

## insurance product information document

YACHTING24 GmbH

Y24 Yacht Total Loss Insurance Conditions (Y24YTLC)

We have set out the following information below to provide you, in the name of and on behalf of the participating insurers, with an initial overview of the Yachting 24 Total Loss Insurance. This information document is therefore not exhaustive. Full pre-contractual and contractual information is contained in the recommendation, the application form, the insurance policy and the accompanying conditions of insurance and mandatory disclosures. To be well informed, please read all the documents.

**What is this type of insurance?**

A Yacht Total Loss Insurance is offered. This insurance provides cover for the total loss of the insured water sports craft, for example in the event of the vessel being fully destroyed by fire.

**What is insured?**

- ✓ The total loss of the entire water sports craft specified in the policy caused by accident, sinking, fire, lightning, explosion, force majeure or theft.
- ✓ The scope of coverage regarding transportation, salvage, wreck removal and disposal can be upgraded. For detailed information on options and upgrades, please refer to the insurance conditions and the recommendation.

**What is the insured sum?**

- ✓ The sum insured is agreed with you in the insurance contract.

**Where am I covered?**

- ✓ Insurance cover applies within the agreed cruising area.

**What is not insured?**

- ✗ Partial loss of the water sports craft.
- ✗ Damage caused by age, wear and tear, deterioration and inadequate maintenance.
- ✗ Consequential damage (e.g. loss of racing performance, reduced market value, loss of use).

**Are there any restrictions on cover?**

- ! Not all conceivable cases are insured. The following are excluded from insurance cover, for example:
- ! Using the vessel for commercial purposes.

**What are my obligations?**

- You must answer all questions in the application form fully and truthfully.
- It may be necessary to amend the insurance contract if there is any change to the circumstances you disclosed at the start of the contract. You must therefore disclose whether and how the circumstances regarding your original information in the application for insurance have changed.
- In the case of a claim, you are subject to certain obligations with which you must comply. One such obligation is that you must inform the Insurer of each insured event without delay. You are also obliged to take all reasonable measures at your own initiative which are considered appropriate for avoiding and mitigating the loss. If the insurer gives instructions in this regard, then you must follow such instructions.
- You are obliged to provide the Insurer with detailed and accurate loss reports.

**When and how do I pay?**

Premiums are due two weeks after receipt of the policy schedule. Should you culpably fail to pay the premium, insurers have the right to withdraw from the insurance contract. If you have completed a direct debit authority, please ensure that you have sufficient funds in your account.

**When does the cover start and end?**

The insurance cover commences upon payment of the premium, but no earlier than on the day and hour stated in the policy. This contract is effective for one year and is automatically renewed annually unless you or the insurers cancel the contract.

**How do I cancel the contract?**

You or the insurers may terminate the contract at the end of the agreed term (this must be done at least three months prior to expiry of the contract). The contract would also be terminated should the Vessel suffer a total loss.

## **Y24-Total Loss Conditions**

### **§ 1. INSURED RISKS**

1. Total loss of the entire vessel specified in the schedule caused by an external accident, sinking, fire, lightning, an explosion, Acts of God (force majeure) or theft. Constructive total loss (the required replacement costs exceed the insured value in accordance with § 6.1) is also considered as total loss.

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#### **Optional\*: "OUTBOARD" COVER**

For outboard motors that are specified in the schedule with a separate sum insured, a separate total-loss cover in the sense of § 1.1 applies provided that the motors are protected by an appropriate anti-theft protection device.

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#### **Optional\*: "TRAILER" COVER**

For the trailer/launching trolley that is specified in the schedule with a separate sum insured, a separate total-loss cover in the sense of § 1.1 applies provided that the trailer/launching trolley is protected by an appropriate anti-theft protection device.

2. The Insurer will indemnify the Insured for the reasonable costs of salvage and assistance by third parties that the policyholder may consider necessary in the event of a loss in order to avert or minimise the loss, regardless of the success of such efforts. The same will apply to the cost of wreck removal cost and disposal costs.

