

# Builders Risk Policy

GJW DIRECT

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## SECTION 1

### GENERAL

#### A INTRODUCTION

Thank you for entrusting us with your insurance requirements and welcome to Groves, John & Westrup Limited .

1

The Policy is a legally binding Contract between you the Insured and Munich Re Syndicate Limited at Lloyd's whose address is St Helens, 1 Undershaft, London EC3A 8EE, which is arranged through Groves, John & Westrup Limited which is a separate contract.

The Contract is based upon the information you provide to us. If you have proposed for insurance orally we will provide to you written details of that information. If the proposal contains any material untruth or inaccuracy you should inform us immediately since if you do not do so we may:

- (i) amend your policy to record the correct information, apply any relevant policy terms and conditions and collect any additional premium due including any administration charges. If you pay by instalments you will be informed if this additional premium cannot be added to your current instalment plan and must be paid in full;
- (ii) reject a claim or reduce the amount of payment we make; or
- (iii) cancel or void your policy (treat it as if it never existed) including all other policies which you have with us and apply a cancellation charge.

Where fraud is identified we will also:

- (i) not return any premium paid by you; and
- (ii) recover from you any costs that we have incurred; and
- (iii) pass details to fraud prevention and law enforcement agencies whom may access this information.

Please read the documents carefully. We are obliged to give you certain information before you make your decision to buy this Policy or alternatively to give you a "cooling off" period of 14 days from the time you received this Policy. If the Policy and Certificate do 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 part of the premium retaining a proportionate part of the premium for that period for which we have been on risk providing no claims have been made. You may cancel your Policy by either telephoning or writing to us by e.mail.

2

Groves, John & Westrup Limited and Munich Re Syndicate Limited at Lloyd's are members of one of the largest insurance groups. Any correspondence with us should be directed to the address shown on the attached correspondence. Groves, John & Westrup Limited's head office address is 8<sup>th</sup> Floor, Walker House, Exchange Flags, Liverpool L2 3YL, Telephone number 0151 473 8000, Facsimile 0151 473 8060, e.mail [insure@gjwdirect.com](mailto:insure@gjwdirect.com)

3

Groves, John & Westrup Limited are authorised and regulated by the Financial Conduct Authority - Firm reference number 310496.

**B**      OUR SERVICE

Groves, John and Westrup Limited are dedicated to Pleasure Craft Insurance. Our Policy represents our philosophy of fairness and integrity with our customer. It is a straightforward and easy to understand Policy and defines in simple terms the extent of cover available. We are continually monitoring market conditions and modifying our Policy to ensure that we satisfy your requirements and provide you with excellent cover backed by a first class service particularly in the unfortunate event of a claim.

Groves, John and Westrup Limited are a Lloyd's Service Company and in matters of claims act upon the behalf of Munich Re Syndicate Limited.

As a Policyholder of Groves, John and Westrup Limited you have access to our 24 hour staffed emergency claims helpline number 0151 473 8099

**C**      COMPLAINTS

If for any reason you are dissatisfied with our service or if you have any questions over the handling of your claim you may state your complaint orally or in writing. If in writing, marking the letter "For the attention of the Complaints Director". You may use the dedicated complaints e-mail address [complaints@gjwdirect.com](mailto:complaints@gjwdirect.com) We aim to resolve your complaint within 5 working days but if we are unable to do so we will acknowledge receipt of your complaint within that period. We will attempt to provide you with our decision within two weeks. If we do not do so or if the complaint cannot be resolved amicably you have the right to refer your complaint to Lloyd's.

Their address is:

Complaints  
Fidentia House  
Walter Burke Way  
Chatham Maritime  
Chatham  
Kent  
ME4 4RN

Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)

Tel: +44 (0)20 7327 5693

Fax: +44 (0)20 7327 5225

Details of Lloyd's complaints procedures are set out in a leaflet "How We Will Handle Your Complaint" available at [www.lloyds.com/complaints](http://www.lloyds.com/complaints) and are also available from the above address.

Under the terms of the Financial Ombudsman Services scheme, Lloyd's must:

- (i) reply to you within four weeks; and
- (ii) resolve your complaint within eight weeks;

of the date of your original complaint.

If Lloyd's fail to do so or if you remain dissatisfied after Lloyd's has considered your complaint, you may have the right to refer your complaint to the Financial Ombudsman Service.

