



Allianz

Yachting and Boating

Specialist UK Yachting and Boating Policy.

Allianz 

Welcome

Dear Policyholder,

It gives me great pleasure to present you with your UK Yachting & Boating insurance policy with Allianz – an organisation with over 100 years of experience in the marine insurance industry.

As an established presence in the UK insurance market, Allianz has a strong tradition of providing high quality competitively priced products and solutions to our marine customers.

By placing great emphasis on customer focus we have been able to tailor our UK Yachting & Boating policy to meet the demands of today's marine insurance customer. Our extensive research and client liaison has led us to modernize our policy wording, providing you with a plain language policy that clearly explains the depth and breadth of cover and the actions required in the unfortunate event of a claim.

As an Allianz policy holder you have the security and peace of mind of dealing with Europe's largest insurer and one of the most renowned financial services providers in the world. We service more than 60 million customers via an international network of respected companies with first-class products.

The Allianz specialist UK Yachting & Boating insurance policy is designed to protect the policyholder. I hope that this protection can form the basis of a secure relationship built on the confidence that a policyholder enjoys in purchasing our product and the knowledge that, in the event of a claim, Allianz will respond effectively to a policyholder's needs.

Yours sincerely,



Stephen Fletcher

UK Marine Underwriting Manager
Allianz Global Corporate & Specialty

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Part I

Introduction, premium and definitions

1. INTRODUCTION

Welcome to Allianz Marine & Aviation, where we are dedicated to the quality of our customer relationship.

- (a) Here is your Yachts Plain Language Insurance Policy. The Policy is a combination of this document, the Schedule setting out specific details relating to you, any Endorsements noted in the Schedule, and a copy of your Proposal Form. The Policy is a legally binding contract between you (the Insured), and Allianz Marine & Aviation Versicherungs Aktiengesellschaft (the Insurer). The contract is based upon the Proposal Form and if the Proposal Form contains any material untruth or fails to disclose any material fact (including any material circumstance not referred to in a specific Proposal Form question) you should inform us immediately since if you do not do so the validity of the Policy may be affected. A material fact is one which could affect our assessment of the risk and the terms and conditions and premiums we impose and whether we accept the risk.

Please read the documents carefully.

- (b) As per the Rules of the Financial Services Authority (FSA) we give you a “cooling off” period of 14 days from either the time you receive this Policy or the date on which the contract is concluded (whichever is the later). If the Policy does not provide you with the protection you want and you do not want to continue with the insurance you may cancel the Policy within this period and we will return the full premium, providing no claims have been made. If you choose not to cancel the Policy within this period then it will simply continue for the period specified in the Schedule and subject to all the terms and conditions set out in the Policy. If you wish to cancel the Policy you should send a written notice to us, referring to the Policy number, to the address shown in (d) below.

- (c) We appreciate that if you suffer an accident, loss or damage you need urgent and professional advice. As a policyholder of Allianz Marine & Aviation you have access to all our experienced dedicated and approachable staff on our claims helpline number which is 0207 877 3065.

(This number may also be used by you immediately following an emergency situation involving the vessel to relay messages between family, friends and business contacts).

- (d) Any correspondence with us should be directed to Allianz Marine & Aviation, 2 Minster Court, Mincing Lane, London EC3R 7XA. For non-emergency queries by telephone, please call 020 7877 3000.

2. PAYMENT OF PREMIUM

- (a) Unless otherwise agreed by us in writing, all premiums must be paid to us within 30 days of the first day of the Period of Insurance, and the Policy will be automatically cancelled retrospectively as at that first day of the Period of Insurance if payment has not been received.
- (b) We may have agreed in writing to accept payment by instalments. If you pay by this method the Policy remains an annual contract and the date of payment and the amount of the instalments are governed by the terms of the separate credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 you will be given written notice, giving 10 days in which to remedy the default prior to your Policy being cancelled from the day when the instalment was due and the credit agreement being cancelled. If you pay the premium by instalments and you suffer a claim then we shall be entitled to deduct the balance of premium from any payment we make to you in respect of that claim.

3. DEFINITIONS

The words or phrases set out below have the definitions given below when used in the Policy.

Agreed Value	This is the sum(s) noted as such in the Schedule.
Boat	Any type of small craft such as a dinghy or tender (but not a jet ski, jet bike, sailboard, life raft or toy) which forms part of the Vessel’s equipment and is used for the operation of the Vessel and is permanently marked with either a unique identification feature or communication details (such as the name of the Vessel or satellite phone number or email address) and for which a separate value is set out in the Schedule. Any reference to the “Vessel” in the Policy includes the Vessel’s Boat(s) unless the context requires otherwise.
Civil disturbance and terrorism	Means any of the following: (i) any person(s) acting from a political motive or any other motive with a view to influencing any Government; (ii) labour disturbances; (iii) riot.
Cruising Area	This is the area noted as such in the Schedule.
Endorsement	An alteration to the terms of the Policy agreed by us in writing.
Excess	The amount(s) noted in the Schedule to be deducted from each and every claim except in the case of total loss as set out in Part II, Clause 3(a) or where Part V, Clause 10 (Marina Benefits) applies.
Houseboat	The Vessel will be deemed to be used as a Houseboat if any person (other than a trespasser) uses the Vessel as accommodation during the Lay-up Periods for more than two consecutive days whether or not for the purpose of maintenance or security of the Vessel.
Immediate Family	Means either: your children (including wards and foster children); or those members of your family (persons related to you by blood, marriage or adoption) who reside permanently with you.
Lay-up Period(s)	This is the period or periods when the Vessel is laid up and is not used for any purpose except for the carrying out of minor maintenance and repairs. During the Lay-up Period(s), the Vessel must not be used as a Houseboat nor undergo major repair/refit (except by suitably qualified persons) unless we give permission in writing and issue an Endorsement to this effect.
Latent Defect	A defect which is not discoverable by the exercise of reasonable care.
Machinery	Includes main or auxiliary engines, electrical equipment, cables and fittings and hydraulic equipment, piping and fittings, boilers and shafts.
Period of Insurance	The period noted as such in the Schedule or in any Endorsement.

