespective of the number of claimants or instances of public liability that may be incurred, will be deemed to be a single loss.

Sum insured: up to the limit stated in the Schedule per claim for all of the items set out in section 3.1.2 above.

3.1.4. Not included in this cover is damage or injury caused:

- a) While the vessel is being towed or transported on land and during loading and unloading.
- b) To the pilot, captain or personnel working for the insured.
- c) By the transport of passengers for commercial purposes.
- d) To the property or belongings of third parties which are in the possession of the insured.
- e) By pollution of the environment.

Nor does the insurance cover any breach of obligations derived from the existence of a contract between the insured and the injured third party or liability derived from failure to comply with official provisions or any breach of legal obligations, or any monetary loss that third parties might sustain when this is not a direct consequence of personal injury or property damage included in this cover.

3.2. CLAIMS FOR DAMAGES

If while carrying out the insured activity the Insured suffers any injury or damage caused by a third party, the Insurer will pay for the cost of filing an amicable or legal claim against the responsible party for the compensation owed to the claimant, including the cost of any technical reports and loss adjustment certificates which the Insurer believes are required to support the claim.

This cover is valid provided that the insured person has sustained the damage or injury under the conditions of time and place and carrying out activities in which their public liability would have been covered if they had caused the damage or injury.

Claims for damages caused to one insured party by another party who is insured by this Insurer are not covered.

The Insured may freely choose their lawyer and court representative who will not be subject to the instructions of the Insurer.

Sum insured: up to 100% of the sum insured for public liability per claim. All damage arising from the same event, regardless of the number of claimants, will be deemed to be a single loss.

3.3. ACCIDENTS OF OCCUPANTS

3.3.1. Accidents included

This cover includes accidents sustained by people who are being carried free of charge as occupants of the insured vessel and in the scope of cover as set out in the Schedule. Also covered are the duly authorised pilot and personnel who are handling the vessel.

Also included are accidents:

- a) That occur while on the vessel, including when boarding and disembarking from it.
- b) Sustained by skiers who are towed free of charge, **provided that they are expressly included in the Schedule.**
- c) In the sea resulting from asphyxia due to immersion or freezing.

3.3.2. Not included in this cover are accidents:

- a) Which are not defined as such in the contract.
- b) Which occur when scuba diving.
- c) Which occur under the influence of alcohol or drugs.
- d) Resulting from illnesses of any kind.
- e) Sustained when a passenger on a commercial or hired vessel.
- f) Heart attacks and strokes, whatever the cause may be.

- g) Losses derived from accidents which occurred prior to the inception date of the policy.
- h) Sustained by people aged over seventy.

3.3.3. Compensation

Within the limits established in this cover and up to 100% of the sums insured stated in the Schedule, the insurance covers:

3.3.3.1. Death

As a result of an accident covered by the policy and provided that it occurs within a maximum of five years from the date on which the accident took place.

In the event that no beneficiaries have been designated, the Insurer will take the legal heirs of the victim at the time of the accident to be the beneficiaries.

The beneficiaries may have immediate access to an advance of up to €1,500 against the payment of the sum insured to meet expenses derived from the death.

The beneficiaries must submit appropriate documentation as requested by the Insurer in order to collect the compensation.

3.3.3.2. Total or partial permanent disability

As a result of an accident covered by the policy and provided that it occurs within a maximum of five years from the date on which the accident took place.

The Insurer will pay the compensation to the insured person resulting from the following rules:

- a) In the event of total permanent disability, the compensation to be paid by the Insurer will be determined based on the sum insured for such an eventuality.

Total permanent disability means when the loss (taken to be permanent) of functional capacity of the insured person based on the scales in section b) below reaches or exceeds 100%.

- b) In the event of partial permanent disability, the degree of disability will be determined based on the following scales:

Injury	Degree of disability
Complete loss of sight in one eye	30%
Complete loss of hearing	60%
Complete loss of hearing in one ear	15%
Complete loss of speech	30%

Loss or absolute disablement:

Of the right arm or hand	60%
Of the left arm or hand.	50%
Of the thumb on the right hand	22%
Of the thumb on the left hand	18%
Of the index finger on the right hand	15%
Of the index finger on the left hand	12%
Of one of the other fingers.	7%
Of a leg above the knee	50%
Of a leg at or below the knee	40%
Of the big toe on either foot.	10%
Of one of the other toes on either foot.	5%
Loss or disablement of both arms or both hands, or of an arm and a leg, or of a hand and a foot, or of both legs or both feet	100%
Incurable mental derangement which makes the performance of any kind of job impossible.	100%
Complete paralysis	100%
Complete blindness	100%

If the Insured is left-handed, these scales will be reversed as applicable.

