



Yacht and Liability Wording

CML 28.6.22

DEFINITIONS:

You / your refer to the Insured per the Insuring Agreement. If the Insured is a company, you / your includes the Beneficial Owner per the Insuring Agreement

We / us / our refer to the insurers per the Insuring Agreement

Confirmation of Cover is the evidence of cover in place issued by Crew's Mess Limited

Navigating is the geographic area per the Confirmation of Cover in which the Hull and machinery etc, Tender, Personal Property, Equipment may be used

Period is the time / duration of insurance per the Confirmation of Cover

Tender is craft used in connection with the operation of Hull and machinery etc. PLUS any recreational watercraft stated per the Insuring Agreement

Family is your spouse or partner, children (including adopted or fostered) or any other relative, or any person who resides with you.

Named Windstorm means wind or wind driven water, storm surge and flood associated with, or which occurs in conjunction with, a storm or weather disturbance which is named or numbered by the National Weather Service or any other recognized meteorological authority.

Following any occurrence which may result in a claim:

You must take action(s) as soon as possible to minimise the loss and prevent further loss.

You must notify us as soon as possible.

You must not pay or offer to pay any amount, or admit any liability without our consent.

You must comply with any reasonable request made by us.

Allow us to inspect any damaged item.

Failure to comply with any of these duties may result in the reduction of any amount you would have otherwise been entitled to receive.

Insuring agreement

This wording with Confirmation of Cover and including in full the information given by you, is the legally binding Insurance Agreement between you and us. We will provide the insurance coverage described in this Insuring Agreement and any amendments agreed by us, in return for payment of premium charged and compliance by you with the warranties, conditions and provisions in this Insuring Agreement.

Coverage for Hull and machinery etc, Tender, Personal Property, Equipment

If a sum insured is shown for Hull and machinery etc/Tender/Personal Property/Equipment in the Confirmation of Cover, subject always to the Insuring Agreement provisions, conditions, warranties, exclusions and deductibles herein we will provide coverage for accidental physical loss or damage to the Hull and machinery etc/Tender/Personal Property/Equipment which occurs within the stated Navigating and during the stated Period.

The sum(s) insured per Hull and machinery etc/Tender/Personal Property/Equipment is (are) deemed to be one hundred percent of (respective) value(s) for the purpose of this Insuring Agreement.

Coverage for Third Party Liability

If a sum insured is shown for Third Party Liability in the Confirmation of Cover we will provide coverage for any sum or sums which you become legally liable to pay and shall pay by reason of interest in the insured Hull and machinery etc/Tender/Personal Property/Equipment Hull and machinery etc arising out of incidents which occur within the stated Navigating and during the stated Period.

Using experts of our choice we will defend or settle any claim or suit brought against you. The stated sum insured for Third Party Liability is the limit of expert expenses, damages and removal of wreck that we are obliged to pay.

If the Hull and machinery etc shall come into collision with any other ship or vessel, and you, in consequence thereof, become liable to pay, and shall pay by way of damages to any other person or persons, any sum or sums not exceeding in respect of any one such, we will provide coverage for such sum or sums up to the sum insured for Third Party Liability. Where your liability has been contested, with our consent in writing, we will also pay the costs thereby incurred or paid; but when both vessels are to blame, then unless the liability of the owners of one or both of such vessels becomes limited bylaw, claims under this section shall be settled on the principle of cross liabilities, as if the owners of each vessel had been compelled to pay to the owners of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to you in consequence of such collision; and it is further agreed that the principles involved in this clause shall apply to the case where both vessels are the property, in part or in whole, of the same owners, all questions of responsibility and amount of liability as between the two vessels being left to the decision of a single Arbitrator, if the parties agree upon a single Arbitrator, or failing such agreement, to the decision of Arbitrators, one to be appointed by the managing owners of both vessels, and one to be appointed by the majority in amount of the Underwriters interested in each vessel; the two Arbitrators chosen to choose a third Arbitrator before entering upon the reference, and the decision of such single, or of any two of such three Arbitrators, appointed as above, to be final and binding. All parties to agree as to the location of the arbitration, agreement not to be withheld unreasonably. If the parties fail to agree, then arbitration will take place in London, United Kingdom and a decision agreed to by two of the arbitrators will be binding. Provided always that the foregoing clause shall in no case extend to any sum which you may become liable to pay, or shall pay for removal of obstructions under statutory powers, for injury to harbours, wharves, piers, stages and similar structures, consequent on such collisions, or in respect of the cargo or engagements of the insured yacht, or for loss of life, or personal injury.