Personal Property	Includes items of clothing and articles of a personal or nautical nature which are kept or used on board the Vessel whilst in use, but which would not normally be sold with the Vessel.
Racing	Means any event involving speed and/or of a competitive nature.
Seaworthy	Means that the Vessel is reasonably fit in all respects to encounter the ordinary weather and sea conditions for the Cruising Area in which it is used.
Trailer	The trailer owned by you and used for moving the Vessel or her Boat(s) on land.
Unattended	The Vessel or Boat is unattended if the person in charge of it is not close enough to it to observe it and have a reasonable prospect of preventing any unauthorized interference with it.
Vessel	The Vessel named in the Schedule including her sails, Machinery, gear, equipment (including Boat(s), jet skis and jet bikes (but not "stand-up" models), Trailer, protective covers, and televisions, stereos and radios permanently fixed to the Vessel's structure), furniture and fittings. "Vessel" does not include:- <ul style="list-style-type: none"> (i) Consumables such as food, lubricants, fuel, paint etc.; (ii) The Personal Property of any person; (iii) Diving, fishing or sporting equipment; (iv) Moorings not carried on board;
War	Means any of the following:- <ul style="list-style-type: none"> (i) International war; (ii) Any act or hostility by a nation or state against another, whether war be declared or not; (iii) Civil war, revolution, rebellion or insurrection.
Wheel Clamp	A device sold and marketed as a secure method of preventing theft by avoiding road wheels turning or such other device approved by us.
Wilful Misconduct	Conduct which any reasonable person would have realised to have a significant chance of causing damage to any property or injury to any person. This includes sailing the Vessel when under the influence of alcohol or prohibited drugs.

Part II

Cover for the Vessel

1. SCOPE OF COVER FOR THE VESSEL

Subject to the Warranties and all other terms of this Policy, this Policy covers you in respect of all risks of physical loss of or damage to the Vessel except as provided in the Exclusions in this Part II and the Exclusions in Part IV.

2. EXCLUSIONS TO COVER FOR THE VESSEL

In addition to the Exclusions set out in Part IV of this Policy:

- (a) This Policy does not cover loss of or damage to the Vessel or Boat if the Vessel or Boat is 17 foot long or less unless the Vessel or Boat is either at the mooring or anchorage specified in the Schedule, or is left but kept under observation (i.e. not left Unattended), or is laid up.
- (b) This Policy does not cover loss of or damage to:
 - (i) the Vessel's canopies caused by wind;
 - (ii) the Vessel's sails, masts, spars and rigging while the Vessel is racing (unless caused by fire, stranding, sinking or collision with any fixed or floating object).
- (c) This Policy does not cover loss of or damage to:
 - (i) the Trailer caused by theft or attempted theft:
 - during preparation for or in the course of towage unless the Trailer is securely locked to the road vehicle and the road vehicle is occupied or securely locked; or
 - otherwise than during the preparation for or in the course of towage unless the Trailer is secured by a Wheel Clamp and left in a safe place or is in a locked place of storage; or
 - Caused by your Wilful Misconduct or malicious act or that of any Insured Person or if you have failed to exercise reasonable care in choosing a safe place to park the Trailer.
 - (ii) the Trailer tyres caused by the application of brakes or by punctures, cuts or bruises or by wear and tear.

(d) This Policy does not cover loss of outboard motors by theft when fitted to the Vessel or any Boat unless they are secured by an outboard motor lock (a device marketed and sold as a secure method of preventing theft of outboard motors when fitted to the Vessel).

(e) This policy does not cover physical loss of or damage to Machinery unless the manufacturer's warranty and servicing schedules have been fully complied with and the Vessel is less than five years old.

3. AMOUNT PAYABLE IN RESPECT OF LOSS OF OR DAMAGE TO THE VESSEL

- (a) We shall pay the Agreed Value of the Vessel as set out in the Schedule if:
 - (i) the Vessel is totally lost or destroyed; or
 - (ii) the cost of recovering and/or repairing the Vessel will exceed the Agreed Value; or
 - (iii) you have been deprived of the free use and disposal of the Vessel by theft for a reasonable period depending upon the facts of each individual case.
- (b) We shall pay the Agreed Value of any item (other than the Vessel) for which a separate Agreed Value is set out in the Schedule (in each case less the Excess, but if a claim is made for more than one item only the highest applicable Excess will apply) if:
 - (i) the item is totally lost or destroyed or the cost of recovering and/or repairing the item will exceed its Agreed Value; or
 - (ii) you have been deprived of the free use and disposal of the item as a result of theft of the item for a reasonable period depending upon the facts of each individual case.
- (c) For any other loss or damage we will reimburse you either:
 - (i) Where repairs are undertaken, the reasonable cost of recovering the Vessel or other insured property and the reasonable cost of effecting repairs, less the Excess set out in the Schedule; or
 - (ii) Where repairs are not undertaken by the end of the Period of Insurance (or such later time as we agree in writing) the reasonable cost of recovering the Vessel or other insured property and the reduction in market value by reason of the unrepaired damage up to the reasonable

cost of effecting repairs, less the Excess set out in the Schedule. However, we will not pay for unrepaired damage if, after the damage occurs, a further loss occurs and payment of the Agreed Value is made under clause 3(a) above.