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#### **Either\*\*: "WRECK REMOVAL COSTS "STANDARD" COVER**

3. Indemnity will be paid under § 1.2 in addition to the indemnity in accordance with § 6.2, but up to a maximum of the sum insured.

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#### **Or\*\*: "WRECK REMOVAL COSTS "EXTENDED" COVER**

3. Unlimited indemnity will be paid under § 1.2 in addition to the indemnity in accordance with § 6.2.

### **§ 2. TRANSPORTATION**

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#### **Either\*\*: "TRANSPORTATION RISKS STANDARD" COVER**

For transportation by land, insurance protection exists for the transportation of Insured Property from the location where the Insured Property is being stored on the water to its winter storage location and back, up to a one-way distance of 30 km (25 miles), provided that the means of transportation is suitable and the insured property is properly loaded and secured.

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#### **Or\*\*: "TRANSPORTATION RISKS EXTENDED" COVER**

Land transportation, as well as river and ferry transport of the vessel on a trailer, are covered within Europe, or within the wider cruising area specified in the schedule, provided that the means of transportation is suitable.

### **§ 3. SCOPE OF COVER**

The insurance is effective within the cruising area specified in the schedule. The cover includes any customary stay out of the water, e. g. at winter storage or shipyards including hauling out and launching.

### **§ 4. EXCLUSIONS**

The insurance does not cover:

1. Loss or damage sustained whilst the vessel is being used other than for sport or pleasure (e. g. use of the vessel in bare-boat charter / skipper charter);

2. The Insurer shall not be obliged to make any payment if the Insured Party wilfully induces the insured event. If the insured event occurs as a result of gross negligence, the Insurer shall be entitled to reduce the amount paid out according to the degree of negligence;

3. Loss or damage arising out of wear and tear, age, corrosion, osmosis, electrolysis, lack of maintenance;

4. Damage caused by

- war, civil war or warlike occurrences as well as by any kind of weapons of war brought about by war, civil war or warlike occurrences;

- hostile use of weapons of war no matter if the use may be coherent with war, civil war or warlike occurrences;

- use of chemical, biological, bio-chemical substances or electromagnetic waves as weapons as well as use of any kind of electronic systems as a means of inflicting harm,

- terrorist and political acts of violence irrespective of the number of persons involved;

- riot, civil commotions, strikes, lock-outs and labour disturbances;

- seizure, restraint or any other intervention by or under the order of the government;

- nuclear energy including radioactive radiation resulting from nuclear reactions; this exclusion applies independent of whether the nuclear energy is used for peaceable or hostile purposes;

5. Consequential damage (financial losses caused by the property damage).

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#### **Optional\*: WITHOUT "RACING" COVER**

6. Loss or damage caused by participation in a race.

### **§ 5. DEDUCTIBLE**

In each damage claim, the Insured shall bear a deductible of 10% of the compensation and also of the reimbursement (§ 1.2).

### **§ 6. INSURED VALUE / LEVEL OF COMPENSATION**

1. For the first 36 months of the period of the contract, the insured value will be the replacement value that has been set down as a fixed value for the sums insured mentioned in the schedule. For the remainder of the contract, the insured value will be the current market value.

2. In case of damage the fixed value shall be in accordance with § 6.1 less realisable proceeds from remaining values.

### **§ 7. PAYMENT OF COMPENSATION**

1. In the case of theft, compensation is due after four months of submitting the damage claim at the earliest. If the item reported stolen is found again, the Insured shall only be obliged to take it back if a period of not more than four months has passed between the damage claim and the item being found again.

2. If, in the context of a claim, any authorities commence an investigation and/or prosecution against the Insured, the Insurer is entitled to await the outcome before determining its liability under this insurance contract.

### **§ 8. OBLIGATIONS IN THE CASE OF DAMAGES**

1. The Insured is obliged to notify the Insurer without delay of every circumstance which may give rise to loss of or damage to the Insured Property.

