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We welcome you as a Policyholder of Argus Insurance Company (Europe) Limited, Malta Branch. We are a locally incorporated Branch associated with the Argus Insurance Group offering you an extensive insurance service. Please read this Policy Booklet together with your Schedule. These set out the cover you have chosen, plus any limits that apply. If you are not satisfied with the details or the policy does not cover your needs, please return the Schedule to your insurance adviser.

Argus Insurance Company (Europe) Limited has its origins on the Rock of Gibraltar, dating back to 1841, and is fully licensed to act as an Insurance Company by the Gibraltar Financial Services Commission (GFSC), Number FSC00027B. Argus Insurance Company (Europe) Limited, is a registered company in Gibraltar bearing Company number 01862 and holds its registered office at Regal House, Queensway, Gibraltar.

Argus Insurance Company (Europe) Limited

may be contacted at:

Unit G.04 West One,

Europort Road, Gibraltar

Telephone: (+350) 200 79520

Fax: (+350) 200 70942

The Malta Branch of Argus Insurance Company (Europe) Limited No. OC 1216 is registered in Malta and licensed by the Malta Financial Services Authority (MFSA) to act as a third country branch of Argus Insurance Company (Europe) Limited, registered in Gibraltar No. 01862, licensed by the Gibraltar Financial Services Commission.

On receipt of your Policy

To ensure that your Policy gives you the protection you need we recommend that you read it carefully and return it immediately if not in accordance with your requirements. The Policy Schedule specifies the Sections and sums insured you have selected; it is your evidence of insurance and may be required in the event of a claim. Remember also that even adequate insurance does not compensate completely for the worry and inconvenience that usually follow loss or accident. Please therefore take reasonable precautions. If you decide within 14 days of receipt that you do not wish to accept this Policy, return it and provided no claims have been made we will refund the premium.

Operation of Cover

This Policy provides cover against loss, damage, injury and legal liability which will happen during the period of insurance for which we have accepted your premium. This Policy is a legally binding contract between you the Insured and Argus Insurance Company (Europe) Limited. The proposal made by you is the basis of and forms part of this contract. We will provide insurance within the terms of this Policy for those Sections specified in the Schedule in respect of events occurring during the period of insurance or any subsequent period for which you pay and we will agree to accept a renewal premium.



Alex Bonavia - Managing Director P & C

Argus Insurance Company (Europe) Limited

IMPORTANT: In the event of any occurrence likely to result in a claim under this insurance please contact Your local representative at the following address:

Argus Insurance Company (Europe) Limited

Trident Park, 8B Level 5, Notabile Gardens,

Mdina Road, Central Business District Zone 2,

Birkirkara CBD 2010, Malta

Tel: +356 2342 2000 Fax: +356 2342 2190

claims@argus.mt www.argus.mt

DATA PROTECTION AND HOW WE PROCESS DATA

Processing of personal data is regulated by the General Data Protection EU 2016/679 together with other laws which relate to privacy and electronic communications. In this clause, we refer to these laws as Data Protection Law”

During the course of our engagement with you it will be necessary for you to disclose certain personal data to us in order that we provide our services to you and to enable us to discharge the services agreed, to comply with related legal and regulatory obligations for other related purposes including updating and enhancing clients records and analysis for management purposes. This will require us to obtain, use, disclose and otherwise process personal data about you and, if applicable, your organisation, its shareholders members and/or officers and employees.

For clarity, Data Protection Law contemplates various grounds which may render processing of personal data lawful, including where it is necessary for a contract, mandate by law, it is in your legitimate interest (and does not override your policy, and/or if you give us your consent. Our Privacy Notice (which can also be accessed at www.argus.com.mt) or provide to you in hard copy upon request, explains how we process personal data. In providing our services we act as an independent data controller and are, therefore responsible for complying with Data Protection Law in respect of any personal data we process. You are responsible for complying with Data Protection Law in respect of the personal data you process and, accordingly, where you disclose personal data to us you confirm and warrant that such disclosure is fair and lawful, that where applicable and necessary you have obtained lawful consent from others for you to pass on their personal data to us, to the Argus Group and third-parties to whom we disclose personal data (and for the Argus Group and said third-parties to share the personal data with us), and otherwise it does not contravene Data Protection Law. Noting within this document relieves you of your own direct responsibilities and liabilities under Data Protection Law Terms used in this clause bear the same meanings as are described to them in Data Protection Law. This clause does not apply to the extent that we act as a data processor for you in which case specific data protection instructions are to be signed between us.

Basis Data Protection information

Controller: Argus Insurance Company (Europe) Limited, Malta Branch

Purpose: Management of Insurance Agreement, creation of profiles for suitable enforcement of the insurance agreement, integral and centralised management of the relation with Argus Group and delivery of information and advertising on ARGUS Group, and delivery of information and advertising on Argus Group products and services.

Recipients: Data may be communicated to third parties and/or data transfers may be made to third-party countries in the terms stipulated in the Additional Information.

Rights: You can exercise your rights of access, rectification, removal, limitations, objection and transferability, specified in the Additional Data Protection Information.

CONTRACT OF INSURANCE

- **Your Pleasure Craft Extra Policy** is a contract between the **Insured (You)** and the Insurer **{Argus Insurance Company (Europe) Limited} (Us)** and is formed by the information that you have given us and this **Policy**.
- On the basis that the information that **you** have given to **us**, is true and complete to the best of **your** knowledge and belief, (subject to the terms of the **Policy**), **we** will insure **you** against loss, damage, injury and legal liability, which will happen during the **Period of Insurance** for which **we** have accepted **your premium**.
- If the cover provided does not meet **your** requirements **you** may return the **Policy** to the point of sale within 14 days from the date **you** bought it or the date **you** received **your Policy** documentation. **We** will give **you** a full refund of any **premium you** have paid provided :-
 - that **you** have not made and are not intending to make a claim and no incident likely to give rise to a claim has occurred ;
 - that where the **Policy** was issued to cover the **Insured Pleasure Craft** which is or was to be registered with the Small Ships Register of the Malta Maritime Authority, proof of continuation of insurance coverage for the term of the **Policy** must be provided.
- **You** must tell us about any changes which affect **your Policy** and which have occurred either since **your Policy** started or since the last renewal date. If **you** are not sure whether certain facts are relevant please ask **us**. **Your Policy** may not be valid or may not cover **you** fully if any relevant information is not disclosed. **You** should keep a written record (including copies of letters) of any information **you** give **us** or **your** insurance advisor when **you** renew this **Policy**. A copy of the proposal form **you** have completed will be provided to **you**.
- **Your Policy** is valid for the **Period of Insurance** shown in the **Schedule**.

DEFINITIONS

If we explain what a word means that word has the same meaning wherever it is used in the **Policy**. These words are highlighted by the use of bold print.

AGREED VALUE/AGREED VALUE BASIS

Where **we** have agreed with **you** on the value of **your Insured Pleasure Craft** and other covered property, for an **Additional Premium**, this/these amount(s) **will** be shown in the **Schedule** and the letters **"AVB"** will be shown against the relative **Sum(s) Insured** for such item(s) insured on an **Agreed Value Basis**.