The contact details for the FOS are: The Financial Ombudsman Service, Exchange Tower, London E14 9SR. Telephone 0800 023 4567 (calls to this number are free from "fixed lines" in the UK) or 0300 123 9123 (calls to this number are charged at the same rate as 01 and 02 numbers on mobile phone tariffs in the UK). Email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk).

The FOS is an independent service in the UK for settling disputes between consumers and businesses providing financial services. You can find more

information on the FOS at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

This is in addition to any other action you may subsequently wish to take including legal action. An application to the Financial Ombudsman Service must be made within six months of being notified of final decision about your complaint.

If you were sold this product online or by other electronic means within the European Union (EU) you may refer your complaint to the EU Online Dispute Resolution (ODR) Platform. Upon receipt of your complaint, the ODR will escalate the complaint to your local dispute resolution service, this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>

**D** LAW APPLICABLE TO THE CONTRACT

- 1 The law applicable to this insurance contract is subject to agreement between the parties
- 2 Unless a special Endorsement to the contrary has been requested by you and agreed by us, the law applying to this insurance contract will be as follows:
  - (i) if you are applying for insurance protection as a private individual, the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you or the first named Policy Holder normally resides; or
  - (ii) if you are applying for insurance protection in your capacity as a sole trader or as a company the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you have your principal place of business; or
  - (iii) if the above does not apply, the law of England and Wales.

**E** PAYMENT OF PREMIUM BY INSTALMENTS

Reference to the payment of premiums includes 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 Credit Agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 and regulations made thereunder 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 instalment and you suffer a total loss or constructive total loss then we shall be entitled to deduct the balance of premium from any payment we make to you in respect of that total loss or constructive total loss.

**F** DATA PROTECTION ACT 1998

Please read this notice as it explains the purposes for which we or Munich Re Syndicate Limited will use personal data and sensitive personal data which we hold. You should show this notice to anyone who has an interest in the Policy. To enable us to provide a fast and efficient service to our clients we operate a database of all information relating to your Policy including information provided to us, information contained within the Certificate of Insurance, 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. This information is used for underwriting purposes and in the unfortunate event of a claim.

**YOUR PERSONAL DATA**

For mutual security calls may be recorded and may be monitored for training purposes and to prevent and detect fraud. For the purposes of the

Data Protection Act 1998 the Data Controllers in relation to the personal data you supply are Groves, John and Westrup Limited and Munich Re Syndicate Limited jointly.

INSURANCE  
ADMINISTRATION RENEWAL  
AND CLAIMS HANDLING

Information you supply may be used for the purpose of insurance administration, renewal and claims handling by us, Munich Re Syndicate Limited, its agents, reinsurers and your intermediary. In assessing any claims made, we may undertake checks against publicly available information such as Electoral Register, County Court Judgements, bankruptcy or repossession information. Information may also be shared with other insurers either directly or via those acting for us such as loss adjusters or investigators. We may also be required to provide information to authorities particularly if you or your vessel are resident or registered outside of the United Kingdom.

CLAIMS & UNDERWRITING  
EXCHANGE REGISTERS

When we deal with your request for insurance we may search these registers and any other relevant registers. Under the conditions of your policy, you must tell us about any incident (such as an accident or theft) which may give rise to a claim. When you tell us about an incident, we may pass this information to the registers and any other relevant registers. You can ask us for more information about this.

YOUR ELECTRONIC  
INFORMATION

If you contact us electronically, we may collect your electronic identifier, e.g Internet Protocol (IP) address or telephone number supplied by your service provider. This information may be used by us to aid in the detection of fraud.

SENSITIVE PERSONAL DATA

In order to assess the terms of the insurance contract or administer claims, we will need to collect personal data which the Data Protection Act 1998 defines as sensitive, such as medical history or criminal convictions and we may need to transfer this data overseas. By proceeding with this contract, you will signify your explicit consent to such information being processed by us.

CREDIT SEARCHES AND USE  
OF THIRD PARTY  
INFORMATION

In assessing your application/renewal, to prevent fraud, check your identity and to maintain our policy records, we or any credit provider may:

Search files made available to them by any credit reference agencies who may keep a record of that search, We or any credit provider may also pass to credit reference agencies information we or they hold about you and your payment record. The information will be used by other credit providers for making credit decisions about you and the people with whom you are financially associated for fraud prevention, money laundering prevention and for tracing debtors. We or any credit provider may ask credit reference agencies to provide a credit scoring computation. Credit scoring uses a number of factors to work out risks involved in any application. A score is given to each factor and a total score obtained. Where automatic credit scoring computations are used by us or any credit provider, acceptance or rejection of your application/renewal will not depend only on the results of the credit scoring process.