If a sum insured is shown for Pollution Liability in the Insuring Agreement, Third Party Liability is extended to include sudden and accidental discharge, release or escape of oil, fuel, chemicals, waste materials, or other pollutants which occurs within the stated Navigating and during the Period of this insurance, provided always that such occurrence became known to you within seventy two hours of starting and is reported to us within seven days of being known to you. The Third Party Liability amount recoverable is only increased by the Pollution Liability sum insured when the Pollution Liability sum insured is the higher of the two, in which case the total amount recoverable is deemed to be the Pollution Liability sum insured.

Provided that written report has been made to the police, Coast Guard or other appropriate authority with copy provided to us, and, if a sum insured is shown for Uninsured boater' in the Insuring Agreement, we will provide coverage for physical loss or damage to the Hull and machinery etc, Tender, Personal Property, Equipment per this insuring agreement and bodily injury sustained by you, which you are legally entitled to recover from an uninsured boater. This coverage excludes settlements unconsented by us, where the uninsured boater is operating a government vessel or a vessel owned by you or your family and where no evidence of physical contact between your vessel and the vessel operated by the uninsured boater.

General Conditions, and Warranties

No suit or action on this Insuring Agreement for the recovery of any claim will be sustainable in any court of law or equity, unless you have fully complied with all the requirements of this Insuring Agreement, nor unless commenced within one hundred and eighty days from the date of the happening or the occurrence out of which the claim arose.

This Insuring Agreement is warranted that Hull and machinery etc / Tender is / are seaworthy and at all times you comply with local and/or flag state regulations governing the use of same, maintaining the Hull and machinery etc / Tender in these ways, including all fire extinguishing equipment, throughout the Period.

Non-disclosure or misrepresentation of material facts or material circumstances by you, or your agent, at any time render this contract null and void.

This insuring agreement is subject exclusively to jurisdiction and laws of England and Wales.

Unless specifically agreed by us to the contrary, no coverage is provided in this Insuring Agreement when the Hull and machinery etc is being operated by anyone other than those named herein as operators, nor by one person only i.e. "single handed"

Unless specifically agreed by us to the contrary, no coverage is provided in this Insuring Agreement when the Hull and machinery etc is taking part in any regatta, rally or race including preparation for same.

The deductible(s) stated in this Insuring Agreement is (are) applicable to any claim hereon, excluding a claim for total loss of hull and machinery etc. not arising from a named windstorm. In the event of a claim under more than one interest per this Insuring Agreement, only the single largest deductible applies.

Any claim arising from a named windstorm, including total loss of hull and machinery etc., is subject to double the applicable deductible.

We will pay reasonable expenses incurred by you for the purpose of averting or minimising a loss covered by this Insuring Agreement, as if they were a loss covered hereon.

In the event of a claim under this Insuring Agreement the premium is deemed as being fully earned.

Subject to 14 days prior written notice, this Insuring Agreement may be cancelled by us or you at any time. If we cancel it, we will pay you a pro rata return of premium. If you cancel it, we will pay you a return premium calculated as follows - 50pct earned at inception, deemed to include all commission / brokerage, with remainder at pro rata. If the vessel is sold, pledged or ownership otherwise transferred, it is deemed cancelled by you.

This Insuring Agreement confers no benefit to any third party, nor may any part of it be enforced by any third party including any liability assumed by the you under any contract or agreement or arising from The Contracts (Rights of Third Parties) Act 1999 or similar, unless specifically agreed by us

Your agent, intermediary, broker (whether surplus lines approved or not) is deemed to be the agent of you and not us in any way. Any information provided by your agent is deemed to have been given by you and, similarly, any notice or instruction given by us to your agent, intermediary, broker (whether surplus lines approved or not) is deemed to have been received by you.