ANTI-THEFT DEVICE

A device sold and marketed as a secure method of preventing theft.

COMPETENT PERSON

A person who has the experience and knowledge to drive and handle a craft like the **Insured Pleasure Craft** and is 18 years of age or over. **A Competent Person** must also be in possession of any necessary permits and/or licenses required by the law.

CRUISING LIMITS

The geographical area specified in the **Schedule** within which we have agreed to insure the **insured pleasure craft**. You can travel outside the **Cruising Limits** if **you** are forced to by the weather, any form of danger or an order of a government or legal authority.

ENDORSEMENT

A written record of any alteration **we** agree to make to **your Policy** that is shown in **your Schedule**.

EXCESS

The amount of each and every claim **you** have to pay.

HOUSEBOAT

An **Insured Pleasure Craft** is said to be used as a **houseboat** when it is not under way, or navigating, but is used while on moorings, or in its berth, by the owner or others, for living on board.

IN COMMISSION PERIOD

The period shown in the **Schedule** when the **Insured Pleasure Craft** is fitted out and available for immediate use including hauling out launching and lifting by crane.

INSURED PERSON(S)

Means **you**, **your** immediate family (i.e. **your** father, mother, brother, sister, husband, wife, **your** partner who lives with **you**, son and daughter), or any person operating the **Insured Pleasure Craft** with **your** prior permission and without charge. This does not include a paid master or crew member of the **insured pleasure craft**, or any person or organisation or their agent or employee operating a marina, shipyard, sales agency or like organisation.

INSURED PLEASURE CRAFT

The hull, superstructure, fittings, machinery, engines, gear and equipment that would normally be sold with the craft.

The **Insured Pleasure Craft** includes **Special Equipment** but not in excess of € 600.00c in respect of any one item or € 2,500.00c in the aggregate unless specifically mentioned in the **Schedule**.

The **Insured Pleasure Craft** includes **Additional Property** only if separately declared and valued in the **Schedule**.

Special Equipment

Items of electronic equipment and navigational or communication equipment that **you** own, that **you** use specifically on the **Insured Pleasure Craft** (excluding **Personal Effects**).

Additional Property

Tenders, Outboard Engines, Trailers and Life Rafts.

HIDDEN DEFECT

A hidden flaw in the construction or material of the **Insured Pleasure Craft** or part of the **Insured Pleasure Craft** which is not discoverable by using reasonable care.

LAID UP PERIOD

The period shown in the **Schedule** when the **Insured Pleasure Craft** is stored in its **Laid Up Location** being a safe berth or ashore as defined in the **Schedule**, not fitted out and not ready for immediate use and is not used for any purpose other than fitting out or customary overhauling (including hauling out and lifting by crane).

LIMIT OF LIABILITY

The limit applicable in respect of Section 2 - **Liability** which is shown in the **Schedule**.

MALTA

The Republic of Malta.

PERIOD OF INSURANCE

The period which you have paid for and which we have accepted the **premium** for.

PERSONAL EFFECTS

Items of clothing and articles of a strictly personal nature likely to be worn, used or carried, or nautical apparel or apparatus (including lifejackets, wetsuits, diving equipment, water-skis, fishing gear and tow ropes) other than **Special Equipment**, generally kept on board the **Insured Pleasure Craft** and not normally sold along with the **insured pleasure craft**. **Personal Effects** includes **Valuables, Money** and mobile phones, cameras and others personal electronics.

Money

Coins and bank notes in current use, cheques, postal orders and money orders, travel tickets, petrol coupons, deeds, bills of exchange, travellers' cheques and documents of any kind.

VALUABLES

Jewellery or other articles of gold, silver or other precious metals, watches, furs, pictures, paintings and other works of art, collections or stamps, coins or medals.

POLICY

The insurance **Policy** is made up of this booklet, the latest **Schedule** issued and any **Endorsement** added at the beginning or throughout the currency of the **Policy**. **You** should read them together as if they were one document.

PREMIUM

The amount of money that you pay and **we** accept for this insurance.

SCHEDULE

The document that makes the **Policy** personal to **you**. It sets out :-

- the **Period of Insurance** ;
- **Your** details ;
- **Our** details ;
- details of the **Insured Pleasure Craft** ;
- the **Sections** of the **Policy** which are applicable ;
- the **Cruising Limits** ;
- the **In Commission and Laid Up** Periods and the **Laid Up Location** ;
- the **Sums Insured** and other monetary limits ;
- the **Excess** ;
- the **Premium** ;
- **any Endorsements** applying.

SUM(S) INSURED/TOTAL SUM INSURED

The values shown in the **Schedule** for the **Insured Pleasure Craft** or parts thereof.

TOTAL LOSS

A loss where the **Insured Pleasure Craft** is entirely lost or destroyed or a **Constructive Total Loss**.

Constructive Total Loss

A loss where the **Insured Pleasure Craft** is beyond economical repair meaning that the cost of repair and/or recovery would exceed the **Total Sum Insured** shown in the **Schedule**.

US/WE/OUR/THE INSURER

Argus Insurance Company (Europe) Limited.

WARRANTY

(a) General Nature of a Warranty

A Warranty is a promise by **you** that :-

- (a) some particular thing shall or shall not be done ; or
- (b) some condition shall be fulfilled ; or
- (c) a particular state of affairs does or does not exist.

(b) Strict Compliance

A Warranty must be strictly complied with and if it is not insurance cover ceases as from the date of the breach of **Warranty**.

(c) Alterations or Deletions of Warranties

If **you** give prior notice in writing that **you** wish to alter or delete a **Warranty we** may, at our discretion, and upon payment of any **Additional Premium** required, agree in writing to such alteration or deletion.

YOU/YOUR/THE INSURED

Means the person or entity named as the Insured in the **Schedule** or any other person who is navigating or in charge of the **Insured Pleasure Craft** with **your** permission who **we** provide cover for.

Other words may be explained elsewhere in the **Policy** or **Schedule**

WHERE AND WHEN COVER APPLIES

We insure the **Insured Pleasure Craft** shown in the **Schedule** while it is :-

- **In commission** during the **In Commission Period** shown in the **Schedule** within the **Cruising Limits** shown on the **Schedule** including hauling out, launching and lifting by crane and while ashore in its place of storage. During the **In Commission Period** when not in use the **Insured Pleasure Craft** will be normally berthed in the **permanent place of mooring** defined in the **Schedule**.
- **Laid up** afloat or ashore out of commission during the **laid up period** shown on the **Schedule** at the **Laid Up Location** defined in the **Schedule**.
Cover continues during hauling out, launching and lifting by crane, whilst fitting out and overhauling and during normal maintenance.
- Being transported by road, rail or ferry in Malta or within 50 kilometres of the permanent place of mooring (if not in Malta). We will not insure any liabilities to third parties during this time.

It is warranted that when unattended ashore the **Insured Pleasure Craft** must be stored in its **Laid Up Location** defined in the **Schedule** or in a locked garage/store (excluding motor vehicles) or in a supervised or locked commercial yacht yard approved by us in writing. Trailers may be left unattended in the open provided they are padlocked to a securely locked motor vehicle or to a fixed and immovable object or with their wheels removed.