4. AMOUNTS NOT PAYABLE IN RELATION TO THE VESSEL

- (a) In relation to the Vessel or any part of it, we shall not pay the cost and expense of rectifying, repairing or replacing:
- (i) a fault in design or construction; or
 - (ii) any part (i.e. the defective part itself including the whole or any part of the hull) which is subject to a fault in design or construction or to a Latent Defect; or
 - (iii) defective workmanship carried out or materials provided by an independent contractor employed to carry out maintenance, repairs or alterations to the Vessel.
- (b) We shall be entitled, except in the case of loss under clause 3(a) or 3(b) above, to deduct at our sole discretion:
- (i) a reasonable amount from the cost of replacement new for old to take account of depreciation of:
 - used sails, spars, running rigging, standing rigging, canopies, canvas, machinery, propellers, batteries and electronic navigation equipment; or
 - Boat(s) or outboard motor(s) even though a separate value is noted on the Schedule.
 - (iii) a reasonable amount from the cost of repairs or replacement to take account of any betterment or increase in value to the Vessel arising out of repairs or replacement except in the case of loss of the Vessel under 3(a) above.

5. ADDITIONAL AMOUNTS PAYABLE IN RELATION TO THE VESSEL

- (a) We shall also pay the following:
- (i) the expenses incurred for the purpose of averting or minimising loss of or damage to the Vessel provided that in each case the expense:
 - is both reasonably incurred and reasonable in amount; and

- results from an event (or the possibility of such) for which there is or would be cover under this Policy;
- (ii) All sums which you shall become legally liable to pay in respect of salvage and salvage charges, reduced proportionately if the Agreed Value is less than the Vessel's actual value.
 - (iii) the costs of removal of any wreck of the Vessel from any place, subject to receipt of wreck removal order;
 - (iv) the cost of removing the wreck of the Vessel where a claim is paid under clause 3(a)(i) or (ii) above, from any place owned, leased or occupied by you.
 - (v) the reasonable cost of inspecting the bottom of the Vessel after grounding even if no damage is found;
 - (vi) the costs of averting or avoiding pollution or clearing and cleaning pollution providing that we are liable under this Policy to pay you for physical loss or damage to the Vessel.
- (b) The total amount recoverable under this clause 5 and arising out of any one event is limited to the Agreed Value of the Vessel.
- (c) The amounts payable under this clause 5 will be subject to deduction of the Excess noted on the Schedule.
- (d) In addition to any amount paid pursuant to clause 3(b) or (c) above, we shall reimburse the expenses incurred by you or on your behalf for overnight accommodation up to an amount not exceeding £500 (or equivalent in another currency) each and every claim for such period that the Vessel is temporarily uninhabitable resulting from physical loss or damage covered under this Section caused to the Vessel during the Period of Insurance. This amount will only be paid if you prove to our satisfaction that you had been intending to sleep on the Vessel and that returning to your own home was impractical.
- (e) In addition to any amount paid pursuant to clause 3(a), (b) or (c) above, we shall reimburse you and those on board for the reasonable costs (up to an amount not exceeding £500 or equivalent in another currency in respect of any one event or occurrence) of returning to the Vessel's usual home port, in circumstances when the Vessel will not be repaired within 7 days.

Part III

Warranties

PLEASE NOTE: this is an important part of the Policy. Please read the Warranties set out below carefully. They are important because, as explained in clause 1 below, your cover will cease if you do not comply with the Warranties.

1. WHAT IS A WARRANTY?

- (a) A warranty is a promise by you that:
- (i) some particular thing shall or shall not be done; or
 - (ii) some condition shall be fulfilled; or
 - (iii) a particular state of affairs does or does not exist.
- (b) A warranty must be strictly complied with i.e.
- (i) the thing must be done or not done; or
 - (ii) the condition must be fulfilled; or
 - (iii) the state of affairs must exist or not exist

and if it is not strictly complied with insurance cover may cease as from the moment of the breach of warranty (and cover does not come back into existence if the breach of warranty comes to an end). Express warranties applying to this Policy are those included in this Part III and any others noted in the Schedule.

2. STRUCTURAL ALTERATION AND MACHINERY ALTERATION WARRANTY

You warrant that you will not make any structural alteration or addition to the Vessel during the Period of Insurance without first obtaining our prior written consent.

You also warrant that you will not install any machinery, running gear or equipment that exceeds the specification and tolerances of the Vessel.

3. FIRE EXTINGUISHING EQUIPMENT WARRANTY

You warrant that the fire extinguishing equipment on board the Vessel is kept in good working order at all times, which must include regular maintenance and servicing by a reputable and fully qualified service company/agent in accordance with manufacturers' instructions. You also warrant that the galley is equipped with a fire blanket.

If the Vessel is a power yacht with internal machinery spaces, you warrant that the Vessel is fitted with an automatic fire extinguishing system of suitable type and capacity for such spaces and machinery, and that there is a manual release handle located within immediate reach of the helm positions.

Part IV

Policy Exclusions

PLEASE NOTE: the Exclusions set out in this Part IV are general Exclusions which apply to all other parts of the Policy.