Any part of the Hull and machinery etc/Tender/Personal Property/Equipment abandoned by you need not be accepted or paid for by us. We are entitled to the salvage value of any part of Hull and machinery etc/Tender/Personal Property/Equipment if we have settled or agreed to settle a claim in respect of such part or parts. Action taken by us to protect any part of the Hull and machinery etc/Tender/Personal Property/Equipment does not constitute our acceptance of abandonment by you.

You must not give up your rights to recover damages from anyone who is liable or potentially liable. If you do so, payment of loss by us will be reduced by the amount of damages recoverable.

If you have other insurance against a claim covered by this insuring agreement, we will not be liable for a greater proportion of such claim than the applicable sum insured stated bears to the total amount of your insurances.

We may settle any non liability portion of a claim by paying you the estimated amount agreed between us or by making repairs to / replacement of damaged part(s) always subject to the applicable Deductible.

Exclusions

The coverage per this Insuring Agreement specifically excludes loss, damage, expense and liability caused directly or indirectly by:

Wear and tear, lack of maintenance, gradual deterioration, marring, weathering, osmosis, blistering, electrolysis, mould, animal and marine life, manufacturing or design defect including latent defect and inherent vice, mechanical failure or mechanical breakdown or derangement of machinery, electrical failure or electrical breakdown or derangement of any electrical apparatus, denting, scratching or marring, electrolysis, blistering, osmosis, change in humidity / temperature, ice or freezing.

Fraud.

Unrepaired damage claims if the insured vessel is subsequently an actual or agreed or constructive total loss.

The coverage per this Insuring Agreement specifically excludes loss, damage, expense and liability to:

Any towing or towed vessel (including the Hull and machinery etc, Tender, Personal Property, Equipment) and any person(s) thereon.

Any electrical apparatus, including wiring, directly or indirectly caused by electricity, other than lightning, unless fire ensues and then only for loss or damage by such ensuing fire.

Articles of a brittle nature by breaking unless caused by stranding, sinking, collision or contact of the Hull and machinery etc., Tender.

Passports, cash, currency, banknotes, stamps, travellers cheques, travel tickets, debit/credit/cash/cheque cards, jewellery including watches, hearing aids, spectacles and contact lenses.

Mobile phones, laptops or other mobile electronic equipment unless specifically used for navigation of the Hull and machinery etc.

Whilst afloat, theft coverage per the Hull and machinery etc, Tender, Personal Property, Equipment is restricted to theft of all, or of any part or parts provided that at the time of the theft the part or parts is or are either - securely fastened to the Vessel; in the case of an outboard motor locked on by an anti-theft device in addition to its normal method of attachment, or inside a locked compartment on board the Vessel, or in a locked place of storage ashore agreed to by us.

Exclusions (continued)

Whilst ashore, theft coverage per the Hull and machinery etc, Tender, Personal Property, Equipment is restricted to that which we have agreed to and in any event restricted to theft of all, or of any part or parts provided that at the time of the theft the part or parts is or are either - securely fastened to the Vessel; in the case of an outboard motor locked on by an anti-theft device in addition to its normal method of attachment, or inside a locked compartment on board the Vessel.

Whilst ashore or afloat, theft coverage only applies where physical evidence of forcible entry and or removal accompanied by actual force and violence is visible.

The coverage per this Insuring Agreement excludes expense and financial loss such as hotel accommodation, travel expenses and charter income.

The coverage per this insuring agreement specifically excludes any sum or sums which you become legally liable to pay:

To any member(s) of your family

To any person(s) hired by you in any capacity

To any person(s) or property whilst being towed or to any person(s) or property of any tower

To any person(s) while engaged in snorkelling, aqualung, diving or other underwater Sport, parasailing or kite surfing or similar including whilst disembarking or boarding.