The **Insured Pleasure Craft** may not be towed unless in need of assistance and may not undertake salvage or towage services under contract.

SECTION 1 - LOSS OR DAMAGE TO THE INSURED PLEASURE CRAFT

This Section is only applicable when a Total Sum Insured is shown in Section 1 of the Schedule.

COVER

In respect of **the Insured Pleasure Craft** shown in the **Schedule**, **you** can claim for loss or damage directly caused by sudden and unforeseen accident including

- fire, self ignition, explosion or lightning ;
- collision, stress of weather, stranding, sinking ;
- malicious acts ;
- accidents in loading, discharging or handling stores, gear, equipment, machinery or fuel and during hauling out launching and lifting by crane and including fitting out and overhauling ;
- accidents during transportation by road, rail or ferry as allowed by this **Policy**.
- theft, but solely theft :-
 - of the entire **Insured Pleasure Craft** and/or (if insured) of its tender and/or life raft ;
 - of the **insured pleasure craft's** trailer (if insured) provided that if left unattended :-
 - it is chained and padlocked to a securely locked motor vehicle or to a fixed and immovable object ; or
 - its wheels have been removed ; or
 - theft follows forcible and violent entry into the place of storage, maintenance or repair ashore ;
 - of the **insured pleasure craft's** outboard engine/s (if insured) provided that if 25H.P. or under :-
 - the engine/s is/are secured to the **insured pleasure craft's** or to the tender by way of an anti-theft device in addition to its normal method of attachment ; or
 - theft follows forcible and violent entry into the **insured pleasure craft's** locked cabin or into the place of storage (excluding motor vehicles), maintenance or repair ashore ;

- of the **insured pleasure craft's** inboard machinery, gear, equipment and/or (if insured) of its **Special Equipment** following forcible and violent entry into the **insured pleasure craft's** locked cabin, hatch or locker or into its place of storage (excluding motor vehicles) maintenance or repair ashore ;
- contact with pontoons, harbour equipment, quays, jetties, reefs or any other object that is underwater or partly underwater ;
- accidental damage caused by faults that **you** could not know about or by a fault in the design of the **Insured Pleasure Craft** or the way it was made ;
- the **insured pleasure craft's** outboard engine/s (if insured) dropping off or falling overboard.

You can also claim for :-

Salvage Charges

We will pay the all sums which **you** shall become legally liable to pay and shall pay in respect of salvage charges.

Sue and Labour Costs

We will pay expenses reasonably and properly incurred by **you** to avert or minimize a loss which you would be insured for under your Policy.

Sighting Costs

We will pay the cost of inspecting the underwater part of the hull of the **Insured Pleasure Craft** after a stranding even if there is no damage up to a limit of € 2,500.00c.

Pollution Costs

We will pay for loss or damage caused to the **Insured Pleasure Craft** by an authority trying to stop or reduce a pollution threat. As long as **you** have done everything possible to stop or reduce the threat **we** will pay for the loss or damage to the **Insured Pleasure Craft** caused by the authority.

Fire Extinguishing Appliances and Safety Flares

We will pay the cost of replenishing fire fighting appliances and safety flares following a fire on board the **Insured Pleasure Craft** up to a limit of € 250.00c.

WHAT IS THE MOST WE WILL PAY

Except in respect of sue and labour costs referred to above, **we** will not pay more in total than the **Total Sum Insured** noted in the **Schedule** for any one claim under this **Section** in respect of anyone occurrence or series of occurrences originating from one event.

Furthermore, for any specified item forming part of the **insured pleasure craft**, except for sue and labour costs referred to above, **we** shall not pay more than the **Sum Insured** noted against such item in the **Schedule**.

Where **we** have agreed with **you** on the value of **your Insured Pleasure Craft** and other covered property, for an **Additional Premium**, this/these amount(s) will be shown in the **Schedule** and the letters "**AVB**" will be shown against the relative **Sum(s) Insured** for such item(s) insured on an **Agreed Value Basis**. We will pay for a **Total Loss** of your **Insured Pleasure Craft** and other covered property, only if the **Insured Pleasure Craft** is completely lost or destroyed. We will also pay for a Constructive Total Loss if the cost of recovering and repairing the **Insured Pleasure Craft** is greater than the amount of insurance shown for your **Insured Pleasure Craft** on the **Schedule**. If **we** pay you for a **Total Loss** or **Constructive Total Loss**, you agree that **we** are entitled to salvage proceeds or recovery therefrom, if any. If there is a **Total Loss** of **your Insured Pleasure Craft**, we will not deduct for depreciation in determining the value of any property. If there is a **Partial Loss**, however, we may deduct for depreciation on trailers, **Personal Effects**, sails, masts and spars (and attached fittings), running or standing rigging, protective covers, outboard engines and **Special Equipment** forming part of the **Insured Pleasure Craft**.

Where the value of your **Insured Pleasure Craft** has **not been agreed** with us and if in the event of a claim the **Total Sum Insured** (or any part of it) is less than the **Market Value**, any sum paid by us will be limited to the same proportion as the above-mentioned sum insured bears to the **Market Value** of the **Insured Pleasure Craft** at the time of the incident leading to a claim.

Sue and labour costs covered above are payable in addition to the **Total Sum Insured** or any **Sum Insured** but the maximum sum **we** will pay in respect of sue and labour costs for the **Insured Pleasure Craft** or any part thereof arising from each separate occurrence or series of occurrences originating from one event is the **Sum Insured** in respect of any affected item and the **Total Sum Insured** in the aggregate.

EXCEPTIONS

We will not pay for :-

1. loss or damage caused by wear and tear, corrosion, vermin, insects, fungus, marine life, electrolysis or osmosis, gradual deterioration, rust, dampness, normal wetting or weathering ;
2. loss of value because of age and use, except when the relative **Sum(s) Insured** are on an **Agreed Value Basis**;
3. loss of value of the **Insured Pleasure Craft** after it has been repaired or other consequential loss;

4. the cost of :-

- repairing or replacing any part that is lost or damaged or otherwise condemned because it was faulty or defective ;
- putting right any fault or defect caused after somebody else's mistake or if they do not finish any repair work or alterations ;

5. loss or damage caused by scratching, denting, chipping and/or bruising while the **Insured Pleasure Craft** is being transported ;

6. loss of or damage to sails and protective covers split by wind or blown away while set unless following damage to the spars to which the sails are bent or following the **Insured Pleasure Craft** being stranded or coming into collision with any external substance (other than water) ;

7. loss of or damage to :-

- mechanical, electrical or electronic machinery ;
- batteries ;

and their connections caused by :-

- a) latent defects ;
- b) faulty design and/or construction and/or maintenance and/or repair ;
- c) frost, ice, freezing or extremes of temperature ;
- d) electrical, electronic or mechanical breakdown, failure or derangement.