1. THIS POLICY DOES NOT COVER ANY LOSS, DAMAGE, COST, EXPENSE OR LEGAL LIABILITY WHICH IS DIRECTLY OR INDIRECTLY CAUSED BY, OR ARISES FROM:

- (a) Wear, tear, depreciation, deterioration, lack of maintenance or the ordinary action of the wind and waves;
- (b) Insects, marine borers, barnacles, marine growth, corrosion, rot, rust, mildew, mould, bacterial action, dampness or weathering;
- (c) Electrolysis, osmosis or galvanic corrosion;
- (d) Wilful Misconduct of the Insured;
- (e) Capture, seizure, arrest, restraint, detainment, confiscation or expropriation by any government power or authority, or supranational authority, lawful or otherwise, including as a result of civil, criminal or administrative proceedings, action by customs officers or executive actions of a Government or Government Department;
- (f) War;
- (g) Insolvency;
- (h) Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- (i) The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- (j) Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- (k) The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter;

- (l) Any chemical, biological, bio-chemical or electromagnetic weapon;
- (m) The failure or inability of any equipment or any computer programme to recognise or correctly to interpret or process any date as the true or correct date, or to continue to function correctly beyond that date;
- (n) The use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electronic system.

2. NO CLAIM SHALL BE PAYABLE UNDER THIS POLICY UNLESS THE FOLLOWING REQUIREMENTS (WHICH ARE CONDITIONS PRECEDENT TO INSURER'S LIABILITY) ARE MET:

- (a) Unless otherwise agreed by us in writing and/or by an Endorsement being noted on the Schedule, the Vessel will be used for private pleasure purposes only and it will not be let out for charter, hire or reward or otherwise used for commercial purposes, including carriage of fare paying passengers. However, we shall cover the Vessel whilst being used for the carriage of fare paying passengers for up to a maximum period of 10 days during the Period of Insurance, provided that either you, or your skipper, either of whom must be certificated to an appropriate standard to operate the Vessel for the stated purpose, will be on board and in control of the Vessel at all times whilst the Vessel is underway, and that the Vessel does not take part in racing during the carriage of fare paying passengers.
- (b) The Vessel will remain within the Cruising Area set out in the Schedule.
- (c) When the Vessel is carried on the Trailer, at all times the Trailer will be:
 - (i) securely locked to a road vehicle and the road vehicle will be occupied or securely locked; or
 - (ii) attended, or secured by a Wheel Clamp, or in a locked place of storage.
- (d) The Vessel will not be used as a Houseboat during any Lay-up Period(s) unless agreed by us in writing in advance.

- (e) You will exercise reasonable care to make the Vessel Seaworthy at the start of this Policy (or at the first date of putting to sea, if later), and you will exercise reasonable care throughout the Period of Insurance to make and keep the Vessel in a Seaworthy condition, and you will keep the Vessel in a safe place when not underway.
 - (f) You or your captain/skipper will ensure that the Vessel is properly manned when underway.
 - (g) The Vessel will not tow another vessel or be towed by another vessel except in an emergency or when it is customary.
 - (h) All survey requirements will be carried out, either within the time specified by us or by the surveyor, or (where no time is specified) within a reasonable time.
 - (i) The Vessel will not undergo major repair/refit (including removal, replacement or overhaul of machinery or running gear or through hull fittings, except where servicing is required) unless we give permission in writing and issue an Endorsement to this effect.
 - (j) In respect of cover for physical loss or damage to any jet ski or jet bike, or cover for liability of or to the driver of any jet ski or jet bike, we will only provide insurance cover if:
 - (i) the driver of the jet ski or jet bike at the time of loss was 16 years or over;
 - (ii) the driver at the time of loss is experienced and competent in handling jet skis or jet bikes;
 - (iii) at the time of the loss the dead man's handle was in operation.
- (d) theft unless the theft follows forcible entry to a locked store or forcible removal of the jet ski or jet bike from the Vessel.

3. THIS POLICY DOES NOT COVER PHYSICAL LOSS OF OR DAMAGE TO JET SKIS OR JET BIKES CAUSED BY:

- (a) launching or beaching of the jet ski or jet bike;
- (b) the use of the jet ski or jet bike in surf racing, stunt or white water use;
- (c) the ingestion of foreign substances into the mechanics of the jet ski or jet bike;

Part V

Other Policy Terms

1. ROAD TRANSIT

- (a) If the Vessel is carried on a trailer you must ensure that both the trailer and the towing vehicle are suitable for the purpose.
- (b) If the Vessel is carried on the roof rack of a road vehicle you must ensure that:-
 - (i) the Vessel, the roof rack and the road vehicle are suitable for the purpose; and
 - (ii) all lashings and other fastenings are secure.
- (c) If the Vessel exceeds thirty foot in length it must be carried by professional road hauliers.

This Policy does not cover loss of or damage to the insured property, or liability to a third party, attributable to a breach of (a), (b) or (c) above.

2. GAS

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

Note: Calor Gas Limited, Customer Support Centre, Athena Drive, Tachbrook Park, Warwick CV34 6RL, telephone 0800 626626 produce an Information and Advice Booklet on LPG for Marine Use.

3. EXTENSION OF COVER

If at or before expiry of the Policy you give us notice in writing that the Vessel is at sea, the Policy will be extended for 30 days or until the Vessel arrives at a safe mooring, anchorage or place, whichever occurs the sooner. We shall be entitled to charge an additional premium for any Period by which the Policy is so extended.