The compensation to be paid by the Insurer will be the amount resulting from applying the percentage for the degree of disability concerned to the sum insured agreed in the Schedule.

When the loss or disablement is only partial, the degree of disability is set by reducing the above assessments in proportion. The total compensation payable for a number of losses or disablement of limbs caused by the same accident is calculated by adding together the degrees of disability for each one, though the total degree of disability thus calculated may not exceed 100%.

In the event of cases which are not provided for in the previous paragraphs, the degree of disability will be set in proportion to the seriousness of the injury by comparing it with the above assessments.

The degree of disability which occurs as a consequence of an accident may not be increased by the fact that prior to this accident the Insured had physical defects in limbs or organs not affected by the accident.

If an organ or limb affected by an accident already had a physical or functional defect prior to the accident, the insured person is entitled to compensation for the difference between the pre-existing degree of disability and the degree of disability after the accident.

The degree of disability resulting from the accident will be determined after the medical certificate of disability has been submitted. The Insurer will give the Insured written notification of the amount of compensation to which they are entitled in accordance with the degree of disability stated in the medical certificate and the scales set in the policy. If the Insured does not accept the Insurer's proposal regarding the degree of disability, the parties will submit themselves to the decision of medical adjusters in compliance with the Terms and Conditions of the insurance policy.

If the Insured should die after disability has been established, any amounts paid by the Insurer will be deemed to be payment on account against the sum insured for death, which will be paid in accordance with the provisions of section 3.3.3.1. of this cover.

3.3.3.3. Medical care expenses

As a result of an accident covered by the policy and for a maximum period of 365 days from the date on which the accident occurred, the Insurer will pay for all expenses incurred until the complete recovery of the Insured, as long as the care is provided by doctors or medical centres designated by the Insurer.

Nonetheless, in those towns in which the Insurer does not have any doctors or medical centres, it will reimburse the cost of care in accordance with the rates for accidents at work in force at the time of the accident.

In both cases the cost of hospitalisation will also be included should it be required by the nature of the injuries.

3.3.3.3.1.

Should the Insured be attended to by doctors or health facilities which are not included in the previous section, the compensation limit per claim for all the types of compensation established in section 3.3.3.3. will be that stated in the schedule during the period of 365 days from the date of the accident.

In any of the cases indicated in section 3.3.3.3. and in this section 3.3.3.3.1., the Insurer will always cover the cost of emergency care or first aid.

3.3.3.3.2.

Also covered are expenses arising from:

- a) Emergency transport of the injured person from the scene of the accident to the nearest health facility, save in the cases included in cover 3.7 'Assistance at sea and towing'.

In the case of an accident at sea, this cover will take effect from the time at which the accident victim reaches land.

- b) The purchase and implantation of the first orthopaedic, dental, hearing or optical prosthesis required by the Insured as a result of an accident, **without exceeding 10% of the sum insured for medical care expenses and up to a maximum of €300.**

3.3.3.3.

Medical care expenses included in this cover may not be claimed if they have been met by another insurance policy.

The covers listed below are included in the policy as long as this is expressly stated in the Schedule.

3.4. TOTAL LOSS

3.4.1. Covered risks

3.4.1.1.

The total loss or abandonment of the insured vessel as a result of a maritime event. Total loss means the destruction or total and permanent disappearance of the insured vessel, and maritime event means any of the following causes: fire or explosion (either while afloat or on land), lightning strike, contact with docks, allision with fixed or floating objects, shipwreck, collision, beaching, running aground or touching bottom and sea surges resulting from a storm.

In cases where a reasonable right of abandonment may exist as a result of any of the risks stated in this section, the Insurer reserves the right to choose, within thirty days of receipt of notification of the abandonment, between accepting it and settling the claim as a total loss without transfer of ownership.

3.4.1.2.