OVERSEAS TRANSFER OF  
DATA

We and the other companies processing your data for the purposes mentioned above may from time to time need to undertake some of the processing in countries outside of the European Economic Area which may not have laws to protect your personal data, but in all cases we will ensure that it is kept securely and only used for the purposes for which you provided it. Details of the companies and countries involved can be provided on request.

FRAUD PREVENTION

In order to prevent and detect fraud we may at any time: Share information about you with other organisations including the Police; Undertake credit searches or checks and/or share your details with fraud prevention and detection agencies. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law

enforcement agencies may access and use this information. We, or other organisations may also access and use this information to prevent fraud and money laundering, for example when:

Checking details on applications for credit and credit related or other facilities;  
Managing credit and credit related accounts or facilities;  
Recovering debt;  
Tracing beneficiaries;  
Checking details on proposal and claims for all types of insurance.

Please contact us on the number shown on your policy documentation if you want to receive details of the relevant fraud prevention agencies. We or other organisations may access and use from other countries the information recorded by fraud prevention agencies.

#### MARKETING AND MARKET RESEARCH

Groves, John and Westrup Limited, its group companies, its agents and suppliers may use your information to keep you informed by post, telephone, e-mail or other means of products and services which may be of interest to you. They may also contact you to conduct market research. Your information may also be used for the above purposes after your policy has lapsed. If you do not wish your information to be used for these purposes please write to the Data Protection Officer at the address stated in Section 1.A.2.

Group company is any company of which Munich Re Specialty Group Limited is the ultimate holding company or which is a subsidiary of Munich Re Specialty Group Limited .

#### YOUR RIGHTS

You are entitled to request a copy of the information we hold about you for which we may charge a small fee. If you have any questions or would like to find out more about this notice please write to the Data Protection Manager at the address stated in Section 1.A.2.

For more information on the Data Protection Act you may also write to the office of the Information Commissioner at Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. Telephone 0303 1231113 (local rate) or 01625 545745. E-mail casework@ico.gov.uk.

Under this legislation we are only able to discuss your insurance with you unless we and you have specifically agreed to the contrary. You should show this notice to anyone who has an insured interest under the Policy.

#### G DEFINITIONS

##### CONDITION PRECEDENT

A condition of the Policy with which you must comply if we are to be liable in respect of any claim by you for loss, damage or liability.

##### ENDORSEMENT

An alteration in writing to the terms of the Policy.

##### EXCESS

The amount noted on the Certificate to be deducted from each and every claim except in the case of total or constructive total loss.

##### HOUSEBOAT

The **Vessel** will be deemed to be used as a houseboat if during the period of lay-up any person other than a trespasser sleeps upon it.

##### ITEM

A part or piece fitted or to be fitted to the **Vessel** and designated to the Vessel.

##### INSURED VALUE

This is the sum(s) noted on the Certificate.

##### LATENT DEFECT

A defect which is not discoverable by the exercise of reasonable care.

PERIOD OF INSURANCE	The period noted on the Certificate or in any endorsement.
SUE AND LABOUR	Any expense reasonably incurred with a view to minimising or averting loss of or damage covered under the Policy to the insured property .
VESSEL	The <b>Vessel</b> noted on the Certificate.
WAR, CIVIL DISTURBANCE AND TERRORISM	<p><b>War, Civil Disturbance and Terrorism</b> means:-</p> <ul style="list-style-type: none"> <li>(i) international war;</li> <li>(ii) any act of hostility by a nation or state against another;</li> <li>(iii) civil war, revolution, rebellion or insurrection;</li> <li>(iv) the detonation of any derelict mine, torpedo, bomb or other derelict weapon of war;</li> <li>(v) labour disturbances;</li> <li>(vi) acts of terrorists;</li> <li>(vii) acts of persons in furtherance of a political motive.</li> </ul>
WILFUL MISCONDUCT	<p>Includes but is not limited to conduct when under the influence of:</p> <ul style="list-style-type: none"> <li>(i) alcohol so as to impair safe management of the <b>Vessel</b>; or</li> <li>(ii) prohibited drugs.</li> </ul>