4. SALE OR CHANGE OF INTEREST

Unless we agree in writing, if during the Period of Insurance the ownership of the Vessel is sold or otherwise transferred, or in the case of a Vessel owned by a company limited by shares the ownership of more than 50% of the shares is sold or otherwise transferred in any one transaction or series of transactions to the same person, this Policy will automatically be cancelled with effect from the date of the transfer and we shall return to you the premium paid in respect of the unexpired period of insurance, subject to a minimum of 25% of the premium being retained by us unless otherwise agreed in writing.

5. CANCELLATION

This Policy may be cancelled, or cover for specific risks may be cancelled:

- (a) by us at any time, without giving any reason, by giving 30 days written notice (7 days in respect of Civil disturbance and terrorism risks) sent by post to either the address shown in the Schedule or to your agent; or
- (b) by mutual agreement; or
- (c) by you.

If the Policy is cancelled by us or by mutual agreement, providing no claim has been made during the current Period of Insurance, we shall return to you a pro-rata proportion of the premium paid in respect of the unexpired period of insurance.

If the Policy is cancelled by you, providing no claim has been made during the current Period of Insurance, we shall return to you a pro-rata proportion of the premium paid in respect of the unexpired period of insurance subject to a minimum of 25% of the premium being retained by us unless otherwise agreed in writing.

6. RENEWAL

If you wish to renew the Policy at the end of the Period of Insurance you must, before the renewal is agreed, disclose to us any change which is a material fact (as defined in Part I, clause 1(a)). If you fail to do so we shall be entitled to avoid (i.e. in effect to cancel) the renewed Policy with effect from the date of its commencement.

7. ASSIGNMENT OF THE POLICY

We shall not recognise any assignment of, or interest in, this insurance or any money which may become payable under this insurance, nor will any assignment be binding upon us, unless a dated notice of such notice of assignment or interest in the Policy signed by you and by any assignor in the case of subsequent assignment, is produced to us and such notice of assignment is produced before payment of any claim or return of premium thereunder.

8. NO CLAIMS BONUS

- (a) If you renew this Policy, provided it is not stated on the Schedule that the No Claims Bonus clause shall not apply, you will be entitled to a reduction of the premium on renewal provided that:
 - (i) The premium after deduction of any no claims bonus is not below the minimum premium charged by us; and
 - (ii) The Policy has been in force for 12 consecutive months; and
 - (iii) You renew for a further period of 12 consecutive months; and
 - (iv) No claim has been made under this Policy.
- (b) The amount of the reduction is:
 - (i) 5% for the first claim-free year;
 - (ii) 10% for the second consecutive claim-free year;
 - (iii) 15% for the third consecutive claim-free year;
 - (iv) 20% for the fourth consecutive claim-free year;
 - (v) 25% for the fifth consecutive and subsequent claim free years.

Nothing in this Clause shall imply any obligation on us to offer renewal or for you to renew.

9. PROTECTED NO CLAIMS BONUS

If at the inception date of the current Period of Insurance you were entitled to a maximum No Claims Bonus of 25% of premium, you will continue to be eligible for that same bonus at next renewal provided:

- (a) you agree to renew this Policy for a further period of 12 months; and
- (b) no more than one claim has been made by you during that current Period of Insurance.

This protection will apply only to the period of insurance following that period of insurance in which the claim was made. If a further claim is made during that subsequent period of insurance then the protection is forfeited and all No Claims Bonus is lost.

Nothing in this Clause shall imply any obligation on us to offer renewal or on you to renew.

10. MARINA BENEFITS

If during the current Period of Insurance stated in the Schedule a claim occurs for loss or damage to the Vessel (other than for a loss under Part II clause 3(a)) whilst moored or ashore at the Marina designated on the Schedule, we shall not deduct any applicable Excess from the agreed claim settlement and for the purposes of the No Claims Bonus clause, if applicable, the Period of Insurance shall be considered a claim-free year.

The benefits of this clause are withdrawn if any further claims occur during the Period of Insurance.

11. OTHER INSURANCES

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

Part VI

Personal Property

1. COVER FOR PERSONAL PROPERTY

If an Insured Value for your Personal Property is set out in the Schedule then, subject to the Warranties and the other terms of the Policy, in particular the Exclusions set out in this Part VI and in Part IV, we shall cover you in respect of physical loss or damage, however caused, to your Personal Property and the Personal Property of your Immediate Family provided that the property at the time of loss or damage is:

- (a) on board the Vessel; or
- (b) being used in connection with the Vessel; or
- (c) in transit (but not as part of a contract of carriage) between your normal place of residence and the Vessel (including the property being in a locked motor vehicle for the purposes of such transit).

2. EXCLUSIONS TO COVER FOR PERSONAL PROPERTY

- (a) This Policy does not cover loss of or damage to:
 - (i) Money or cash; or
 - (ii) Travellers cheques; or
 - (iii) Credit/charge cards; or
 - (iv) Jewellery, spectacles, contact lenses or mobile phones; or
 - (v) Diving, fishing or sports equipment; or
 - (vi) Laptops and personal digital assistants.
- (b) This policy does not cover loss of or damage to Personal Property caused by:
 - (i) theft unless the Personal Property was inside a locked compartment on board the Vessel or in a locked building ashore or in a locked motor vehicle and there is evidence of forcible and violent entry into the compartment, building or vehicle; or
 - (ii) mechanical or electrical breakdown or derangement.

