

# **YACHT POOL**

## **CONDITIONS FOR THE CASCO INSURANCE**

### **ALL RISK COVER**

#### **1. THE INSURANCE SUBJECT**

1.1. If the insurance policy does not insure anything else, the boat and yacht are insured with all the fixed built-in parts, including the motor aggregate, machine devices, and technical and nautical equipment and accessories.

1.2. The lifeboat, auxiliary boats, auxiliary outboard motors, trailers for the transport of boats and personal movables are insured if it is separately contracted. Technical and nautical objects of equipment (which are not fixed) and/or personal movables are insured if reported separately and if their individual value is not above 500,- Euros (five hundred). Not insured: TV sets and video devices which are not fixed built –in, cameras and camcorders, musical instruments, cellular phones, as well as money, securities, paintings, antiques, jewelry, fur and other valuable objects and entertainment devices.

1.3. The policyholder should immediately report on any changes/substitutions on the yacht: the widening of the parts of the yacht or changes/substitutions of the equipment. If he has timely reported all the changes/substitutions, the changes done will automatically be insured in the contracted sum of insurance.

#### **2. THE VALIDITY FIELD**

2.1. The insurance policy is valid for the navigation area that is stated in the policy.

2.2. The insurance policy is also valid for all the usual dwelling of the boat or yacht out of the sea, including taking the boat out on the shore and dropping it into the sea again.

2.3. The inventory, accessories and equipment are insured even when out of the yacht, if they are stored in a closed and locked premise.

#### **3. THE EXTENT OF THE INSURANCE**

##### **3.1. All Risk Cover**

The objects declared in the insurance policy are insured from all the possible damages and losses, if not excluded under paragraph 4. or limited by the by-laws of some other paragraph of these conditions.

According to this, they are insured for example also from:

- collision, stranding and sinking
- crashing and breaking of masts and sails tearing
- damages on fuel
- vis major like tempests and thunderbolt strikes
- fires and burns
- damages resulting from hostile acts of third parties, thefts and vandalism
- social disorders, strikes, riots and robberies.

##### **3.2. Transport and storage**

The risks occurring when the yacht is on the crane, drawers, on the dock and shipyard, during the winter storage and in the road transport on the vehicles suitable for that purpose inside Europe are also covered by the insurance.

##### **3.3. Regatta risk**

The regatta risk is also covered by the insurance

### **3.4. The costs for decreasing the damage**

The costs for removing and decreasing the damage, if considered to be necessary by the policyholder are also covered up to 10% above the insured value and are additionally.

### **3.5 The cost of removal and preclusion of the wreck**

The costs for officially ordered extrication, removal and/or preclusion of the wreck, when the yacht was damaged under one of the insured events, are fully (100%) insured above the amount of the insured value. Those costs are paid additionally to the indemnity.

### **3.6. Damage on the machines and personal assets**

For the damages caused by water breakthrough into the boat or yacht, tumbling, stranding, sinking, vis major, theft, explosion, fire and hostile activities of the persons that are not authorized by insurance are covered: machining devices, technical and nautical equipment and personal property

### **3.7. Boat trailer**

The boat trailer is insured against damages occurring by: traffic accident, fire, lightning strike, explosion, vis major and theft

### **3.8.Circumstantial damages**

The circumstantial damages, which might have occurred, caused by the construction and material faults are insured if they do not fall into the claims from the guarantee or production responsibility

### **3.9. Outboard engines**

Outboard engines are insured if their datas correspond with the description in the offer and policy and if they are correctly fixed and insured against the fall into the sea and theft with a minimum 5 mm thick chain or some adequate fixture.

## **4. EXCEPTION OF INSURANCE COVERAGE**

The following damages are excepted from the insurance:

4.1.Damages caused by intentional and/or harsh carelessness by the policyholder – boat or yacht captain and fellow travelers.

4.2.Direct damages caused by the construction or material faults on the directly stricken parts.