8. loss of or damage to :-

- a) sails, masts or spars (and attached fittings) and running or standing rigging while the **Insured Pleasure Craft** is racing ;
- b) **Additional Property** unless specific Sum/s Insured is/are noted for such property in **Section 1** of the **Schedule**;
- c) consumable stores, moorings ;
- d) **Personal Effects** except as covered by the **Personal Effects Extension** to **Section 1** ;
- e) trailer tyres while in transit by the application of brakes or by road punctures, cuts or bursts ;
- f) to outboard motors following contact with water, unless such motor is completely stripped down and flushed with oil by a qualified engineer immediately after recovery.

SPECIAL CONDITIONS APPLYING TO SECTION 1

You must comply with the following conditions to have the full protection of **your Policy**. If **you** do not comply with them **we** may, at **our** option, cancel the **Policy** or refuse to handle **your** claim or reduce the amount of any claim payment

1. Fire Protection

Cover for fire and explosion is only provided subject to the **Insured Pleasure Craft** being equipped with fire extinguishing apparatus to the following minimum standards :-

- a) if the **Insured Pleasure Craft** is equipped with outboard engine/s above 25H.P. or with inboard engine/s the minimum standard is one manual fire extinguisher ; and
- b) if the **Insured Pleasure Craft** has a galley area, the minimum standard is extended to include a fire blanket ; and
- c) if the **Insured Pleasure Craft** is fitted with inboard engine(s) and its maximum designed speed is 17 knots or more, the minimum standard is extended to include an adequate fire extinguishing system automatically operated or having controls at the steering position and situated in the engine room or engine space and (where allowable by the craft design) in the tank space.

All such equipment is to be properly installed and maintained in efficient working order.

2. Transit

While it is in transit the **Insured Pleasure Craft** must be :-

- carried on a trailer fit for the purpose intended and towed by a suitable vehicle ; or
- fitted in a purpose built cradle and carried by a professional haulier ; or
- secured or fastened to a vehicle roof rack, provided this is a suitable method of transit for the **insured pleasure craft**.

3. Speedboat impact damage limitation

Applicable only if the **Insured Pleasure Craft** is a speedboat designed to exceed 17 knots and is not designed to include sleeping facilities. In the event of loss or damage to the rudder, propeller/s, strut or shaft, motors, electric or electronic machinery, batteries and their connections caused :-

- by the **Insured Pleasure Craft** hitting or otherwise coming in contact with any object that is underwater or partly underwater ; and/or
- by the blockage of any vents of the **Insured Pleasure Craft** ;
the most we will pay in any one **Period of Insurance** is limited to € 4,000.00.

EXCESS APPLICABLE TO SECTION 1

In the event of each and every claim (except for a claim for a **Total Loss**) under this **Section** for loss, damage or expense **we** shall not be liable for the amount of the **Excess** shown in the **Schedule**.

PERSONAL EFFECTS EXTENSION TO SECTION 1

Cover under this **Section** is extended (without application of the **Excess**) to **Personal Effects** and such property shall be deemed part of the **Insured Pleasure Craft**.

Personal Effects are only insured if they belong to **you** or **your** family members and while they are on board or are being conveyed by water to or from the **Insured Pleasure Craft**.

Limit

The amount recoverable under this Extension shall be limited to € 600.00 or to the **Sum Insured** shown in the **Schedule** in respect of **Personal Effects** if such **Sum Insured** is higher. No one item shall be deemed of greater value than € 250.00 unless specifically declared and valued.

Exceptions applicable to Personal Effects in addition to other exceptions to Section 1

We shall not be liable in respect of :-

- a) loss or damage to **Money** or **Valuables**, mobile phones, cameras or other personal electronics ;
- b) any loss or damage to **Personal Effects** occurring while the **Insured Pleasure Craft** is :-
 - unattended ashore (except in a locked garage/store) ; and/or
 - in the custody and control of a repairer or a yacht yard or other storage facility ;
- c) theft of **Personal Effects** unless such theft follows forcible and violent entry into the **insured pleasure** craft's locked cabin, hatch or locker ;
- d) breakage of articles of a brittle nature, unless caused by the **Insured Pleasure Craft** being stranded, sunk, burnt or in collision or by stress of weather or theft as covered by this extension ;
- e) loss of water-skis, wet suits, skis, diving equipment, tow ropes and fishing gear unless as a result of fire or theft as covered by this extension or as a result of a **Total Loss**.

SECTION 2 - LIABILITY

This **Section** is only applicable when a **Limit of Liability** is shown in **Section 2** of the Schedule.

COVER

1. Compensation

You can claim all sums that you legally have to pay as a result of owning the **Insured Pleasure Craft** shown on the **Schedule**, for :-

- (a) the death of or injury to any other person, including anyone getting on or off or travelling on the **Insured Pleasure Craft** ;
- (b) damage to any other property including other vessels, piers, docks, wharves, jetties, cables or pontoons ;
- (c) attempted raising or raising, removing or destroying the wreck of the **Insured Pleasure Craft** or if you fail to remove or destroy it ; or
- (d) pollution caused by the **Insured Pleasure Craft** as a result of loss or damage we insure.

2. Legal Costs

As long as **we** have agreed in writing, we will also pay for :-

- (a) all **your** legal costs in settling or defending a claim ; and
- (b) lawyers' fees and all expenses relating to official enquiries or coroner's inquests.

3. Indemnity to other persons navigating with your permission :-

This insurance will (at **your** request) also insure any **competent person** who is navigating or in charge of the **Insured Pleasure Craft** with **your** permission but :-

a) **we** will not insure :-

- shipyard operators or their employees ;
- repair yard operators or their employees ;
- slipway operators or their employees ;
- yacht club operators or their employees ;
- marina operators or their employees ;
- sales agencies or their employees ;
- delivery skippers or their employees or crew ; or
- any other similar organizations ; unless **we** accept to do so in writing ;

b) **we will** not insure any person who misappropriates the **insured pleasure craft**.

WHAT IS THE MOST WE WILL PAY

We will not pay more in total than the **Limit of Liability** noted in the **Schedule** in respect of anyone accident or series of accidents arising out of the same event.

It is agreed, however, that should the **Cruising Limits** in the **Schedule** permit sailing in Italian Territorial Waters, the **Limit of Liability** is restated as follows solely while the **Insured Pleasure Craft** is being used in Italian Territorial Waters :-

Limit of Liability any one event

- a) In respect of compensation and legal costs relating to death of or injury to any other person: the minimum limit of liability as permitted under Italian Legislative Decree 198 of 6 November 2007 and subsequent amendments;
- b) In respect of any other compensation and legal costs the **Limit of Liability** shall be the difference between the **Limit of Liability** noted on the **Schedule** and any compensation and legal costs paid or payable in accordance with a) above in respect of death or injury to any other person.