3. AMOUNT PAYABLE IN THE EVENT OF LOSS OF OR DAMAGE TO PERSONAL PROPERTY

- (a) We shall pay the actual cash value of the Personal Property up to the Insured Value set out in the Schedule (or, at our option, either provide a replacement of equivalent value for the Personal Property in question or arrange for it to be repaired) if:
 - (i) the Personal Property is lost or destroyed; or
 - (ii) the cost of recovering and repairing the Personal Property will exceed its Insured Value; or
 - (iii) you or your Immediate Family have been deprived of the free use and disposal of the Personal Property by theft for a reasonable period depending upon the facts of each individual case.
- (b) If we agree to pay the reasonable value of the Personal Property we shall be entitled:
 - (i) to require you to sell the damaged Personal Property (if any) and account to us for the proceeds of sale; or
 - (ii) to take ownership of the damaged Personal Property if we choose to do so.
- (c) In any other case we shall reimburse you the reasonable cost of effecting repairs less the Excess noted on the Schedule.
- (d) The amount payable in respect of any single article, set or collection of items is limited to a sum of £1,000 unless you have declared to us the specific articles with a replacement value in excess of £1,000 and we have agreed in writing to insure those articles.

4. EXCLUSIONS TO AMOUNT PAYABLE FOR PERSONAL PROPERTY

- (a) This Policy does not cover loss of or damage to Personal Property which at the time of the event giving rise to such loss or damage is, or would but for the existence of this Policy be, insured under any other insurance, except in respect of any excess beyond the amount which would have been payable under such other insurance had this Policy not been effected.
- (b) If at the time of loss or damage to the Personal Property the actual replacement value is greater than the Insured Value noted on the Schedule, our liability will be limited to the proportion which the Insured Value bears to the actual value less the Excess noted on the Schedule.

Part VII

Cover for Liabilities

1. THE INSURED PERSONS

The Insured Persons referred to in this Part are:

- (a) you;
- (b) any person using the Vessel with your permission.

Subject to the Warranties and the other terms of the Policy, in particular the Exclusions set out in this Part VII and in Part IV, we shall cover the Insured Persons in respect of legal liability to another person arising out of an Insured Person's interest in or use of the Vessel (including collision liabilities, wreck removal and damage caused by pollution) up to the Third Party Liability Limit noted on the Schedule.

2. EXCLUSIONS TO COVER FOR LIABILITY TO THIRD PARTIES

(a) This Policy does not cover the liability of the following persons:

- (i) Any person employed under a contract in connection with the Vessel, other than the skipper or crew employed by you or such other persons as are noted in the Schedule;
- (ii) An employee of or an operator of a marina, slipway, shipyard, repair yard, yacht club, sales agency or similar organisation or crane or travel hoist;
- (iii) Any person while engaged in any sport which involves being towed by the Vessel or its Boat apart from water skiers and persons being towed on "donuts" or "bananas". The liability of water skiers and persons being towed on "donuts" or "bananas" will be limited to the amount stated in the Schedule, and such liability will only be covered if:
 - no more than two items are towed at any one time; and
 - at all times whilst towing "donuts" and "bananas" the Insured Persons comply with the manufacturers' recommendations for use.

(iv) Any person other than you or your Immediate Family while engaged in snorkelling, aqualung diving or other underwater sport including whilst disembarking or boarding;

(b) This Policy does not cover liability to the following persons:

- (i) Any person employed under a contract in connection with the Vessel;
- (ii) Any person while engaged in any sport which involves being towed by the Vessel or its Boat apart from water skiers and persons being towed on "donuts" or "bananas". The liability to water skiers and persons being towed on "donuts" or "bananas" will be limited to the amount stated in the Schedule, and such liability will only be covered if:
 - no more than two items are towed at any one time; and
 - at all times whilst towing "donuts" and "bananas" the Insured Persons comply with the manufacturers' recommendations for use.

(iii) Any person while engaged in snorkelling, aqualung diving or other underwater sport from the Vessel or Boat(s) including whilst disembarking or boarding;

(iv) Any paying passenger, except during a period when the exception to Part IV, clause 2(a) applies, i.e. Owner or Skipper charter for a period of up to 10 days.

(c) This Policy does not cover liability assumed under contract.

(d) This Policy does not cover liability caused or contributed to by recklessness or Wilful Misconduct on the part of the Insured Persons.

(e) We shall not cover liability to third parties:

- (i) caused or contributed to by the Trailer becoming unintentionally detached from the towing vehicle; or
- (ii) as a result of an accident occurring on a highway or public or private place whilst the Trailer is attached to the towing vehicle; or
- (iii) caused by any property protruding from or becoming detached from the Trailer.

3. AMOUNT PAYABLE IN RESPECT OF LIABILITY TO THIRD PARTIES

- (a) We shall pay the following, less in all cases the Excess noted on the Schedule:
- (i) the amount which an Insured Person is held by a Court judgment (or becomes as a result of a settlement approved in advance by us) legally liable to pay to a third party, up to the Third Party Liability Limit noted on the Schedule in respect of or arising out of any one event or occurrence; and
 - (ii) the reasonable costs of an Insured Person in defending/contesting any claim brought against the Insured Person, provided that such costs are incurred with our prior written consent; and
 - (iii) the reasonable costs of an Insured Person at any inquest, inquiry or similar proceeding, provided that such costs are incurred with our prior written consent.

4. EXCLUSIONS TO AMOUNT PAYABLE IN RESPECT OF LIABILITY TO THIRD PARTIES

We will not pay fines, punitive or exemplary damages (however described).

Part VIII

Personal Accident Cover

1. DEFINITIONS.

The words or phrases set out below have the definitions given below when used in this Part VIII.