4.3.Damages caused on the yacht because of the unseaworthiness and unfitness of the yacht, if this state was present even before the navigation started, and that state could have been diagnosed applying the usual .4.4.Damages caused by the common weather influence (for example: frost, ice, water freezing in the system for engine cooling, sun, heat, rain, snow), and damages caused by oxidation, corrosion, rust, cavitation, osmosis, worn out condition, rottenness, pest and similar, and wear caused by usual usage.

4.5.Damages caused by misplacement or fall into the sea of all kinds of objects and theft of the non-fixed parts which are not stored on the adequate place or are not situated in the cover and closed boat or yacht. Propellers and motor axis are insured of all dangers with an exception of paragraph 4.2. and 4.6.

4.6.Damages and impairments on the engine devices, technical and nautical equipment that occurred as the consequence of the incorrect or insufficient maintenance (motor damages).

4.7.Damages caused by theft of the outboard motors, which are not insured according to the paragraph 3.9.

4.8. Damages caused by confiscation or interference of the state authorities, violent political acts, war, civil war or war similar events, mines, torpedoes, bombs or other arms.

4.9. Damages caused or connected to any kind of terrorism, directly or indirectly no matter of the presence of any other cause that has simultaneously or consequently contributed to the loss, damage or cost. Terrorism represents a violent act or any other activity hazardous for the human life, health or property, done with the aim to make influence or threat the state, state authorities, foreign country or her authorities, interstate or international organization or any part of the society.

4.10. Damages caused by atomic energy and radioactivity.

4.11. Damages on people and animals.

4.12. Indirect damages (decreased value, damages invoked by incapability for the race etc.).

4.13. Damages, which occur when the boat or yacht stays deserted from the crew for more than 12 (twelve) hours and is not assured in a way that can be rescued in case of threatening danger. Anchorages marked on the naval maps and correct anchoring on them, are excluded from this exclusion clause.

4.14. Damages caused by theft of the insured yacht on the uninsured trailer.

4.15. Damages that exceed the total insured value, except for the facts stated in the paragraphs 3.4 and 3.5 of those conditions.

4.16. Damages that occur during the participation in the races or the motorboats or yachts or during the test-drives for races.

4.17. Damages caused by fire or explosion, if the yacht is not equipped by the fire extinction devices.

4.18. Damages that occur when a boat captain of the insured boat or yacht does not possess a license to drive a boat or yacht that are officially stat table.

4.19. Damages occurring on the yacht that is chartered (with skipper or without skipper) and charter is not explicitly contracted in the insurance policy.

## **5. THE INSURED VALUE = FIXED VALUE**

When the insurance policy is contracted the insured value of the boat or yacht (equipment and accessories included) must be adequate market value. In that case the insured value is worth the “fixed value”, so in case of total loss of the property, the amount paid is completely adequate to the declared value. The value of the remnant or the amount agreed in the case of the sale of the remnant is deduced from that value. So, in that way we exclude all the possible complaints that the insured value is too low.

## **6. FRANCHISE**

The franchise stated in the policy is valid for any case of damage. The total loss of the insured boat or yacht is excluded from that. In the case of damages caused by the collision done by other boats, damages done by fire caused by third parties or damages in case of theft or breaking in when the indemnification is calculated only one third of the contracted franchise will be calculated.

## **7. THE DAMAGE PAYMENT AND OTHER OBLIGATIONS OF THE INSURER**

7.1. The damage is paid in the period no longer than 30 day after the damage is estimated, but in case of theft not sooner than two months after the notification of claim.

7.2. The insurer has the authority to postpone the payment, if police has started the legal procedure against the policyholder due to the damage done.

7.3. In the case of the total loss of the boat or yacht together with the equipment and accessories, the damage payment is limited by the amount of insured value (fixed value). The cost of the wreck removal and costs of the removal of the appurtenant scrap are paid additionally according to paragraph 3.3 of these conditions.

