

Yachting and Boating (UK)

Policy Summary

This Financial Services Authority (FSA) is the independent watchdog that regulates financial services. It requires us to give you this document. Use this information to decide if this policy is right for you.

This policy summary describes the insurance cover provided by the Allianz Yachting and Boating (UK) Plain Language Insurance Policy. The purpose of this summary is so that yacht owners, and the insurance brokers representing them, can review a short summary of the main terms of the insurance cover. This summary does not contain the full terms and conditions, which can be found in the Policy document.

Please be aware that these notes are not intended to be exhaustive, and do not form part of the insurance contract set out in the Policy.

Please do read the Policy itself, and if you have any queries please consult your insurance broker who should consult us directly.

1) Insurer Details:

Allianz Global Corporate & Specialty Versicherungs-Atkiengesellschaft (UK Branch)
27 Leadenhall Street
London
EC3A 1AA

Authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and regulated by the Financial Services Authority (FSA) for the conduct of business in the UK.

Head Office: Allianz Global Corporate & Specialty Versicherungs-Atkiengesellschaft, Königinstraße 28, 80802 München, Germany.

2) Type of Insurance and cover:

All Risks Cover for yacht and personal property, plus liability and personal accident cover.

3) Scope of Cover – features and benefits:

a) In respect of the Yacht:

The Vessel (by which we mean your yacht, its equipment, any tenders or dinghies, outboard motors, and its trailer, but not consumables, personal property, sporting equipment or moorings not carried onboard) is insured for any accidental physical loss or damage except as excluded (see below). You will receive the agreed value of the Vessel if it is totally lost or destroyed or if the cost of repair will exceed the agreed value. The same applies to any other item which has an agreed value, you will receive in those circumstances the agreed value less the applicable excess. For other loss or damage, we will pay the reasonable cost of repairs, less the applicable excess. We will not pay for faults in design or construction, or for defective workmanship, and we are entitled to deduct a reasonable amount to take account of depreciation in respect of certain equipment (sails, spars, rigging, machinery etc, and tenders, dinghies etc). In addition, we will pay expenses incurred to avert or minimise loss, salvage costs, the cost of wreck removal, the cost of inspecting the bottom of the Vessel after grounding and the cost of averting or avoiding pollution, in each case less the applicable excess, as long as these additional sums do not, in total, exceed an amount

equivalent to the agreed value of the Vessel. We will also pay for overnight accommodation where loss of or damage to the Vessel makes it temporarily uninhabitable and you are not able to return home, with a maximum payment of £500. We will also pay for your repatriation if the Vessel cannot be repaired within seven days, with a maximum payment of £500.

b) In respect of Personal Property:

We also cover you for loss or damage to your personal property, provided that the property in question was on board the Vessel or being used in connection with the Vessel. We do not cover loss of or damage to money, credit cards, jewellery, glasses or contact lenses, mobile phones, diving, fishing or sports equipment, and computer devices such as lap tops or personal digital assistants. We do not cover loss of personal property caused by theft unless the personal property was in a locked compartment on board the Vessel, in a locked building ashore or in a locked motor vehicle. We will pay either the reasonable value of the personal property up to the insured value, or at our option we will replace the personal property or arrange for it to be repaired. The maximum payable for one item or set is £1,000 unless a specific higher value has been declared in the proposal form.

c) In respect of Liabilities:

We also cover you and any person using the Vessel with your permission for legal liabilities to third parties. Cover is up to the amount set out in the Policy Schedule with a maximum of £3 million. This legal liability cover does not cover liability of your employees (other than the Skipper and crew), or marina employees, shipyard employees etc., or any person being towed by the Vessel apart from water skiers, or any person apart from you or your immediate family engaged in snorkelling or diving. We do not cover liability to any person employed in connection with the Vessel, any person being towed by the Vessel apart from water skiers, any person who is snorkelling or diving, or any paying passenger (except within the 10 day allowable skipper or owner charter exemption). We do not cover liability assumed under contract, or liability caused or contributed to by your wilful misconduct. Various liabilities arising from use of the trailer are also excluded.

d) In respect of Personal Accident:

We also give personal accident cover for accidental death or serious injury to you, or any person aboard the Vessel with your permission, occurring whilst aboard the Vessel, disembarking or boarding. This cover pays specified amounts for specified injuries, £20,000 being the maximum

4) Exclusions or Limitations

Unless we specifically agree in writing, the Policy does not cover the following:

- a) Any Vessel, dinghy or tender 17 foot long or less, unless at specified mooring/anchorage, or under observation, or laid up. (Part II, clause 2a).
- b) Loss of or damage to the canopies caused by wind; loss of or damage to the sails, rigging etc while the Vessel is racing (unless caused by fire, stranding, sinking or collision); theft of trailer (unless the trailer was either securely locked to a road vehicle or secured by a wheel clamp or in a locked place of storage); damage to the trailer tyres; or damage to the machinery unless servicing schedules fully complied with and Vessel less than five years old. (Part II, clause 2b, 2c and 2e).
- c) Theft of outboard motors unless secured by outboard motor lock. (Part II, clause 2d).
- d) Loss or damage caused by wear and tear, depreciation, lack of maintenance, the ordinary action of the wind and waves, insects, marine borer or barnacle damage, corrosion, rust, mildew or mould damage, electrolysis, osmosis or galvanic corrosion. (Part IV, clause 1a-c).
- e) Loss or damage caused by your wilful misconduct. (Part IV, clause 1d).

- f) Any capture, seizure, arrest, restraint, detainment confiscation or expropriation of the Vessel is not covered, whether it be by a government power, by customs officers, or as part of civil or criminal proceedings. (Part IV, clause 1e).
- g) Loss or damage caused by war, radioactivity, any chemical or biological weapons, various computer problems, or insolvency. (Part IV, clause 1f-n).