Insured	This means you, or any person whilst aboard the Vessel (including embarkation and disembarkation) with your permission, including Captain or Crew employed by you but excluding any other person employed by you in connection with the Vessel.
Loss or Loss of use (of a limb, hand or foot)	Means loss by physical separation of a hand at or above the wrist or a foot at or above the ankle and includes total and irrecoverable loss of use of hand, arm or leg.
Permanent	Means lasting for twelve consecutive months and at the end of that time without hope of improvement.
Total Disablement	Means disablement which prevents the Insured from engaging in his usual occupation.

2. COVER UNDER THIS PART VIII

- (a) Subject to the Warranties and the other terms of the Policy, in particular the Exclusions set out in this Part VIII and in Part IV, we will pay the amount set out in the Schedule below if an Insured (during the Period of Insurance and whilst aboard the Vessel including disembarking and boarding) suffers death or injury as set out in the Schedule below:

Schedule	EVENT	AMOUNT
(i)	Death (or disappearance in circumstances where accidental death may reasonably be presumed) of persons 18 years in age or over	£20,000.00
(ii)	Death (or disappearance in circumstances where accidental death may reasonably be presumed) of persons under 18 years in age	£1,500.00
(iii)	Total and Permanent Loss of or Loss of Use of one limb, hand or foot	£10,000.00
(iv)	Total and Permanent Loss of or Loss of Use of two limbs	£20,000.00
(v)	Total and Permanent loss of sight of one eye	£10,000.00
(vi)	Total and Permanent loss of sight of both eyes	£20,000.00
(vii)	Total and Permanent Loss of or Loss of Use of one or more limbs hands feet and total and Permanent Loss of sight of one or more eyes	£20,000.00
(viii)	Permanent Total Disablement	£20,000.00

Provided That

- (b) The amount set out in the Schedule will not be payable unless death, Loss or disablement occurs within twelve months of the date of the event giving rise to the Loss, disablement or death.
- (c) The amounts set out in the Schedule will not be payable under more than one of the Events (i) to (viii) inclusive in respect of the same event giving rise to different kinds of loss or disablement to one individual.
- (d) Where a claim is made for disappearance of the Insured in circumstances where accidental death may reasonably be presumed, no payment will be made until at least one year from the date of disappearance. The Insured's personal representatives will furnish such security as we may reasonably require guaranteeing the repayment to us of the total amount paid should it transpire that accidental death did not occur.

Our total liability in respect of any one accident or series of accidents arising out of one event shall not exceed £150,000 any one Vessel.

3. EXCLUSIONS TO COVER

- (a) There will be no payment under this Part VIII unless:
 - (i) the accident causing the death or injury set out in the Schedule operates solely directly and independently of any other cause; and
 - (ii) the person suffering death or injury is under 75 years of age at the commencement of any Period of Insurance.
- (b) We do not cover any claim as a result of an Insured:
 - (i) hang-gliding, paragliding, parascending or participating in similar aerial activities;
 - (ii) snorkelling or aqualung diving including disembarkation and boarding the Vessel for that purpose;
 - (iii) being or becoming insane;
 - (iv) being under the influence of alcohol or prohibited drugs;

- (v) contracting a sexually transmitted disease or acquired immune deficiency syndrome;
- (vi) committing or attempting to commit suicide or any act of intentional self injury;
- (vii) provoking assault except in an attempt to prevent a criminal act;
- (viii) being or having been pregnant, suffering a miscarriage or undergoing an abortion or childbirth;
- (ix) suffering from any known pre-existing physical defect or infirmity.

4. MEDICAL EXAMINATIONS

- (a) Following upon the first advice of a claim the Insured will:-
 - (i) Provide to us at their expense a written claim together with supporting details including medical certificates and records; and
 - (ii) will, as often as required by us, attend a medical examination at our expense, at a place specified by us; and
 - (iii) in the event of death of the Insured we will be entitled to require post mortem examination and to receive the report thereof.

5. MEDICAL EXPENSES

When we pay an amount in respect of an event set out in the Schedule at clause 2 above, we will also pay medical expenses incurred by you in respect of that event up to a maximum of £5,000 in respect of any one event or series of events arising out of the same occurrence.

Part IX

Claims

1. In this section “Insured Person” means any person whose property or liability is covered by this Policy.
2. The relevant Insured Person, or the Skipper on his behalf if no Insured Person is on board, must:-
 - (a) notify us directly (by telephone to 0207 877 3065 or by e-mail to simon.langridge@ma.allianz.com) of any event or occurrence which might give rise to a claim under the Policy as soon as possible and in any event within 48 hours of the event or occurrence; and
 - (b) provide us with a written report by filling in the claim form which we have supplied attached to this policy (to address Allianz Marine & Aviation, 2 Minster Court, Mincing Lane, London, EC3R 7XA fax 0207 877 3001 or as instructed by us in response to the original notification) of the event or occurrence as soon as possible and in any event within 14 days; and
 - (c) notify the police as soon as possible of any theft, malicious damage or other crime involving the insured property; and
 - (d) in the unlikely event of court action involving a third party:-
 - within 7 days sign and return to us (with any comments) any statement of truth that we, or our representative, may request you to sign; and
 - search for and provide to us all documents that we, or our representative may require from you in relation to any claim under this Policy and within 7 days sign and return to us (with any comments) any statement of disclosure that we, or our representative, may request.
3. We shall have the absolute right in our discretion to decide where the insured property is to be repaired.
4. We shall have the absolute right (but no obligation) in our discretion and at our expense:-
 - (a) to commence or take over and conduct the defence of any claim against or prosecution of an Insured Person arising out of an occurrence which might give rise to a claim under the Policy;
 - (b) to commence or take over and conduct any claim brought in the name of an Insured Person to recover sums which are or which might be payable under the Policy;
 - (c) to commence or take over and conduct the representation of an Insured Person at any inquest, inquiry or similar proceeding which might give rise to a claim under the Policy.
5. The relevant Insured Person shall give us such assistance as we may reasonably request for the purpose of exercising our rights under 4 above.
6. The relevant Insured Person must pass onto us as soon as possible, and in any event within seven days of receipt, communications from third parties relating to any matter which might give rise to a claim under the Policy.
7. The relevant Insured Person must not without our prior written consent:-
 - (a) admit liability;
 - (b) make any offer to settle, or compromise or pay a claim by a third party which might give rise to a claim under the Policy;
 - (c) give up any right to recover damages in respect of the loss from another party. If such right is given up, we can reduce the amount payable in respect of the claim by the value of the right given up.
8. The relevant Insured Person will provide an exhaustive list of all items damaged within six months of the incident giving rise to the damage.
9. The relevant Insured Person will give us access on demand to the Vessel and/or all damaged items, and you will preserve the Vessel and/or all damaged items prior to our inspection.
10. Once we are in receipt of a fully documented claim which is covered by this Policy, and which is agreed with the relevant Insured Person, we will settle the claim promptly.