Constructive total loss, where this means that the repair cost of the damage sustained by the insured vessel as a result of a maritime event as defined in section 3.4.1.1 above is greater than 80% of the actual value of the vessel. In this case the Insurer reserves the right to compensate the Insured as if it were a total loss and will **subtract the value of the damaged vessel or its wreck from this settlement.**

3.4.1.3.

Salvage costs, where this means the reasonable costs incurred by the Insured in order to fulfil their obligation to salvage the insured vessel from its disappearance or destruction or to minimise the consequences of a loss covered by the policy, as set out in section 3.4.11.

For the purposes of the foregoing, salvage costs means the reasonable cost of towing the damaged vessel.

3.4.1.4.

Wreck removal as ordered by the maritime authorities, provided that there is cause for compensation and **up to a limit of 10% of the sum insured for this cover.**

3.4.1.5.

The theft of the insured vessel, as well as of its engines and navigation equipment that are permanently attached to the hull of the vessel, **but only and exclusively when the vessel is afloat, moored or stored on premises or in a garage which has been properly locked and which has adequate security measures or when it is moored at a berthing quay belonging to any yacht club which has permanent surveillance.**

3.4.1.6.

Reimbursement of any payments made with the Insurer's approval for the recovery of the stolen vessel **up to a maximum of 10% of the total value of the vessel and up to maximum limit of €6,000.**

3.4.2. Offsetting of sums insured

If a loss covered by the policy occurs and any of the items in the Total Loss or Institute Yacht Clauses covers are insured in excess of their value, this excess can be used for the item that is underinsured provided that the premium which results from applying the rate to the new distribution of sums insured is not greater than the premium paid for these items during the then current policy year.

3.4.3. Not covered by this policy are losses:

- a) Caused by deterioration, wear, woodworm or inadequate maintenance of the vessel.
- b) That are sustained by auxiliary vessels.

Sum insured: up to the limit stated in the Schedule per claim for all of the items set out in section 3.4.1.

3.5. PARTICULAR AVERAGES

3.5.1. Covered risks

3.5.1.1.

Property damage to the insured vessel resulting from: fire or explosion (either while afloat or on land), lightning strike, contact with docks, allision with fixed or floating objects, shipwreck, collision, beaching, running aground or touching bottom and sea surges resulting from a storm, as well as the salvage costs as set out in section 3.4.1.3 above.

3.5.1.2.

Acts of vandalism or malicious acts performed by third parties, as well as damage resulting from theft or attempted theft, as set out in section 3.4.1.5 above.

3.5.1.3.

Property damage to the insured vessel during road or railway transport as a result of an accident involving the carrying or towing vehicle, **provided that the trailer is duly fitted out for that purpose.**

3.5.2. Not covered by this policy are losses resulting from:

- a) Detachment or falling off of engines insured by the policy, unless this should occur as a consequence of a loss included in this cover.
- b) Loss, damage or costs incurred for remedying a design or construction defect, and any outlay for the purpose of improving or altering the design or construction. This exclusion is limited to the losses or damage suffered by the poorly constructed or poorly designed parts and will not be extended to other parts of the vessel if the defect should cause damage that is included in this cover.
- c) Damage and losses resulting from wear and tear and deterioration due to use.
- d) Any damage or loss resulting from a lack of maintenance, upkeep or repair, bites by insects or parasites of any type (including osmosis).
- e) Cracks in the hull caused by drying out or abrasions or scratching not caused by a sailing accident; for the purposes of the foregoing, grounding caused by normal tides will not be considered a sailing accident.
- f) Internal damage caused by mechanical defects and breakdown of the propulsion unit and its accessories.
- g) Sails and protective covers that are torn by the wind or that get blown away upon being unfurled, unless this comes about as a result of damage to the spars to which the sails are attached, or which occurs because the boat runs aground or is involved in a collision or comes into contact with any external element (including ice) other than water.
- h) The consequences of frost and in general of extreme variations in atmospheric temperature.
- i) Loss of use and enjoyment, depreciation and other indirect damage such as the costs of classification or reclassification of the insured vessel.
- j) Damage to the vessel (accessories, electrical installation and electronic devices) resulting from power surges or abnormal currents when no fire occurs.
- k) Stealing, where this means the taking of insured property against the will of the insured without forced entry or intimidation or violence against people.

Sum insured: up to the limit stated in the Schedule per claim for all of the items set out in section 3.5.1.