SECTION 2

THE VESSEL

A COVER FOR THE VESSEL

Subject to the **Conditions Precedent**, limitations and other terms of this Policy we will cover you in respect of physical loss of or damage to the **Vessel** named in the Certificate of the Policy, caused by:

1. accidents;
2. **Latent Defects in the Vessel;**
3. negligence;
4. theft of the entire **Vessel**;
5. theft of any part of the **Vessel** or any part which is to form the **Vessel** provided that at the time of the theft the part is either:
  - 5.1 securely fastened to the **Vessel** and in the case of an outboard motor locked on by an anti-theft device in addition to its normal method of attachment; or
  - 5.2 inside a locked compartment on board the **Vessel** or in a locked building ashore and there is evidence of forcible and violent entry or exit;
6. malicious acts of third parties;
7. lightning, earthquake and volcano.

B EXCLUSIONS TO COVER FOR THE VESSEL

This Policy does not cover physical loss of or damage:

1. to the **Vessel** caused by:
  - 1.1 wear, tear or depreciation;
  - 1.2 insects, marine borers, barnacles or marine growth;
  - 1.3 rodents;
  - 1.4 corrosion, rust, mildew, rot, dampness or weathering;
  - 1.5 electrolysis;
  - 1.6 osmosis;
  - 1.7 civil, criminal or administrative proceedings, action by Customs Officers or executive actions of a Government or Government Department unless arising out of an event which is covered by this Policy;
  - 1.8 **War, Civil Disturbance and Terrorism;**
2. to the **Vessel's** canopies and protective covers caused by wind;
3. to the **Vessel's** sails caused by splitting or being blown away whilst hoisted or unfurled in use unless caused by:

- 3.1 damage to the spars to which the sails are attached; or
  - 3.2 the stranding or sinking of the **Vessel** or the **Vessel** being on fire; or
  - 3.3 impact between the **Vessel** and any external substance including ice (but not water).
4. to the **Vessel's** machinery caused by freezing unless the machinery has been protected by an appropriate anti-freeze mixture which has been inserted in accordance with the manufacturer's specification.

**C INSURED SITUATIONS**

We shall cover the **Vessel** or any part of the **Vessel**:

- 1.
  - 1.1 at the place or location stated in the Certificate; and
  - 1.2 at the builder's yard and at the builder's premises stated in the Certificate; and
  - 1.3 elsewhere within the port or place of construction at which the builder's yard is situated; and
  - 1.4 at sub-contractor's works and premises; and
  - 1.5 within the port or place of construction where the sub-contractor's works are situated;
- 2 While in transit between the builder's yard and the builders premises and sub-contractor's works and while in transit within the port or place of construction at which the builder's yard is situated.

**D PERIOD OF INSURANCE**

We will insure the **Vessel** and any **Item** of the **Vessel** from the time of either the commencement of the **Period of Insurance** stated in the Certificate or if later:

- 1.1 the allocation of any **Item** to the **Vessel**;
- 1.2 delivery of any **Item** to the builder or sub-contractor for fitting to the **Vessel**.

up to the expiry date stated in the Certificate.

**E AMOUNT PAYABLE**

If you suffer loss or damage which is covered under the terms of this part of the Policy the amount we shall pay you will be calculated as follows:

We will pay the costs of the actual manufacture of the **Vessel** or the cost of an **Item** plus 15% or such other amount as shown in the Certificate up to the time of loss or damage if:

- 1. the **Vessel** or an **Item** is totally lost or destroyed;
- 2. the cost of recovering and/or repairing the **Vessel** or **Item** will exceed the actual cost of manufacturing the **Vessel** or an **Item** plus 15%;

Provided that we will not pay more than the Sum Insured for the **Vessel**.