EXCEPTIONS

We will not pay claims for :-

1. death, injury or illness of anyone you employ ;
2. death, injury or illness of an employee of anyone navigating or otherwise using the **insured pleasure craft**. We do not provide cover for legal liability incurred under any Workmen's Compensation or Employers' Liability Legislation nor under any other Statutory or Common Law Liability in respect of accidents and illness to persons employed by **you** or by any other **Insured Person** ;
3. water-skiers operating with the **Insured Pleasure Craft** or anything similar until they are safely back on board the **Insured Pleasure Craft**;
4. parascenders operating with the **Insured Pleasure Craft** or any other sport which takes place in the air, until they are safely back on board the **Insured Pleasure Craft**;
5. divers operating from the **Insured Pleasure Craft** until they are safely back on board the **Insured Pleasure Craft**;
6. accidents while the **Insured Pleasure Craft** is in transit by or attached to a mechanically propelled road vehicle or caused by any trailer we insure except when it is deliberately uncoupled from the towing vehicle;

7. accidents while the **Insured Pleasure** Craft is in transit by rail or ferry ;
8. liability of any sort which comes under any law relating to workmen ;
9. any fines or other penalties which any Government or Government Authority require **you** to pay ;
10. any punitive or exemplary damages, however described ;
11. any liability arising under an agreement or contract which would not have arisen had the agreement or contract not existed ;
12. claims in respect of any property belonging to **you** or **your** employees or members of the **Insured's** household or under the custody or control of such persons ; and
13. claims in respect of fare-paying passengers.

EXCESS APPLICABLE TO SECTION 2

In the event of each and every claim under this **Section we** shall not be liable for the **Excess** shown in the **Schedule**.

If however a claim made by **you** involves both **Sections 1 and 2**, the **Excess** shall only be applicable once.

SECTION 3 - PERSONAL ACCIDENT

We automatically include this **Section** free of charge when **Section 1** is operative and a **Total Sum Insured** is shown in **Section 1** of the **Schedule**.

DEFINITIONS

- **Insured Persons**

The **Insured** and any passengers. If the **Insured** is a company we include any **competent person** navigating the **Insured Pleasure Craft** with **your** permission provided he or she is not doing so in the course of his or her employment, trade or occupation.

- **Bodily Injury**

Bodily injury (including exposure to the elements following a mishap to the **insured pleasure craft**) caused by violent, accidental, external and visible means.

- **Loss of Limb**

Loss by severance of an entire hand or foot or the total and permanent loss of use of an entire hand or foot.

- **Loss of Sight**

Total and irrecoverable loss of sight.

- **Permanent Total Disablement**

Total and permanent disablement from attending to or following any occupation or employment including :-

- **Loss** of two or more **limbs** ; or
- **Loss of sight** in both eyes ; or
- Loss of one **limb** combined with **loss of sight** in one eye.

COVER

If the **Insured Persons** sustain **Bodily Injury** while on board or embarking or alighting from the **Insured Pleasure Craft** shown on the **Schedule** during the **Period of Insurance**, resulting directly and independently of any cause, in **Death** or **Permanent Total Disablement** or **Loss of Limb** or **Loss of Sight** within one year from the date of injury, we will pay the benefits noted below in '**What is the most we will pay**'.

WHAT IS THE MOST WE WILL PAY

This **Policy** is extended to cover the **Insured**, and any persons invited on board the **insured pleasure craft**, for the following Benefits in the event of a personal accident whilst aboard, embarking or disembarking the **insured pleasure craft**, within 12 months of that accident, which is the sole and independent cause of subsequent death or disability.

Benefit per **Insured Person** for:-

1.	Death	€ 25,000.00c.
2.	Permanent Total Disablement	€ 25,000.00c.
3.	Loss of one Limb or Loss of Sight in one eye	€ 25,000.00c.

Provided that :-

1. **we** will not pay more in total than the benefit for death in respect of any one injury to an **Insured Person** ;
2. if **Permanent Total Disablement** is payable in respect of any injury then any benefit paid or payable under Benefit 3 above shall be deducted ;
3. **we** will not pay more in total than €100,000.00 in any one **Period of Insurance** irrespective of the number of **Insured Persons** claiming ;
4. **we** will not pay any benefit to anyone who is compensated under **Section 2 - Liability of your Policy**.

EXCEPTIONS

We will not pay :-

1. if any **Insured Person** is aged 76 or over at the time of the occurrence ;
2. if any **Insured Person** is aged under 16 or over 70 years at the time of the accident, the **Death Benefit** will be limited to € 5,800.00 and the **Permanent Total Disablement** benefit limit will not apply ;
3. if **Bodily Injury** results from exposure to needless danger or from committing or attempting to commit suicide or unlawful acts ;
4. if **Bodily Injury** results from the misuse of drugs or alcohol ;
5. if the **Insured Pleasure Craft** is being used for any purpose other than private pleasure ;

6. if an **insured person** is **your** employee or otherwise in the course of any trade, profession, business or employment ; and
7. if the **Bodily Injury** results from the use of a jet-ski even if part of the **Insured Pleasure Craft**;
8. if the **Bodily Injury** results in **Death, Loss** or **Disablement** caused directly or indirectly by :-
 - A disease of any physical defect or illness ;
 - An injury that existed prior to the accident ;
 - Pregnancy ;
 - Consequential loss of any kind ; or
 - Suicide, deliberate self-injury, being under the influence of drink or drugs (unless prescribed by a Doctor), alcoholism, drug addiction, solvent abuse or wilful exposure to exceptional risk (except in attempting to save human life).

ADDITIONAL CONDITIONS

1. No payment shall be made without appropriate medical certificate.
2. If in the event of a claim **we** require any medical certificates, information, evidence and receipts ; these must be obtained by **you** and not at **our** expense.
3. If in the event of a claim **we** require a medical examination, **you** must agree to this and in the event of **Death** **we** are entitled to a post-mortem examination, both at **our** expense.
4. No claim shall be payable under more than one benefit in respect of any one accident. In the event of an accident causing disablement followed by **Death** occurring from any one cause within 12 calendar months of the accident, **we** will pay only the compensation payable in case of **Death**.

MEDICAL EXPENSES EXTENSION

We will pay up to € 600.00 per **Insured Person** for any doctors' or surgeons' fees for emergency treatment if **you** or **your** passengers sustain **Bodily Injury** because :-

- the **Insured Pleasure Craft** hits another boat ;
- the **Insured Pleasure Craft** hits another object ; or
- the **Insured Pleasure Craft** sinks.

CLAIMS - HOW WE SETTLE CLAIMS

1. Options available to us

We will, at **our** option, pay in cash the amount of the loss or damage or may repair, reinstate or replace the lost or damaged property.

If **we** choose to repair, reinstate or replace property, **we** shall be obliged to do so only to an extent as is reasonably deemed practically sufficient regardless of the fact that former appearance and condition of the property may not be precisely restored.

2. Reduction of Sum Insured

The **Sum Insured** on hull, inboard machinery, gear and equipment will not be reduced by any claim. Other **Sums Insured** are reduced by the amount of a claim.