To any charterer of the Hull and machinery etc named herein

The coverage per this insuring agreement specifically excludes any sum or sums which you become legally liable to pay, arising directly or indirectly, from:

Any liability whilst the Hull and machinery etc, Tender, Personal Property, Equipment is being transported over land, including hauling out / lifting and replacing / lowering Hull and machinery etc, Tender, Personal Property, Equipment into water

Any direct or indirect payment under any workers' compensation or employees' liability acts or otherwise, to any person employed in any capacity whatsoever

Any fines, penalties or punitive or exemplary damages howsoever described

Any intentional act

Any liability to any fare paying passenger including any passenger carried under any charter agreement or similar

Any liability of any charterer of Hull and machinery etc, Tender, Personal Property, Equipment

Any liability for damage to any artificial or natural reef, marine estuary, coral or other marine organisms

Exclusions (continued)

War Exclusion

In no case shall this insurance cover loss damage liability or expense caused by

- i) Radioactive contamination, or nuclear reaction
- ii) War declared or not, civil war, insurrection, riot, civil commotion, unlawful assembly, rebellion, revolution or civil strife arising therefrom, or any hostile act by or against a belligerent power or the consequence of any of these
- iii) Capture, seizure, arrest, restraint or detainment by any government power or authority, lawful or otherwise, and the consequences thereof or any attempt thereat
 - a. Notwithstanding the foregoing the Insured shall notify insurers of any capture, seizure, restraint or detainment of any vessel(s) covered under this policy, within ten (10) days of the actual appropriation of said vessel(s).
 - b. The Insured shall file a written complaint opposing the appropriation and/or procedure and/or correctness of said confiscation, within ten (10) days of the actual appropriation of said vessel(s) and file with the proper authorities, at the Insured's expense, whatever bond is necessary in order to take immediate possession of the vessel(s).
- iv) derelict mines torpedoes bombs or other derelict weapons of war.

Sanction Limitation and Exclusion Clause (JH2010/009 29th July 2010)

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer 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.

Institute Radioactive Contamination, Chemical, Biological, Bio-chemical and Electromagnetic Exclusion Clause (CL370 10/11/2003)

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

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
 - 1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

Marine Cyber Endorsement (LMA5403 11 November 2019)

- 1 Subject only to paragraph 3 below, 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.
- 2 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.

- 3 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.

Communicable Disease Exclusion (JH2020–007A 20th November 2020)

1. Notwithstanding any provision to the contrary in this (re)insurance, it is hereby agreed that this (re)insurance excludes absolutely all Communicable Disease Loss, save where the conditions of the Infected Individual Exception are met.

2.1 “Communicable Disease Loss” shall mean all loss, damage, liability, or expense of whatsoever nature, proximately caused by or significantly caused by or contributed to by or resulting from or arising out of or in connection with any of the Excluded Circumstances, those Circumstances being

- a) a Communicable Disease, and/or
 - b) the fear or threat, whether actual or perceived, of a Communicable Disease, and/or
 - c) any recommendation, decision or measure, made or taken to restrict, prevent, reduce or slow the spread of infection of a Communicable Disease or to remove or minimise legal liability in respect of such a disease, whether made or taken by a public authority or a private entity and/or
 - d) any recommendation, decision or measure made or taken to alter, reverse or remove any circumstance falling within (c) above, whether made or taken by a public authority or a private entity
- regardless of any other cause or circumstance contributing concurrently or in any other sequence thereto.

2.2 Without prejudice to the effect of Clauses 2.1 (a), (b) and (d), recommendations, decisions and measures by whomsoever taken to tie-up, lay-up or maintain at anchor, in port or elsewhere, any vessel, conveyance, rig or platform pending resumption of cruising, operation, trading, cargo loading or discharge or other customary use shall not constitute Excluded Circumstances, notwithstanding they or any of them may have been taken for the reasons set out in 2.1 (c) above.

2.3 Without prejudice to the effect of Clauses 2.1 (a), (b) and (d) for the purposes of a loss event first affecting a vessel, conveyance, rig or platform during a voyage undertaken as a consequence of a diversion, a prior recommendation, decision or measure by whomsoever taken to divert that vessel from an earlier loading or discharge or other destination shall not constitute an Excluded Circumstance solely by reason of that diversion having been made for the reasons set out in 2.1 (c) above.

2.4 Without prejudice to the effect of Clauses 2.1 (a), (b) and (d), where loss, damage or liability have first been incurred in circumstances which are not excluded under 2.1 (a) to (d) above, increased expense or increased liability for expense shall not be excluded notwithstanding that increase may have been incurred for the reasons set out in 2.1(c) above.