- 3. For partial loss we will pay either:

- 3.1 where repairs are undertaken the reasonable cost of recovering the **Vessel** or an **Item** and the reasonable cost of effecting repairs, less the **Excess**; or
- 3.2 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 an **Item** and the diminution in market value by reason of the unrepaired damage up to the reasonable cost of effecting repairs.
- F EXCLUSIONS TO AMOUNT PAYABLE
1. We will not pay the cost and expense of rectifying, repairing or replacing:
- 1.1 faulty welds;
- 1.2 a fault in design or construction;
- 1.3 any part (including the whole or any part of the hull) which is subject to a fault in design or construction or to a **Latent Defect**;
- 1.4 defective workmanship carried out or materials provided by you.
2. We will be entitled to deduct at our sole discretion a reasonable amount from the cost of repairs or replacement to take account of any betterment or increase in value to the **Vessel** or an **Item** arising out of repairs or replacement.
- G ADDITIONAL SUMS PAYABLE
1. We shall also pay the following:
- 1.1 expense incurred for the purpose of averting or minimising loss of or damage to the **Vessel** or an **Item** provided that in each case the expense:
- 1.1.1 is both reasonably incurred and reasonable in amount; and
- 1.1.2 results from an event (or the possibility of an event) for which there is or would be cover under this Section of the Policy;
- 1.2 the cost of removal of any wreck of the **Vessel** from any place owned, leased or occupied by you;
- 1.3 the reasonable cost of inspecting the bottom of the **Vessel** after grounding even if no damage is found;
- 1.4 the cost and expense arising out of a failure to launch.
2. We will cover the additional costs of fuel, insurance, wages, stores, provisions and port charges incurred solely for the purposes of landing from the **Vessel** sick or injured persons or stowaways, refugees or persons saved at sea.
3. We will cover you for the additional expenses brought about by the outbreak of infectious disease on board the **Vessel** or ashore.
4. We will cover you in respect of fines imposed on the **Vessel** or upon you or upon any Master, Officer or Crew member or agent of the **Vessel** who is reimbursed by you for any act or neglect or

breach of any statutory regulation relating to the operation of the **Vessel** but we will not indemnify you for any fines which are incurred through any neglect, failure or default of you, your servants or agents and the Master, Officer or Crew member.

5. The Additional Sums Payable will be subject to the **Excess**.
6. The total amount recoverable under this Part of this Section of the Policy and arising out of any one event is limited to the final contract price or the total building cost plus 15% whichever is the greater less the **Excess**.

## H ADDITIONAL COVER

### 1. USE IN THE WATER

We allow you to proceed to and from any wet or dry docks, harbours, ways, cradles and pontoons within the port or place of construction and to proceed under the **Vessel's** own power, loaded or in ballast, as often as required, for fitting out, docking, trials or delivery within a distance by water of 100 nautical miles provided we are given prior written notice and you agree to pay any additional premium and comply with any additional terms we might require.

### 2. VESSEL IN TOW

We will also continue to insure the **Vessel** if towed outside the port or place of construction at a premium to be arranged and on terms to be agreed prior to such tow commencing and provided that we are given previous notice in writing.

SECTION 3

THIRD PARTY LIABILITY

A COVER FOR LIABILITY TO  
THIRD PARTIES

PERSONS COVERED

1. The **Insured Persons** referred to in this Section are:-
  - 1.1 you;
  - 1.2 any person assisting you without payment in the construction of the **Vessel**.

COVER

2. Subject to the **Conditions Precedent**, limitations, and the other terms of the Policy we shall cover the **Insured Persons** in respect of legal liability to another person (including another person insured under this Section) arising out of the **Insured Person's** interest in or work upon the **Vessel** within the terms of this Policy (including wreck removal and damage caused by oil pollution).

B EXCLUSIONS TO COVER FOR  
LIABILITY OF THIRD  
PARTIES

PERSONS NOT COVERED

1. This Policy does not cover the liability of the following persons:-
  - 1.1 any person employed under a contract in connection with the **Vessel**;
  - 1.2 an employee of or an operator of a marina, slipway, shipyard, yacht club, sales agency, similar organisation or crane or travel hoist;

C EXCLUSIONS TO COVER FOR  
LIABILITY TO THIRD  
PARTIES

LIABILITY NOT COVERED

1. This Policy does not cover liability to any person employed under a contract in connection with the **Vessel**.

WILFUL MISCONDUCT

2. We shall not cover liability caused or contributed to by recklessness or wilful misconduct on the part of the **Insured Person**.

TRAILERS

3. We shall not cover liability to third parties occurring out of the ownership or use of a trailer.
4. We shall not cover liability to third parties arising as a consequence of any trailer becoming unintentionally detached from the towing vehicle on the highway or other public place.
5. We shall not cover liability arising out of a contract.