3. Basis of Settlement

- For a **Total Loss**, **we** shall base our settlement on the **insured pleasure craft's Market Value** or **Agreed Value** at the time of the loss but the most **we** will pay is the **Total Sum Insured**.
- In the event of a partial loss, **we** shall base **our** settlement on the reasonable cost of repairing or reinstating the lost or damaged part of the **Insured Pleasure Craft** (to a condition similar to, but not better than, that which existed when the relevant part was new) and necessary expenses related thereto plus any necessary salvage charges, subject always to :-
 - such cost and expense not rendering the loss a **Constructive Total Loss** in which case **we** shall never pay more than the **insured pleasure craft's Market Value, Agreed Value** or the **Total Sum Insured**, whichever is the lower amount ; and
 - the maximum payable for any item of **Additional Property** or **Special Equipment** specified in the **Schedule** being the **Sum Insured** on such item as noted in the **Schedule**.

All claims on Trailers, **Personal Effects**, Sails, Masts and Spars (and attached fittings), Running or Standing Rigging, Protective Covers, Outboard Engines and **Special Equipment** forming part of the **Insured Pleasure Craft** will be settled bearing in mind deductions to reflect age, wear, tear and depreciation.

The only costs payable by **us** in excess of the **Total Sum Insured** are costs for Sue and Labour referred to in **Section 1**.

4. Constructive Total Loss

In ascertaining whether the **Insured Pleasure Craft** is a **Constructive Total Loss**, the **Total Sum Insured** or **Agreed Value** (if applicable) shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the **Insured Pleasure Craft** or wreck shall be taken into account.

No claim for **Constructive Total Loss** based upon the cost of recovery and/or repair of the **Insured Pleasure Craft** shall be recoverable unless such loss would exceed the **Total Sum Insured** or **Agreed Value** (if applicable).

5. Unrepaired Damage

If the **Insured Pleasure Craft** becomes a **Total Loss**, we shall be entitled to reduce our payment by the amount of any claim we may have paid for previous damage which is still unrepaired at the time of the **Insured Pleasure Craft** becoming a **Total Loss**.

6. Other Insurances

In the event of any other insurance covering the same claim as this **Policy**, we shall only be liable to contribute our rateable proportion of such claim. This condition is not applicable to cover under **Section 3 - Personal Accident**.

GENERAL EXCEPTIONS

The following Exceptions apply to the whole of **your Policy**. In no case shall this insurance cover loss, damage, injury, liability or expense arising from :-

1. War, Confiscation and Expropriation

- a. war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power ;
- b. capture, seizure, arrest, restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat ;
- c. derelict mines, torpedoes or other derelict weapons of war ;
- d. confiscation, expropriation, requisition or pre-emption ;
- e. the operation of ordinary judicial process, failure to provide security or to pay any fine, penalty or any financial cause.

2. Strikes and Terrorism

- a. strikers, locked-out workmen, persons taking part in labour disturbances, riots or civil commotion;
- b. terrorism and/or steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism.

For the purpose of this exception, "terrorism" means any act(s) of any person(s) or organisations involving :-

- i. the causing, occasioning or threatening of harm of whatever nature and by whatever means ;
- ii. putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

3. Extended Radioactive Contamination

- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel ;
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof ;
- c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter ;
- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. This **Exclusion** 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.

4. Chemical, Biological, Bio-Chemical, Electromagnetic Weapon and Cyber Attack

- a) any chemical, biological, bio-chemical or electromagnetic weapon;
- b) in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.

Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.

Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

5. Sonic Boom

Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

6. Tenders

any tenders not permanently marked with the name or registration mark of the parent **Insured Pleasure Craft** and any tenders with a maximum designed speed of 17 knots or over unless specifically agreed.

7. Use Limitations

any occurrences happening while the Insured Pleasure Craft is :-

- a) used permanently as a **houseboat** ;
- b) let out on hire or chartered or carrying fare-paying passengers ;
- c) used for demonstration purposes ;
- d) used for any purposes other than private pleasure purposes ;
- e) being delivered to/from **Malta** unless prior written consent is obtained from **us** ;
- f) used for any illegal purposes whatsoever.

8. Racing and the like

any occurrences happening while the **Insured Pleasure Craft** (if mechanically propelled) is used for parascending and similar sports, for racing, speed tests or trials in connection with such activities.

9. Control of insured pleasure craft

Any occurrences happening :-

- when the **Insured Pleasure Craft** is under way unless a **competent person** shall be on board and in control of the **Insured Pleasure Craft** (not applicable where the **Insured Pleasure Craft** breaks adrift as a result of an insured peril) ;
- as a result of **your** (or that of any person authorised to control, manage or be on board the **insured pleasure craft**) wilful misconduct, malicious act or failure to exercise due diligence to manage or use the Insured Pleasure Craft properly or to maintain it in a seaworthy condition ;
- as a result of the **Insured Pleasure Craft** being in control of anyone under the influence of drugs or alcohol ;
- as a result of loss, damage or liability deliberately caused by the wrongful acts or wilful misconduct of any insured person ;
- as a result of bodily injury sustained by any person who is a trespasser or uninvited guest while in, upon, boarding or leaving the **Insured Pleasure Craft** no medical payments shall be made by **us**.

10. Berthing Locations

Weather conditions arising between the 16th September to the 14th June (both dates inclusive) unless the **Insured Pleasure Craft** is :-

- a) in its **Laid Up Location** defined in the Schedule ; or
- b) after each use during the **In Commission Period**, moored or berthed in either of the following bays/locations :-
 - St. Julian's Bay (Spinola Inlet) within shelter of the "Cavalieri" breakwater ;
 - Grand Harbour Marina (Cottonera) ;
 - Marsaxlokk Bay (Village Inlet) ;
 - Portomaso Marina ;
 - Mgarr Marina (Gozo) excluding pontoons G and H ;
 - Lazzaretto Creek - Ta' Xbiex ;
 - St. George's Bay (within shelter of the Birzebbuga Inlet breakwater) ;
 - Dockyard Creek ;
 - Msida Marina in Msida Creek ;
 - (if applicable) the **approved berthing location** specified in the **Schedule**

Cover for claims arising from weather conditions is however applicable when the **Insured Pleasure Craft** is moored or berthed after each use during the **In Commission Period** between 16th September and 31st October (both days inclusive) at the following locations :-

- Xemxija Bay - within shelter of the Ghajn Razul (Vecca) Breakwater ;
- St. Paul's Bay Breakwater (Gillieru)-Within shelter of the Bugibba breakwater.

11. Date Change

or consisting of the failure or inability of any equipment or any computer program to recognize or to correctly interpret or process any date as the true or correct date, or to continue to function beyond that date. In respect of loss or damage under **Section 1** this does not exclude any resulting loss or damage otherwise insured by this **Policy**.

12. Ice, Freezing and Extremes of Temperature

We will not pay for damage or loss due to ice, freezing or extremes of temperature.

13. Physical Condition

We will not pay for loss or damage due to physical condition of the **Insured Pleasure Craft** (other than **Hidden Defects**) that existed prior to the effective date of this **Policy**.

14. Unexplained Disappearance

We will not pay claims for unexplained disappearance of property, **Personal Effects** or **Equipment** from the **insured pleasure craft**.

15. Cyber

- This policy excludes all loss, damage, liability, claim cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
 - any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System.
 - any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.
- Any other Cyber Loss regardless of any other cause or event contributing concurrently shall not be recoverable and nor shall any amount pertaining to the value of such Data, be recoverable or be considered as physical loss or damage for the purposes of this exclusion.