In addition, cover will only apply if the following requirements are met:

- a) You do not hire out the Vessel (the exception being a skipper or owner charter of up to 10 days per policy period, during which the Vessel shall not take part in racing). (Part IV, clause 2a).
- b) You keep the Vessel within the cruising area described in the Policy Schedule. (Part IV, clause 2b).
- c) The trailer will always be securely locked to a locked or occupied road vehicle, or secured either by a wheel clamp or in a locked place of storage. (Part IV, clause 2c).
- d) No one will live on the Vessel during any lay-up period. (Part IV, clause 2d).
- e) You will make sure that the Vessel is seaworthy either at the start of the Policy or when she first puts to sea if later, you will exercise reasonable care to keep her seaworthy, and you will ensure that the Vessel is properly manned when underway. (Part IV, clause 2e).
- f) The Vessel will not tow another vessel or be towed by another vessel except in emergency or if customary. (Part IV, clause 2f).
- g) You agree to carry out all survey requirements within the time specified by us or by the surveyor, or (where no time is specified) within a reasonable time. (Part IV, clause 2g).
- h) You agree not to carry out major repair or refit without our permission. (Part IV, clause 2h).
- i) Physical loss or damage to any jet ski or jet bike, or liability to or of the driver of any jet ski or jet bike, is only covered if the driver is 16 years old or over, experienced and competent, and the dead man's handle was in operation at the time of the loss. (Part IV, clause 2i).
- j) Loss or damage to jet skis or jet bikes caused by launching or beaching, racing, foreign substances ingested into the mechanics, or theft unless it follows forcible entry is not covered. (Part IV, clause 3a-d).

5) Warranties:

It is very important that you comply with the Policy Warranties because if you fail to do so you may lose the insurance protection. Therefore if you believe that you will not be able to comply with a warranty for some reason, you must notify us in advance and we will let you know if cover can continue. The Policy warranties are set out in detail in Part III of the Policy, and must be read in full, but we summarise them below:

1. Structural Alteration and Machinery Alteration Warranty
2. You agree not to make any structural alteration or addition to the Vessel and not to install any machinery or equipment which exceeds the specification and tolerances of the Vessel.
3. Fire Extinguishing Equipment:

You agree to keep this in good working order, including regular maintenance and servicing. You warrant that the gallery is equipped with a fire blanket.

For power Vessels, you agree that the fire extinguishing equipment will be of the correct size and capacity for the internal machinery spaces, and can be operated by a manual pull located at the helm.

6) Other important terms:

- a) If the Vessel is carried on a trailer, both trailer and towing vehicle must be suitable for this Vessel. A Vessel exceeding 30 foot in length must be carried by professional road hauliers.
- b) Gas used on board the Vessel must have installation and tubing to approved European Standard, all containers secured against movement and all gas lockers properly vented.

7) Duration of the policy: 12 months

8) Sale or Change of Interest

If the Vessel is sold or ownership of more than 50% of the shares in the Vessel is sold, the Policy will automatically be cancelled.

9) Cancellation rights

You have the right to cancel up to 14 days after the later of i) the conclusion of the contract and ii) the day on which you receive the policy. To exercise that right you must contact your broker within that period to enable him to notify us.

After the initial 14 day period, you may cancel the Policy at any time, and we will return a proportion of the premium in respect of the unexpired insurance period unless there has been a claim. We can cancel the Policy by giving you 30 days written notice (or 7 days written notice where we are cancelling in respect of civil disturbance and terrorism risks), and we will return a proportion of the premium unless there has been a claim.

10) Your duty to provide information

Before we agree to insure you and your Vessel, it is very important that you provide us with all relevant information. This means answering the proposal form questions accurately and carefully. If you do not understand the question, or are not sure how to answer, please consult your insurance broker and ask them to speak to us. If there is some important fact which you have not been asked about on the proposal form but which you believe an insurer would want to know because it increases the risk of loss or damage, you should tell your insurance broker about this fact. If you ask us to renew the Policy for a further year, and we agree, it is very important that you tell us if there have been any changes to the information set out in the original proposal form before renewal. Failure to disclose all relevant information could result in the Policy being declared void by us, and claims being therefore rejected.

11) Notification of a Claim

As soon as an event occurs which might give rise to a claim under the insurance, you need to follow the procedure set out in Part IX of the Policy, informing us as quickly as possible (telephone [0207 877 3065]) and then co-operating with us.

12) Complaints and Dispute resolution

We hope, of course, that you will not have any complaints. However, things can go wrong, and a full complaints procedure, designed to resolve problems promptly and fairly, is set out in Part XI of the Policy. If we are unable to resolve your complaint, the Policy is governed by the law of England and Wales, and the procedure for resolving the dispute between us by mediation or, if that fails, by English Court proceedings, is set out in Part XI. You may also have the right to make a complaint to the Financial Ombudsman Service, which is without prejudice to your right to take legal proceedings.

13) Compensation

In the unlikely event that Allianz Marine & Aviation is unable to meet its liabilities you may be entitled to compensation from the Financial Services Compensation Scheme.

14) Optional Endorsements

The following extensions to the cover set out above are available if we agree to them by noting this on the Schedule and if you agree to pay the additional premium which we require:

- a) Cover for loss or damage while yacht is on non-skipper/owner charter. Conditions apply.
- b) Cover for loss or damage while yacht is on skipper charter over 10 days per period of insurance, as long as you or properly qualified skipper is on board and in control at all times.
- c) Cover for loss or damage to sails, masts, spar and rigging while the yacht is racing. Cover is limited to the amount stated in the Schedule.
- d) Cover for loss or damage caused by war, seizure or confiscation.