3.6. INSTITUTE YACHT CLAUSES

3.6.1. Covered risks

Property damage to the insured vessel as a result of a loss covered by the Institute Yacht Clauses attached to the Schedule of the policy.

Sum insured: up to the limit stated in the Schedule per claim for all of the items set out in the Institute Yacht Clauses.

3.7. ASSISTANCE AT SEA AND TOWING

3.7.1. Definitions

For the purposes of this cover, the following terms will have the meanings given below:

a) Insured

- The natural person who is resident in Spain and is the holder of the insurance policy taken out with the Insurer, and their spouse.
- The person who skippers the vessel with the due authorisation of the owner.
- Any skiers towed by the vessel **provided that they are expressly included in the schedule.**

In the event of an accident at sea, any other person who is travelling free of charge in the insured vessel is also an Insured party, **provided that the number of people does not exceed the authorised passenger capacity of the vessel, once they have disembarked in port**

b) Vessel

The private pleasure vessel (for non-commercial use), propelled by an engine and/or sails and specified in the Schedule of the policy.

3.7.2. Covers included

3.7.2.1. Risks for people

This cover is valid when the vessel is moored in an official port in the scope of cover stated in the Schedule of the policy and which is other than its habitual mooring, and will take effect once the insured parties have disembarked.

The cover is valid from 30 km from the habitual residence of the Insured and from 10 km on the Balearic and Canary islands.

It includes:

a) Repatriation or medical transport of injured or sick people

In the event of the Insured suffering an accident or illness, the Insurer will cover transport to the nearest hospital, or if necessary to another one equipped with the necessary facilities, by the means considered most suitable in agreement with the attending doctor.

In the event of the Insured being hospitalised far from their habitual place of residence, the Insurer will cover their transport to their usual place of residence as soon as this is possible and on medical orders.

Under no circumstances will the Insurer stand in for the emergency services or pay for the cost of these services.

Under all circumstances the decision about whether or not to move injured or sick people will be made by the doctor appointed by the Insurer in agreement with the doctor attending the Insured and, if required, the family of the latter.

b) Repatriation or transport of the other Insured people

When the return of one of the Insured has taken place for any of the reasons set out in section a) above, and this prevents the rest of the Insured from continuing with their trip by their initially planned means of transport, the Insurer will arrange and pay for the cost of their return to the point of departure of their journey or to the habitual mooring harbour of the vessel.

c) Early return

If any of the Insured on a trip need to interrupt it due to the death of their spouse, forebears or descendants in the first degree or a brother or sister, the Insurer will arrange for transport to the place of burial in Spain, as well as the return of the Insured to the place where they were when the event took place.

d) Payment or reimbursement of medical, surgery, pharmaceutical and hospitalisation expenses abroad.

Under this cover the Insurer will meet the expenses incurred by each Insured person outside Spain as a result of an accident or unforeseeable illness that takes place on the vessel and within the policy period of this cover **up to a limit of €3,005.**

Reimbursement of these expenses will under all circumstances be supplementary to any other payments which the Insured and their successors-in-title are entitled to receive either in terms of Social Security benefits or under any other system of benefits of which they are members.

As a result, the Insured undertakes to take such steps as may be necessary to recover expenses from these bodies and to repay any sums advanced to them by the Insurer.

e) Travel of a companion or relative to be with the Insured person who is in hospital

If the condition of the sick or injured Insured prevents their immediate repatriation or return for more than 10 days, the Insurer will pay the travel costs (return ticket) of a member of the Insured's family or another person who they specify.

Should hospitalisation occur abroad, the Insurer will arrange for hotel accommodation while waiting for the repatriation to **take place and will pay the actual costs of this stay up to €60 per person and per night.**

Maximum compensation per claim: €600.

f) Transport or repatriation of an Insured person who has died

In the event of the death of the Insured, the Insurer will arrange and pay for the transport of the body from the place where death occurred to the place where it is to be buried in Spain, and for the return to their home of the other people who were accompanying the Insured and are also Insured parties.

Also covered are post-mortem treatment and preparation expenses (such as the mandatory embalming and coffin for transport), in compliance with legal requirements and **up to a limit of €300.**

Under no circumstances will the cost of the coffin and burial and funeral service expenses be met by the Insurer.

g) Extension of stay in a hotel

If the sick or injured insured person is unable to return home in the opinion of the attending doctor supported by the doctor appointed by the Insurer, the latter will cover expenses arising from their extended stay in their hotel **up to the sum of €60 per day and up to a maximum limit of €600 per claim.**

h) Help with finding and forwarding luggage

In the event of loss of luggage, the Insurer will help with requesting and arranging for locating and dispatching this luggage to the home of the Insured.