CONTRACTUAL LIABILITY

D AMOUNT PAYABLE IN  
RESPECT OF LIABILITY TO  
THIRD PARTIES

1. We shall pay the following:-
  - 1.1 the amount which an **Insured Person** is held liable to pay a third party, up to the maximum sum noted on the Certificate in respect of any one event; and
  - 1.2 the costs of an **Insured Person** in defending any claim brought against him, provided that such costs are incurred with our prior written consent; and
  - 1.3 the costs of an **Insured Person** at any inquest, inquiry or

similar proceeding, provided that such costs are incurred with our prior oral or written consent;

less in all cases the **Excess**.

E EXCLUSIONS TO AMOUNT  
PAYABLE

FINES

We shall not pay fines or punitive damages.

## SECTION 4

### GENERAL EXCLUSIONS

#### RADIATION DAMAGE

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

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

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive, or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
3. any weapon or device employing atomic or nuclear fission and or fusion or other like reaction or radioactive force or matter;
4. the radioactive, toxic, explosive or any other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
5. any chemical, biological, biochemical or electromagnetic weapons;
6. 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 electrical system.

SECTION 5

CONDITIONS PRECEDENT AND LIMITATIONS

- |   |  |    |   |
|---|--|----|---|
| A | GENERAL NATURE OF A<br>CONDITION PRECEDENT           | 1. | A condition of the policy with which you must comply if we are to be liable in respect of any claim.  |
|   | ALTERATIONS OR<br>DELETION OF CONDITION<br>PRECEDENT | 2. | If you give us prior notice in writing that you wish to alter or delete a <b>Condition Precedent</b> or limitation we may, in our discretion, and upon payment of any additional premium required, agree in writing to such alteration or deletion.                                 |
| B | LOW SPEED CONDITION<br>PRECEDENT                     |    | If the <b>Vessel</b> is placed in the water and Endorsement 1 has not been agreed and noted on the Certificate it is a <b>Condition Precedent</b> that the actual or maximum designed speed of the <b>Vessel</b> (and any boat(s) when under engine power does not exceed 17 knots. |
| C | HOUSEBOAT CONDITION<br>PRECEDENT                     |    | It is a <b>Condition Precedent</b> that you will not use the <b>Vessel</b> as a Houseboat.  |



## SECTION 6

### GENERAL TERMS

#### A SALE OR CHANGE OF INTEREST IN THE VESSEL

1. Unless we agree in writing if during the **Period of Insurance**:

1.1 the ownership of the **Vessel** is sold or otherwise transferred; or

1.2 in the case of a vessel owned by a company limited by shares and the ownership of more than 50% of the shares is sold or otherwise transferred in any one transaction or series of transactions;

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** less a service charge of £25.

2. You will inform us in writing of any change of ownership or interest in the **Vessel** within 7 days of any change taking place.

#### B CANCELLATION

This Policy may be cancelled by us at any time where there is a valid reason for doing so by 14 days written notice (except in respect of a direct debit default when the period shall be 10 days) setting out the reason for cancellation sent by pre-paid post to the address shown in the Certificate or by mutual agreement. If we cancel we will set out the reason for cancellation in our notice. Valid reasons may include but are not limited to:

(i) Where we have been unable to collect a premium payment or Excess. In this case we will contact you in writing requesting payment by a specific date. If we do not receive payment by this date we will write to you again notifying you that payment has not been received and giving you 10 days' notice of a final date for payment. This letter will also notify you that if payment is not received by this date your Policy will be cancelled. If payment is not received by that date we will cancel your Policy with immediate effect and notify you in writing that such cancellation has taken place;

(ii) Where you are required in accordance with the terms of this Policy to co-operate with us, or send us information or documentation and you fail to do so in a way that materially affects our ability to process a claim, or our ability to defend our interests. In this case we may issue a cancellation notice and we will cancel your policy if you fail to co-operate with us or provide the required information or documentation by the end of the 14 day cancellation notice period;

(iii) Where we do not receive evidence of your no claim discount within 21 days from the start date of the policy. If we have not received such evidence by the end of the 21 day period we will issue a cancellation letter and we will cancel your policy if we do not receive evidence of your no claim discount by the end of the 14 day cancellation notice period;

(iv) Where there is a material failure by you to comply with the Conditions Precedent and Limitations contained in the Policy and in particular at Section 5 and within any of the applicable Endorsements or you act with Wilful Misconduct in the use or ownership of your Vessel;

(v) Where we reasonably suspect fraud; or

(vi) Use of threatening or abusive behaviour or language, or

intimidation or bullying of our staff or suppliers.