7.4. In the case of partial loss, for the damages that occurred on the boats up to 5 years old, the insurer reimburses the costs of the necessary repairing without the deduction "new for old". On the boats older than five years the 1/3 of the value of the necessary repairs is deduced in the name of the depreciation. In the case of theft, loss or damage of the parts the value necessary for the supply of the new parts is paid according to the inventory list that is to be made by the policyholder and delivered to the insurer at the time of policy contracting.

7.5. In the above stated cases (paragraphs 7.3. and 7.4.) the final reckoning is deduced for the value of the estimated possible proceeds from the remaining property. The policyholder cannot remove the obligation to calculate the value of the remaining property and its deduction from the total damage calculation, in a manner to make the damaged objects available to the insurer.

## **8. THE OBLIGATIONS OF THE POLICYHOLDER**

8.1. When the insurance contracted is made the policyholder must inform the insurer on all the known circumstances, which are important for the cover attachment. If there is no notification, or part of the notification is missing or wrong the insurer is free of the damage payment.

8.2. During the navigation and all the necessary manipulations with the yacht the policyholder must respect all the necessary carefulness, in order to avoid damages or at least reduce them.

8.3. The policyholder is obliged to report every damage to the insurer immediately and follow all the instructions given by the insurer.

8.4. The damages caused by fire, explosion, breaking into or theft must be immediately reported to the nearest police station. Police should be given a list of the stolen objects. If the above-mentioned damages take place abroad, the event should be reported to the police station in the place of policyholder's dwelling.

8.5. In the case of damages caused by collision or caused by third parties, for example the transport company, or shipyard where the boat is repaired, the policyholder must immediately trace the conditions under which the damage has occurred and collect the diaries and receipts and handle them to the insurer.

8.6. Before the yacht is newly started the policyholder should give the insurer the opportunity to examine the boat and evaluate the damage, allow the insurer to trace the causes and the amount of damage and if the insurer demands give any available information in written form. Moreover the insurer has to receive all the important receipts.

## **CANCELLATION**

8.7.If there are claims for the damage reimbursement coming from the third parties, the policyholder should cater for all the necessary documentation and acquaint to the insurer all the facts connected to the event.

8.8.The policyholder is not authorized to start any legal processes against the third parties without permission given by the insurer, since those legal processes could influence the insurers rights and obligations. If the legal process is started against the policyholder, he has to inform the insurer immediately.

## **9. THE LEGAL RELATION TO THE THIRD PARTIES**

9.1.The rights given in the policy the policyholder can pass or pledge only with the permission given by the insurer.

9.2.If the policyholder sells the insured yacht or boat, the policy passes to the new owner automatically. The new owner can cancel the insurance service in the period of one month since the ownership changed. The insurer should receive the address of the new owner by registered mail.

## **10. STIPULATION ON PARTICIPATION, PROCEDURE AND INDEMNIFICATION LEADING**

10.1.If the policy includes more than one insurer, then all the insurers are responsible for the indemnification up to their share height – as individual debtors.

10.2.The procedure leading, the indemnification leading is in the hands of the insurer who was first named on the list.

10.3.Decisions and rules brought up by the main insurer are obligatory for all the other insurers.The same rule is valid for all the indemnification towards the main insurer.

11.1.If one of the parties does not cancel the agreement on insurance at least three months before its expiration, the agreement is agreeably prolonged for the period of one year.

11.2.If the parties in the agreement wish to cancel the agreement after the indemnification, both parties are authorized to cancel the agreement but not in a period shorter than one month after the damage payment. If the insured party cancels the agreement the insurer is entitled to keep the whole annual award. If the insurer cancels the agreement, he is obliged to return award for the unused period of annual award, if the one was not employed through paid or unsettled damages.

## **11. GENERAL COMMISSIONS**

All the relations and cases not regulated by these conditions will be regulated by the Naval Law (NN 17/17th of March 1994.) and Croatian legislation. In the case of discrepancy of some commissions of the conditions or policy with the Naval Law, the obligatory commissions of the Naval Law will be applied.

The conditions chiffre: kwpu 06.0100C become legally valid and apply to from the 1st of April 2004.