Definitions

Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

16. Communicable Disease Exclusion

1. This policy excludes all actual or alleged loss of any kind, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense, loss of value, loss of use, or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of a Communicable Disease.
2. For the purposes of this exclusion, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense, loss of value, loss of use, or any other amount, includes, but is not limited to, any cost to contain, suppress, clean-up, detoxify, disinfect, decontaminate, remove, repair, replace, recall, inspect, assess, monitor or test:
 - 2.1 for a Communicable Disease; or
 - 2.2 any property insured hereunder that is affected or is feared to have been affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 3.3 the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage, and
 - 3.4 the disease, substance or agent can cause or threaten damage to, deterioration of, loss of value of, marketability of, denial of access to, or loss or use of property insured hereunder.
 - 3.5 be it any epidemic or pandemic disease declared by the World Health Organisation or any other competent authority as a public health emergency of international concern.

This exclusion shall prevail and shall override anything contained in the Policy inconsistent herewith and will apply regardless of any otherwise covered cause, event or peril contributing concurrently or in any other sequence to the loss.

17. Sanctions Limitation Clause

We shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America, or any of its states.

GENERAL CONDITIONS

You must comply with the following conditions to have the full protection of **your Policy**. If **you** do not comply with them and any other particular terms and endorsements **we** may, at our option cancel the **Policy** or refuse to handle **your** claim or reduce the amount of any claim payment.

1. Your duty to tell us about the risk and about changes in circumstances

We will only provide the insurance described in this **Policy** if :-

- to the best of **your** knowledge and belief, the information that **you** have given is true and complete. If someone else has given us the information for **you**, that person was acting for **you** at the time and you are responsible for the information they gave ;
- anyone claiming under **your Policy** has met all the relevant conditions;
- **you** have delivered a colour photo of the **Insured Pleasure Craft** showing its current state and a copy of the **insured pleasure craft's** registration papers are prior to the happening of any loss, damage or liability claimable under the **Policy**.
- **you** notify us immediately of any changes that may affect **your** insurance. In particular **you** must tell us if :-
 - **you** change **your** address ;
 - **you** change the **Insured Pleasure Craft** or buy extra and/or different machinery, gear or equipment including **Special Equipment** ;
 - **you** change the places where you keep the **Insured Pleasure Craft** ;
 - **you** or anybody living with **you** have been declared bankrupt or prosecuted for or convicted of theft fraud, dishonesty, arson or any other offence other than a driving offence.

2. Your special duties and our rights if loss, damage or injury occurs

If **you** have an accident or loss **you** might want to claim for under **your Policy** **you** must contact **us** as soon as possible at **our** head office or any branch office for a claim form and instructions. Send the completed claim form back to us as soon as possible but not later than 15 days later.

WHAT YOU SHOULD OR SHOULD NOT DO

You must :-

1. immediately upon discovery inform the police about any theft, attempted theft, fire or vandalism, malicious damage or loss of the **Insured Pleasure Craft** or any part of it ;
2. send all claims, letters, summonses or legal documents to **us** immediately upon receipt and **you** must not reply to any of these documents without **our** written consent ;
3. supply at **your** own expense all reports, certificates, plans, specifications, evidence (including receipts), information and assistance that **we** may require ;
4. take all reasonable steps (including marking a wreck and attempting to raise a sunken craft) to minimize losses, to recover missing property and to prevent further loss, damage or injury ;
5. allow **our** appointed medical advisor to carry out any medical examination (including a post mortem) of any **insured person** under **Section 3 - Personal Accident** ;
6. give **us** permission to take action in **your** name to get back any amount **we** have paid or may pay under **your Policy**; and also give us as much assistance as possible to do so.

You must not :-

1. negotiate, admit or repudiate any claim without **our** written permission ;
2. authorise permanent repairs to the **Insured Pleasure Craft** without **our** express permission ;
3. alter the condition of the damaged property until **our** surveyor has seen such property ;
4. abandon any property to **us**.

We or our representative(s) are entitled at any time to :-

1. take over the defence or settlement of any claim ;
2. take action including legal action to get back any amount we have paid or may pay under **your Policy** ;
3. receive all necessary information and assistance from **You** and any other person **insured** by this **Policy** ;
4. have access, at all reasonable times, to examine the **Insured Pleasure Craft** or any part of it ;
5. get or ask **you** to get estimates for repairs and **we** can decide where repairs can be done.

3. New Ownership

If **you** sell the **Insured Pleasure Craft** or transfer it to new ownership or management or if a company owns the **Insured Pleasure Craft** and there is a change in the controlling interest of the company; this **Policy** will be cancelled from the date of the sale transfer or change unless the **Insured Pleasure Craft** is at sea in which case such cancellation shall, if required, be suspended until arrival at the next port or place of safety. **We** will not recognize any interest or transfer of interest or assignment of this **Policy** unless **we** have agreed and noted it in **your Schedule** or **by Endorsement**.

4. Cancellation

This **Policy** may be cancelled

- a) by **us** with immediate effect if **you** do not pay the **premium**.
- b) by **us** at any time subject to **our** giving **you** 15 days notice by registered mail sent to **your** last known address. **We** will allow **you** a return **premium** which reflects how long **we** were on risk during the **Period of Insurance**.
- c) by **you** at any time. **We** will allow **you** a return **premium**, which reflects how long **we** were on risk during the **Period of Insurance** only if **you** have sold the **insured pleasure craft**. **We** will not give **you** a return of **premium** for any other reason.

A return of **premium** shall not be payable if a claim has been made in the current **period of insurance** nor if **you** cancel the **Policy** in the first year of insurance after the first 14 days from the date **you** bought the **Policy**. Where the **Policy** was issued to cover the **Insured Pleasure Craft** which is or was to be registered with the Small Ships Register of the Malta Maritime Authority, proof of continuation of insurance coverage for the term of the **Policy** must be provided.

5. Maltese Law

In the absence of a written agreement to the contrary, this **Policy** shall for all effects and purposes be deemed to be a Maltese Contract and shall be governed by and according to Maltese Law and subject to the exclusive jurisdiction of the Maltese Courts.

6. Seaworthiness condition and general precautions

We will only provide the insurance described in this **Policy** if :-

- (a) at all times **you** have taken all reasonable precautions to prevent any liability, injury, loss or damage and **you** have acted with due diligence ;
- (b) at all times, **you** have taken all reasonable steps to maintain and keep the **Insured Pleasure Craft** including all its machinery, gear and equipment :-
 - in a proper state of repair and seaworthiness ;
 - otherwise fit for the purpose and use intended ;

- in conformity with any applicable safety regulations including those relating to life safety equipment ;
- (c) when under way, the **Insured Pleasure Craft** shall :-
 - be properly manned ;
 - not carry more passengers and crew than as permitted by any relevant authority ;
 - be navigated by a **competent person** who at all times complies with any relevant laws ;
- (d) when the **Insured Pleasure Craft** sails beyond 12 miles off the coast of **Malta** :-
 - it shall be equipped with an auxiliary engine powerful enough to carry the **Insured Pleasure Craft** to a port of safety ;
 - it shall have on board a VHF radio installed or other similar means of communication either of which must be checked to be in proper working order prior to departure.