If we do cancel your policy, we will return to you a proportion of the premium paid in respect of the unexpired period of insurance less a cancellation fee of £25 to take into account our costs in providing your policy.

If we cancel your insurance at any time, we will automatically cancel any cover provided by the additional benefits provided with your **Vessel** cover.

If we cancel your policy because we have been unable to collect the premium by direct debit instalments, we will charge the cancellation fee of £25 to take account of our costs in providing your policy and for recovering any premium owed to us for the period of cover.

This Policy may be cancelled by you at any time where there is a valid reason for doing so by 14 days notice either by:

- (a) letter sent by pre paid post to Groves, John and Westrup Limited; or
- (b) by telephone to the number given above;
- (c) by email setting out the reason for cancellation.

If you cancel before the **Period of Insurance** we will return any premium you have paid in full.

If you cancel within 14 days of the **Period of Insurance** starting or receiving your Policy documents (whichever occurs later) we will return any premium paid less a charge for the number of days for which cover has been given and provided there has been no claim.

If you cancel after those 14 days have passed we will return any premium paid less;

- (a) a charge for the number of days for which cover has been given; and
- (b) a cancellation fee of £50.

We will not refund any premium if you have made a claim or if one has been made against you during the **Period of Insurance**.

If you have made a claim or one has been made against you, the balance of the premium for the Period of Insurance will become payable.

You must return to us the Certificate of Insurance.

Your rights of cancellation apply both on taking out the insurance and on every renewal.

C RENEWAL

- (i) amend your Policy to record the correct information, apply any relevant policy terms and conditions and collect any additional premium due including any administration charges. If you pay by instalments, you will be informed if this additional premium cannot be added to your current instalment plan and must be paid in full;
- (ii) reject a claim or reduce the amount of payment we make; or
- (iii) cancel or void your Policy (treat it as if it never existed) including all other policies which you have with us and apply a cancellation charge.

Where fraud is identified, we will also:

- (i) not return any premium paid by you; and
- (ii) recover from you any costs which we have incurred; and
- (iii) pass details to fraud prevention and law enforcement agencies who may access this information.

D GAS

1. If gas is used on board the **Vessel**:
  - 1.1 the installation and tubing must be to the approved British Standard and other recommendations; and
  - 1.2 all gas containers must be secured against movement; and
  - 1.3 all gas lockers must be properly vented to the exterior of the **Vessel**.
2. This Policy does not cover loss of or damage to the insured property or liability to a third party attributable to a breach of Section 6D.

E ASSIGNMENT OF THE POLICY

We are not bound by any assignment of:-

- 1.1 the Policy;
- 1.2 any interest in the Policy; or
- 1.3 any money payable under the Policy;

unless Endorsement 2 is agreed and noted on the Certificate.

F OTHER INSURANCES

We shall not pay for any loss or damage or provide any indemnity if at the time when the loss or damage occurs the **Vessel**, trailer, or the liability of the **Insured Person** is or would but for this insurance, be covered by any other insurance. If, however, the insured value of the property covered by this Policy or the indemnity provided by this Policy is greater than the insured value or indemnity provided by such other insurance we shall, subject to the **Conditions Precedent**, limitations and other terms of the Policy, pay the difference.