3.7.2.2. Risk to vessel

These covers will be valid only when then the vessel is moored in one of the official ports in the scope of cover indicated in the Schedule.

It includes:

a) Sending spare parts

After an average or accident at sea, the Insurer will send the spare parts required for repair using the fastest means available provided that these parts cannot be obtained in situ.

If the spare parts are sent only as far as the airport of entry nearest to the place where the vessel is in order to speed up delivery, the Insured will pay for any transport expenses paid by the Insurer when going to collect the spare parts from the airport.

The Insurer will advance the cost of obtaining the spare parts, but the Insured must reimburse this advance at the end of their trip against the submission of the bills paid by the Insurer. Customs duties will be paid by the Insured.

The Insurer will not be obliged to provide spare parts if they are not available in Spain or if they are no longer manufactured.

Maximum compensation per claim: €1,505.

b) Security for the vessel

If the interior of the vessel becomes easily accessible from the outside as the result of accident, average or theft covered by the policy, the Insurer will arrange and pay for security for the vessel for a maximum period of 48 hours from arrival at the damaged vessel.

c) In the event of loss of use of the vessel due to an average or accident

If the vessel cannot be repaired during the day and repairs are expected to take more than 12 hours (according to the builder's guidelines), the Insurer, in the event of loss of use of the vessel, will arrange for hotel accommodation while waiting for the repair **to be carried out and pay for the actual expenses incurred up to a maximum of €60 per person and per day. Maximum compensation per claim: €600.**

If the vessel cannot be used for more than 7 days from the date when repairs are begun, the Insurer will pay for the repatriation or transport of the occupants to their home or to the destination of their journey, except in the event that the cost in the latter case is greater than returning to their home. **Maximum compensation per claim: €600.**

d) Return of the Insured to collect a vessel repaired in situ or recovered after having been stolen

When the damaged vessel has been repaired in a place other than its habitual mooring, or has been recovered after having been stolen, and provided that the loss is included in cover c) above, the Insurer will provide the Insured with the most suitable means of transport for going to collect the vessel in the port in which it is located.

e) Sending a mechanic

The Insurer will arrange and pay for sending a mechanic (within a maximum of 48 hours) to repair the insured vessel, should one not be available in the port of disembarking. **In any event, the Insured will pay the cost of all replacement parts, labour, travel and lodging needed to carry out the repair.**

f) Sending urgent messages

At the request of the Insured, the Insurer will arrange for the sending of any urgent messages to the family members of the Insured which are required as the result of a loss covered by the policy.

g) Towing the vessel to port.

If the insured vessel has an average, accident at sea or any other incident occurs when sailing which prevents it from reaching port, the Insurer will cover the cost of towing the vessel to the nearest port. The Insured agrees to phone the Insurer so that the latter can take the necessary measures to carry out the towing.

When with the agreement of the Insurer the towing is to be carried out by a ship or vessel with the right to charge a fee for the service, **the Insurer will pay this fee up to a maximum amount which is the lesser of twenty five percent (25%) of the real appraisal value of the vessel immediately prior to the average or accident and €6,000.**

If due to an Act of God the towing has to be carried out without the Insurer having been informed in advance, the Insurer will pay for its cost in accordance with prevailing official rates. In any event, the Insurer will cover up to the maximum amount established in the previous paragraph.

This cover applies from the mouth of the harbour (open waters of the port of departure) or half a nautical mile from the shore or coastline, up to 200 nautical miles from the Spanish coastline (including the Balearic and Canary Islands) and the Iberian Peninsula.

3.7.2.3. Not included in this cover are:

- Relapses in existing illnesses with risk of a sudden change for the worse and which are known to the Insured at the time of beginning the trip.
- Mental illnesses and pathological states known to the Insured which are susceptible to becoming worse in the event of going on a trip.
- Pregnancies. Nonetheless, cases involving unforeseeable complications are covered up to the sixth month.
- Expenses related to chronic illness, prostheses of any type, thermal cures and dental treatment.
- Death by suicide, illnesses or injuries arising from deliberate acts by the Insured.
- Illnesses stemming from Acquired Immune Deficiency Syndrome as well as all problems derived from alcoholism and drug addiction.
- Illnesses or accidents caused by wars or active participation in civil or political conflicts.