Part X

Data Protection

To enable us to provide a fast and efficient service to our clients we operate a new centralised database which includes all information relating to your Policy, including information provided to us on your Proposal Form, information contained within the Schedule, policy periods and renewal dates, together with any correspondence that we might exchange. Under the Data Protection Act 1998 we need to obtain your consent to holding this information on our system. If we should need to store any additional information we will of course approach you first to obtain your permission. The information will be used for underwriting purposes and in the event of a claim. We may also use the data for direct marketing of our own products only, but if you have signified that you are not agreeable to this in the Proposal Form, we will of course follow your requests in that respect. We may need to transfer your information to another country for underwriting and claims administration purposes. We may also share this information with other insurers and/or the authorities. If you have any objections to us holding your information either in full or in part or wish to obtain details of any information we are currently holding on you, please let us know immediately or telephone our Data Protection manager.

Part XI

Complaints, Law and Jurisdiction and Dispute Resolution

1. COMPLAINTS

Allianz Marine & Aviation is committed to providing our customers with the highest possible level of service. We realise, however, that things can go wrong and you may feel we have not provided the service you expect. This Part XI explains our internal complaints procedure which is designed to resolve problems promptly and fairly.

2. WHAT YOU NEED TO DO TO MAKE A COMPLAINT

You should first contact the intermediary who arranged your insurance. If they are unable to resolve your complaint, you can write to us or telephone your usual contact at:

2 Minster Court
Mincing Lane
London EC3R 7XA
Tel: 020 7877 3000
Fax: 020 7877 3001

When you contact us please give us a name and contact number and quote your policy and/or claim number. Please explain clearly and concisely the reason for your complaint.

3. HOW WE WILL HANDLE YOUR COMPLAINT

We will acknowledge all complaints within 5 working days and issue a response within 20 working days.

We expect that your complaint will be resolved at this stage but if not we will write to you and advise you if we require anything further or inform you of our final response.

Sometimes it may not be possible for us to resolve a complaint internally. When this is the case we will write to you to inform you that this is our final response and we cannot proceed with your complaint.

Overall we aim to conclude the process within 8 weeks of receiving your complaint.

4. THE FINANCIAL OMBUDSMAN SERVICE

If you have received a final response or 8 weeks have elapsed since raising your complaint and you are still unhappy you may be eligible to refer your complaint to the Financial Ombudsman Service. The FOS can provide help with complaints regarding your insurance but only after Allianz Marine & Aviation has had a chance to consider it first. Then you have six months in which to refer your complaint to the Ombudsman.

Further details are contained in the leaflet “Your Complaint and the Ombudsman”, a copy of which will be provided with a final response letter. Please note the Ombudsman will only consider complaints from individuals and small businesses. A reference to the Ombudsman is without prejudice to your right to take legal proceedings.

If you are not eligible to refer your case to the FOS and we are unable to reach agreement, you should seek professional legal advice.

5. APPLICABLE LAW AND JURISDICTION

- (a) This Policy shall be governed by the law of England and Wales.
- (b) In the case of any dispute between us, both you and we agree to attempt to resolve it by following the CEDR (Centre for Dispute Resolution) Model Mediation Procedure which may be found on the CEDR website (www.cedr.co.uk). Unless otherwise agreed between us, the Mediator will be nominated by CEDR. To initiate the mediation a party must give notice in writing (“ADR (Alternative Dispute Resolution) notice”) to the other party to the dispute requesting a mediation. A copy of the request should be sent to CEDR. The mediation will not start later than 28 days after the date of the ADR notice. No party may commence any court proceedings in relation to any dispute arising out of this Policy until it has attempted to settle the dispute by mediation and either the mediation has terminated or the other party has failed to participate in the mediation, provided that the right to issue proceedings is not prejudiced by a delay.
- (c) If the dispute between us is not resolved by the mediation procedure set out above, both you and

we agree to submit the dispute to the exclusive jurisdiction of the English Courts (either the High Court or the Central London County Court Business List). Any such proceedings which you commence against us should be served on our solicitors, Clyde & Co., 51 Eastcheap, London, EC3M 1JP, reference MHC/MCR/NC, who have instructions to accept service on our behalf.

6. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999 EXCLUSION CLAUSE

The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to the insurance. This insurance does not confer any benefits on third parties. No third party may enforce any terms of this insurance.

www.allianz-yachts.co.uk

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