SECTION 7  
CLAIMS

- |                        |   |
|------------------------|---|
| NOTICE                 | 1. In this section “Insured Person” means any person whose property or liability is covered by this Policy.   |
|                        | 2. The relevant <b>Insured Person</b> must:-  |
|                        | 2.1 notify us directly of any occurrence which might give rise to a claim under the Policy as soon as possible by any means using the contact details given in the Introduction;  |
|                        | 2.2 if the <b>Vessel</b> is outside the geographical area of the British Isles, Northern Ireland and Eire at the time of any occurrence which might give rise to a claim under the Policy, in the unlikely event that they are unable to make contact with us either directly or by use of the <b>24 Hour Emergency Staffed Claims Helpline Number 00 44 151 473 8099</b> notify the local Lloyd's Agent as soon as possible; |
| WRITTEN REPORT         | 2.3 provide us with a written report of the occurrence as soon as possible;   |
| THEFT ETC.             | 2.4 notify the police as soon as possible of any theft, malicious damage or other crime involving the insured property;   |
| COURT PROCEDURAL RULES | 2.5 in the unlikely event of court action involving a third party:-   |
|                        | 2.5.1 within 7 days sign and return to us or constructively comment upon any statement of truth that we, or our representative may require you to sign;   |
|                        | 2.5.2 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 any statement of disclosure that we, or our representative may request or comment constructively thereupon.   |
| REPAIRS                | 3. We shall have the absolute right in our discretion to decide where the insured property is to be repaired.   |
| CLAIMS CONTROL         | 4. We shall have the absolute right in our discretion and at our expense:-  |
|                        | 4.1 to commence or take over and conduct the defence of any claim against or prosecution of an <b>Insured Person</b> arising out of an occurrence which might give rise to a claim under the Policy;  |

- 4.2 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;
- 4.3 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 Section 7.4.
- 6. The relevant **Insured Person** must pass onto us as soon as possible communications from third parties relating to any matter which might give rise to a claim under the Policy. Such correspondence shall only be acknowledged by you.
- 7. The relevant **Insured Person** must not without our prior written consent:-
  - 7.1 admit liability;
  - 7.2 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.

SECTION 8

ENDORSEMENTS

ENDORSEMENT 1.

HIGH SPEED CLAUSE

Your attention is particularly drawn to the requirement as to security in Clause 4 of this **Endorsement**.

1. The actual maximum designed speed of the **Vessel** (and any boat(s)) under engine power is in excess of 17 knots as noted on the Certificate by this **Endorsement**.
2. Subject to the **Conditions Precedent**, limitations, and the other terms of the Policy we shall cover physical loss of or damage to the **Vessel** and liability to third parties.
3. In addition to the other exclusions in the Policy the Policy does not cover:
  - 3.1 physical loss of or damage to the **Vessel**, or liability to third parties arising out of an event occurring while the **Vessel** is being operated in competitive circumstances or undertaking any speed test or competitive trial;
  - 3.2 if the **Vessel** is less than 26 feet in length physical loss of or damage to the **Vessel**, or liability to third parties arising from the stranding, sinking, swamping, immersion or breaking adrift of the **Vessel** at a time when it is moored or anchored afloat unattended off any beach or shore. The **Vessel** will be deemed to be attended for the purpose of this **Endorsement** provided that the person(s) in charge of the **Vessel** remain(s) in visual contact with it whilst not on board;
  - 3.3 if the **Vessel** is less than 26 feet in length physical loss of or damage to rudder, strut, shaft, propeller, electrical equipment, cables and fittings unless the loss or damage is caused by:
    - 3.3.1 heavy weather; or
    - 3.3.2 the stranding or sinking of the **Vessel**; or
    - 3.3.3 the **Vessel** being on fire; or
    - 3.3.4 collision between the **Vessel** and any other vessel, jetty or pier; or
    - 3.3.5 theft of the entire **Vessel**; or
    - 3.3.6 theft of the items referred to in Endorsement 1.3.3 above but subject to the provisions of Section 2A 5.1 and 2A 5.2; or
    - 3.3.7 fire at the place of storage; or
    - 3.3.8 malicious act;

3.4 theft of outboard motor(s) unless locked on to the **Vessel** by an anti-theft device in addition to the normal method of attachment;

3.5 in the case of vessels fitted with inboard machinery, physical loss of or damage to the **Vessel**, liability to third parties arising out of fire or explosion on board the **Vessel**, unless the **Vessel** is equipped:

3.5.1 in both the engine room/space and the tank space with a fire extinguishing system which either operates automatically or is operable from the steering position and which is properly installed and maintained in efficient working order; and

3.5.2 in the galley with a portable fire extinguisher in efficient working order of not less than 2kg and a fire blanket.

ENDORSEMENT 2.

ASSIGNMENT

We have noted the assignment of this Policy and/or interest in the Policy and/or money payable under the Policy to the person or Company named on the Certificate or as otherwise agreed by us in writing.



Underwriter  
For and on behalf of Munich Re Syndicate Limited at Lloyd's  
by Groves, John & Westrup Limited.