- Any type of medical expense coming to less than €30.
- Vessels that are used for the transport of passengers or goods or that are rented without crew.
- Vessels intended for use in sporting competitions, jet skis and windsurf boards.

3.7.2.4. Additional conditions

- a) The Terms and Conditions of the Policy will be applicable to these supplementary covers, provided that they do not conflict with the provisions of this endorsement.

At any event the Insurer is not responsible for any delays or breaches which are due to Acts of God.

- b) In order for the Insurer to fulfil its obligations it must be immediately advised of the insured contingencies and it must have given its authorisation.

Reimbursement will not be made for expenses incurred for benefits that have not been arranged with the authorisation of the Insurer.

Important note. The use of supplementary covers in the event of losses covered by the policy does not exempt the Insured from submitting the corresponding claim report form within the time periods stipulated in the Terms and Conditions of their Pleasure Craft policy.

- c) With respect to the travel expenses of insured people, **the Insurer will only meet the excess over and above their normal cost (train and plane tickets).**
- d) The Insurer will be subrogated to all rights and actions that may correspond to the insured persons against any responsible third party up to the limit of the amount it has paid for the respective claim.

3.8. PERSONAL BELONGINGS

3.8.1. Covered risks

Included under the same terms as those set out for the insured vessel are losses that affect the personal belongings of the Insured who is aboard the insured vessel resulting from:

- Total loss subsequent to that of the insured vessel.
- Damage which is the direct result of a particular average of the insured vessel.
- Theft.

Personal belongings means music centres, television sets, clothing, gear and equipment used for fishing or water skiing, and other objects for private use (not for commercial use).

Sum insured: up to the limit indicated in the Schedule per claim. **Maximum amount covered for each item of property or object: €300.**

3.8.2. Not covered by this policy are losses caused by:

- a) Theft committed by members of the insured's family or by people who live with them and/or are their dependents, or those resulting from bad faith or gross negligence on the part of the insured, the policyholder or their dependents.
- b) Stealing, where this means the taking of insured property against the will of the insured without forced entry or intimidation or violence against people.

3.9. EXTENSION OF COVERS

In the event of a loss covered by the optional covers 3.4 'Total loss' or 3.5 'Particular averages' and provided that they are included in the Schedule, in partial amendment of the provisions of these covers the following situations are included in the contract:

- a) Acts of piracy.
- b) Damage to the insured vessel caused by breakage of moorings in the event that the vessel is moored or anchored.
- c) Damage to the auxiliary vessel, **provided that its value is included in the sum insured stated in the schedule and its inclusion in the basic covers is expressly specified. Vessels more than 5 years old are not covered.**
- d) Damage caused by electrical power surges or lightning strike to electrical installations and electronic devices inside the vessel, **provided that they are permanently attached to the vessel and comply with prevailing legal regulations.**

Sum insured: up to a limit of €1,200 per claim.

Not covered are:

- The vessel's engines.
- Equipment used to produce and transform electricity.
- Damage covered by the legal or contractual warranty of the manufacturer or supplier.

Article 4. Risks not covered in general for all covers

In addition to that specified in each of the covers:

4.1. RISKS NOT SPECIFIED IN THE SCHEDULE OR OTHER THAN THOSE STRICTLY DEFINED IN THESE TERMS AND CONDITIONS.

4.2. LOSSES DUE TO THE FOLLOWING

- a) When the person steering the vessel does not have the sailing licence required by the authorities for the insured vessel pursuant to prevailing legislation, or when their licence has expired.
- b) When the loss has occurred while the person who is steering the vessel is under the effects of alcohol, drugs, toxic substances, narcotics and/or psychotropic substances.
- c) To vessels that have been hired or are used as a permanent dwelling, unless expressly indicated otherwise in the schedule.
- d) Outside the scope of cover set out in the schedule of the policy.
- e) Intentionally by the insured or by any other person to whom the vessel or its steering has been entrusted; deceit or fraud.
- f) From smuggling and/or other forms of prohibited or clandestine trade or occurring in the course of such activities.
- g) Due to quarantine, as well as any disinfection for health purposes.
- h) When the insured vessel does not have its officially required documentation in order.
- i) As a result of international or civil war; explosion of mines, torpedoes or other military artefacts, capture, arrest, seizure and detention by governments and authorities, actions of the armed forces or law enforcement agencies in peacetime, rebellions, popular or military uprisings, acts of terrorism, sabotage, riots and civil disturbances.
- j) Nuclear reaction or radiation, contamination and radioactivity of any type.
- k) Produced by wilful breach of or non-compliance with prevailing maritime sailing regulations.
- l) Due to participation in regattas, competitions or training for them, except when expressly included in the schedule, provided that they are organised and authorised in compliance with prevailing regulations.
- m) Due to the consequences of preventative seizure or confiscation of the insured vessel, regardless of the cause and the place in which it occurs, as well as any expenses that might result from the lifting of the seizure order.

- n) Due to the insured vessel being adrift as a result of the breakage of its moorings, when it is moored or anchored without due caution and care on a beach or coast which is open or not sufficiently protected.
- ñ) Due to events or phenomena that are covered by the Spanish Insurance Compensation Consortium or when this body does not accept the validity of the rights of the insured due to a breach that is attributable to the insured of any of the rules laid down in the regulations and supplementary provisions prevailing on the date of their occurrence.
- o) That are declared by the national government to be a national catastrophe or disaster.
- p) Concerning fines or sanctions imposed by the authorities; indirect damage or loss.

These conditions will not be applicable in cases where their inclusion is provided for in basic cover 2.1 'Compulsory public liability for vessels'.

4.3. ALSO NOT COVERED ARE THE FOLLOWING ITEMS OF PROPERTY:

- a) Money, stamped paper or any documents representing monetary value, as well as objects made of silver, furs, paintings, works of art, antiques and stamp collections, jewellery, gems, precious stones and objects made of gold and silver, including those which are plated, camcorders and cameras.
- b) Objects and goods that are part of samples or catalogues, or which are intended for sale.
- c) Jet skis, unless otherwise stated in the schedule, as well as any other motorised vehicle or conveyance.
- d) Objects belonging to third parties which are in the possession of the insured.
- e) Property or items that are not permanently attached to the insured vessel, unless otherwise stated in the schedule.

Article 5. Scope of cover

The covers of the policy are restricted to the scope of cover stated in the schedule that is an integral part of the policy.

The public liability cover is limited to damage which is sustained within the scope indicated in the schedule and is claimed before or recognised by the Spanish courts.

In any event, the cover of the policy will be valid provided that the scope of navigation does not conflict with that officially assigned to the insured vessel in keeping with its specifications and in accordance with the features of the sailing licence of the person steering the vessel.

Breach of the limits of the scope of navigation as previously defined will automatically invalidate the cover, unless the Insurer has been notified of and has expressly agreed to this change.

Article 6. Damage assessment

a) Total loss

Vessels will be assessed in accordance with their replacement value on the market at the time prior to the loss, unless otherwise expressly agreed in the Schedule. If there are none on the market, other vessels with similar specifications will be used as the basis for assessment.

b) Partial damage

The assessment will be carried out in accordance with repair costs and any expenses incurred for transport to the closest suitable repair facility.

When the damage consists of tears or rips in sails and can be repaired, the Insurer will only reimburse the cost of the repair carried out by sewing.

c) Personal belongings

Compensation will be given for property up to the sum insured stated in the Schedule without the condition of average being applied.

The compensation to be paid for all of the items stated and per claim may not exceed the sum insured as stated in the Schedule.

Article 7. Indexation of sums insured

The Policyholder may agree in the Schedule that the sums insured by this policy will be automatically changed at the end of each annual policy period based on increases in the official consumer price index published by the National Institute of Statistics, or any other that may be agreed.

The base index at the time when the policy is taken out which is used for indexation will be the base index indicated in the Schedule.

The parties may oppose the renewal of this indexation of sums insured clause by writing to the other party at least two months prior to the end of the then current policy period.

Indexation will not be applicable to covers in which a sublimit for compensation is expressly established or to excesses.

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Entity registered in the Barcelona Company Register, volume 41342, folio 164, sheet B 390869, entry 1. Registered address: Vía Augusta 200, 08021 Barcelona. Tax ID (NIF): W0072130H

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