3. “Communicable Disease” shall mean any disease, known or unknown, which can be transmitted by means of any substance or agent from one organism to another where:

- a) the substance or agent includes but is not limited to a virus, bacterium, parasite or other organism or any variation or mutation of any of the foregoing, whether deemed living or not, and
- b) the method of transmission, whether direct or indirect, includes but is not limited to human touch or contact, airborne transmission, bodily fluid transmission, transmission to or from or via any solid object or surface or liquid or gas and
- c) the disease, substance or agent may, acting alone or in conjunction with other co-morbidities, conditions, genetic susceptibilities, or with the human immune system, cause death, illness or bodily harm or temporarily or permanently impair human physical or mental health or adversely affect the value of or safe use of property of any kind.

4.1 The Infected Individual Exception shall apply where (1) the actions or decisions of any individual infected or allegedly infected with a Communicable Disease cause or contribute to an alleged loss event and (2) neither such action nor decision nor the alleged cause of the loss event itself was a recommendation, decision or measure as defined in 2.1 (c) or 2.1 (d) above.

4.2 Where those conditions are met, the fact or possibility that the individual’s action(s) or decision(s) were impaired or affected by or caused by that individual’s alleged or actual infection shall not exclude recovery of a Loss otherwise recoverable hereon provided always that there shall be no cover for loss, damage, liability, or expense arising from any increase in the spread, incidence, severity or recurrence of a Communicable Disease or from any Circumstance as defined in Clause 2.1 (c) or (d) consequent on that individual’s actions or decisions.

4.3 For the purposes of this Exception, the Infected Individual need not be physically present on or in an interest affected by the loss event, provided that his or her actions or decisions causing or contributing to the loss event and affecting that interest, directly or indirectly, were of a kind which, when not impaired or affected, would fall within the ordinary course of his or her employment.

5. Loss, damage, liability and expense arising solely out of a loss event otherwise reinsured under this (re)insurance and not excluded thereby nor excluded pursuant to this Clause remain covered in accordance with the terms and conditions thereof.

SEXUAL AND/OR PHYSICAL ABUSE AND HARASSMENT EXCLUSION

This insurance does not apply to any injury sustained by any person arising out of or resulting from:

A: Sexual and/or Physical Abuse or Harassment by any person whosoever, regardless of degree of culpability or intent and whether the acts are alleged to have been committed by the insured or any representative, officer, agent, servant or employee of the insured or by any other person; or

B: Any actual or alleged negligent act or omission in the:

- 1: Employment;
- 2: Investigation;
- 3: Supervision;
- 4: Reporting to the proper authorities or failure to so report; or
- 5: Retention of a person for whom the insured is or ever was legally responsible, which results in

Sexual and/or Physical Abuse; or

C: Any actual or alleged negligent act or omission in the prevention or suppression of any act of Sexual and/or Physical Abuse or Harassment.

Sexual and/or Physical Abuse or Harassment are defined as sexual or physical injury or abuse, including but not limited to assault and battery, negligent or deliberate touching, corporal punishment and verbal, mental or emotional abuse or harassment of any person.

Several Liability Notice (Insurance) LSW1001:

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

Pre-Dispute Arbitration Clause English Law

A. You the insured(s) by accepting this insuring agreement agree(s) that the following disclosures are part and parcel of the Pre-dispute Arbitration Clause and are conditions precedent to the issuance of the insuring agreement.

1. The parties are hereby waiving their right to seek remedies in Court, including a jury trial.
2. Pre-arbitration discovery is generally more limited than and different from Court proceedings.
3. The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.
4. Arbitration is final and binding on all parties.

B. You the insured(s) agrees to submit any and all controversies arising under this insuring agreement to arbitration. This includes if that person is entitled to recover at all and if so how much in damages;

1. When any party makes a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third arbitrator.
2. Each party will pay the expenses it incurs; and bear the expenses of the third arbitrator equally.
3. No person will bring a putative or certified class action to arbitration.
4. Both parties to agree as to the location of the arbitration, agreement not to be withheld unreasonably. If the parties fail to agree, then arbitration will take place in London, United Kingdom and a decision agreed to by two of the arbitrators will be binding.
5. This arbitration and any coverage or damages will be interpreted in accordance with English Maritime Law and Customs.

London 28th June 2022