2. In the case of damage due to fire or explosion as well as theft, such must be reported without delay to the nearest police station or other relevant authorities and written confirmation of the incident report number or a copy of the entry made is to be obtained by the Insured.

3. The Insured is obliged to take all such measures considered appropriate and reasonable to avoid or reduce the claim and to comply with any reasonable instructions given by the Insurer.

4. The Insured is obliged to provide the Insurer with detailed and true reports of the damage, and upon request, the Insured is further obliged to be interviewed by the Insurer and also to provide the Insurer with any information which the Insurer deems necessary to determine the merits of the claim and the extent of his obligation to perform. At the Insurer's request, the Insured shall produce documentation provided the procurement of such is considered reasonable.

5. If any contractual obligation is intentionally breached, the Policyholder shall lose his insurance cover.

In the event of a breach of the obligation due to gross negligence, the Insurer shall be entitled to reduce its benefit in proportion to the severity of the Policyholder's negligence. If the Policyholder can establish that he did not breach the obligation by means of gross negligence, he shall retain his insurance cover. The Policyholder shall also retain insurance cover if he can establish that the breach of the obligation did not cause either the occurrence or the ascertainment of the insured event or the ascertainment or extent of the benefit owed by the Insurer. This does not apply if the Policyholder has breached the obligation fraudulently.

Any breach caused without fault or caused by simple negligence does not affect the Insurer's duty to provide benefit.

#### **§9. INCEPTION OF COVER**

The insurance protection will commence when the initial premium (or the first premium if the Insurers agree in writing to accept payment of the annual premium by instalments) is paid, but, at the earliest, at the time specified in the schedule.

#### **§ 10. DURATION OF THE CONTRACT, CANCELLATION**

1. This contract is effective for one year and is automatically renewed annually unless notice of cancellation has been given in writing by either party at least one month prior to the renewal date. From the commencement of the second insurance year, the policyholder can cancel the contract in writing at any time, with immediate effect.

2. If the vessel is transferred to new ownership or there is a change in the controlling interest of an owning company, this contract will automatically terminate. The Insured will immediately notify the Insurer of the actual date of transfer, enclosing a copy of the contract of sale, so that any refund of premium may be calculated. The new owner, insofar as he does not object, is granted provisional cover under the terms and conditions of this contract for a period of one month following the date of transfer. The purchase price stated in the contract of sale or the sum insured stated in the schedule, whichever is the lower, will be the agreed sum insured during the period of provisional cover.

#### **§ 11. NOTICES, DECLARATORY ACTS**

All statements and declaratory acts by the Insured within the framework of this contract shall be deemed legally executed to the Insurer when made to YACHTING24.

#### **§ 12 SANCTION CLAUSE**

The Insurer shall not provide any insurance cover or other benefits if this would result in the Insurer being subject to sanctions, prohibitions or restrictions in accordance with valid economic or trade sanctions.

#### **§ 13 GENERAL CONDITIONS**

1. Payments by the Insurer and Insured will be made in the currency of the sum insured and premium noted in the schedule.

2. These conditions are a translation of the German original. Whenever in doubt or in case of any differences, the German original version shall prevail and be the legal standard.

3. The benefits under this contract may not be assigned to third parties without the Insurer's express agreement in writing.

4. If the contract is placed with more than one Insurer, each Insurer is liable only for his share under this contract, i.e. there shall be no joint liability. Any agreement between the Leading Insurer and the Insured is binding for all other participating Insurers. The Leading Insurer is authorised by the participating insurers to conduct all lawsuits including with respect to their shares as Claimant or Defendant. A legal judgement that has been given against or in favour of the Leading Insurer will, therefore, be recognised by the participating insurers as being binding upon them, also.

5. The contract is governed by German Law, in particular by the German Insurance Act (VVG).

*\*Optional: The following condition clause will only apply if the cover in question is valid.*

*\*Either / Or: Depending on the cover, only one of the two clauses will come into force..*