7. Gas Installations, Moorings and Protective Covers

We will only provide the insurance described in this **Policy** if :-

- (a) at all times :-
 - any bottled gas installation on the insured pleasure craft, shall conform to approved safety standards and the gas tubing must be made of copper (with rubber edging) unless accepted by us in writing;
 - any liquid gas containers on the **Insured Pleasure Craft** are to be stored on deck away from hatches and other openings or in a separate well-ventilated housing situated in such a way that escaping gas cannot reach enclosed spaces, cabins, engines, compartments and bilges ;
 - any moorings for the **Insured Pleasure Craft** are to be inspected regularly and maintained in sound condition ;
- (b) when unattended at berth or mooring afloat :-
 - the **Insured Pleasure Craft** is adequately protected by waterproof or watertight cover against bad weather.

8. Fraud

You must not act in a fraudulent manner. If **you** or anyone acting on **your** behalf :-

- make a claim under this **Policy** knowing the claim to be false or fraudulently inflated in any respect ; or
- make a statement in support of a claim knowing the statement to be false in any respect ; or

- submit a document in support of a claim knowing the document to be forged or false in any respect ; or
- make a claim in respect of any loss or damage caused by **your** wilful act or with **your** connivance ;

then

- **we** shall not pay the claim ;
- **we** shall not pay any other claim which has been made under the **Policy** ;
- **we** may at our option declare the **Policy** void ;
- **we** shall be entitled to recover from you the amount of any claim already paid under the **Policy** since the last renewal date ;
- **we** shall not make any return of **premium** ;
- **we** may inform the police of the circumstances.

9. Jurisdiction

(a) Maltese Jurisdiction Clause

Applicable if **Cruising Limits** on **Schedule** are "Coastal Waters of **Malta** not exceeding 40 miles offshore".

We will pay only in respect of judgements, orders or awards that are delivered by or obtained from a court within **Malta** or in arbitration in **Malta** under Maltese statutory provisions. **We** will not pay in respect of any judgement, order or award obtained in **Malta** for the enforcement of a judgement or arbitration award obtained elsewhere or to costs and expenses of litigation recovered by any claimant from **you** or any other persons entitled to indemnity under this **Policy** which costs and expenses of litigation are not incurred in **Malta**.

(b) Extended Jurisdiction Clause

Applicable if **Cruising Limits** on **Schedule** are other than those described in (a) above :-

In respect of the cover provided under **Section 2 - Liability**, when the claim relates to accidents between Maltese domiciles, **we** will pay only in respect of judgements, orders or awards that are delivered by or obtained from a court within **Malta**, or in arbitration in **Malta** under current statutory provisions. Furthermore, the aforesaid cover (relating to accidents between Maltese domiciles) shall not apply in respect of any judgement, order or award obtained in **Malta** for the enforcement of a judgement or arbitration award obtained elsewhere or to costs and expenses of litigation recovered by any claimant from you or any other persons entitled to indemnity under this **Policy** which costs and expenses of litigation are not incurred in **Malta**.

ENDORSEMENTS

Only applicable if shown in the Schedule

1. Racing risks

Subject otherwise to the terms and conditions of this **Policy** but regardless of **Exceptions 6 and 8(a) to Section 1**, such **Section** extends to cover loss or damage to sails, masts, spars (and attached fittings) and standing and running rigging while the **Insured Pleasure Craft** is racing.

For the purposes of this cover however the **Excess** shall be one third of the value or repair cost of such property or the amount of the **Excess** on the **Schedule**, (whichever is the greater amount).

The most **we** will pay is therefore limited to 66% of the **Sum Insured** noted on the **Schedule** in respect of sails, masts, spars (and attached fittings) and standing and running rigging.

The Excess shall however not be altered as above if loss or damage while racing is caused by stranding, sinking, collision and fire.

2. Overnight Theft Exclusion - Auxiliary Tender Outboards

No cover is provided under **Section 1 - Loss or Damage to the Insured Pleasure Craft** - for loss or damage to any outboard motor of 9.9H.P. or less caused by theft when the **Insured Pleasure Craft** is left unattended on its permanent or temporary moorings after each use overnight unless such motor is stolen following forcible and violent entry into the **insured pleasure craft's** locked cabin or into the engine's place of storage ashore.

3. Theft Exclusion - Outboard Engines

No cover is provided under **Section 1 - Loss or damage to the Insured Pleasure Craft** - for loss or damage to any outboard engine of 9.9H.P. or less caused by theft when the **Insured Pleasure Craft** is left unattended afloat after use.

4. Garaging Warranty

It is warranted that you must take the **Insured Pleasure Craft** ashore after each use when it has nobody on board and it must be placed in a securely locked garage/store.

5. Single Handed Sailing

Permission is given for the **Insured Pleasure Craft** to be sailed single handed by you or any person whose details of experience, etc have been submitted to and accepted by us within the **Cruising Limits** authorised on the **Schedule**.

6. Transit Clause

This Policy is extended to cover the **Insured Pleasure Craft** whilst in transit by road, rail, or car ferry including loading and unloading from the conveyance, within the limits stated in the **Schedule**, but no claim shall be allowed in respect of :-

- a) scratching, bruising and/or denting arising during transit covered by this Clause and the cost of consequent repainting or revarnishing ;
- b) liability to third parties arising from any accident while the vessel is being towed by or attached to a motor vehicle or has broken away or become accidentally detached from a motor vehicle.

7. No Claims Bonus

In the event of no claim arising under this **Policy**, the same having been in force for 12 consecutive months (including a commission period of not less than four months), the renewal premiums will be reduced as follows :-

If no claim arises in respect of 1 year	10%
If no claim arises in respect of 2 consecutive years	15%
If no claim arises in respect of 3 consecutive years	20%
If no claim arises in respect of 4 consecutive years	25%

Provided always that the bonus is only payable if the **Policy** is renewed and remains in force for a further period of 12 months (including a commission period of not less than four months).

8. Automatic Bilge Pump Warranty

You warrant that all an automatic bilge pump is fitted and maintained in working order and is in operation whilst vessel is left on its mooring unattended

COMPLAINTS PROCEDURE

Our aim is at all times to provide a first class standard of service. However, there may be occasions when you feel that this objective has not been achieved. Should you have any query or complaint regarding this insurance please write to the Complaints Officer at Argus Insurance Company (Europe) Limited, Trident Park, 8B Level 5, Notabile Gardens, Mdina Road, Central Business District Zone 2, Birkirkara CBD 2010. Email: claims@argus.mt Tel: +356 2342 200. If you are dissatisfied with the response you receive you should write to the Office of the Arbiter for Financial Services, N/S in Regional Road, Msida MSD 1920, Malta. Freephone: 80 072 366 Telephone: (+356) 21 249 245 Email on: complaint.info@financialarbiter.org.mt



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