

# Yacht/Boat Cover

## MARINE POLICY – HULL

WE Bituach Haklai Central Cooperative Society Ltd. HEREBY AGREE, IN CONSIDERATION OF THE PAYMENT TO US BY OR ON BEHALF OF THE INSURED OF THE PREMIUM SPECIFIED IN THE SCHEDULE, TO INSURE THE INTEREST DESCRIBED HEREIN AGAINST LOSS DAMAGE OR EXPENSE IN THE PROPORTION AND MANNER AS HEREINAFTER PROVIDED, SUBJECT TO THE GENERAL CONDITIONS PRINTED HEREIN AND THE SPECIAL CONDITIONS STIPULATED IN THE SCHEDULE AND CLAUSES, ALL FORMING AN INTEGRAL PART OF THIS POLICY.

THE LIABILITY under this policy shall not exceed its rateable proportion having regard to other insurances whether Marine of Fire.

IN WITNESS WHEREOF THIS POLICY HAS BEEN SIGNED AS HEREIN ON BEHALF OF

Bituach Haklai Central Cooperative Society Ltd.

## Yacht/Boat Cover

## GENERAL CONDITIONS

### ATTACHING TO AND FORMING PART OF THE MARINE HULL POLICY

- 1) The insured shall maintain and keep the vessel, her machinery, tackle, sails and equipment in a proper state of repair and seaworthiness and shall at all times exercise due care and diligence in safeguarding them.
- 2) Warranted vessel not to sail unless having on board complement of crew in accordance with the requirements of the Israeli Competent Authority.
- 3) Warranted vessel to be operated in Israel Territorial Waters unless agreed otherwise by the Insurers.
- 4) Warranted, except for Egypt, vessel not to call any Arab Port or country, and not to enter Arab territorial waters, unless in distress or due to force majeure.
- 5) Warranted vessel shall not be engaged in towing operations unless for life salvage purposes only.
- 6) CONDITION PRECEDENT it is a condition precedent to the liability of the company that:
  1. The vessel is registered with the Ministry of Transportation.
  2. A seaworthiness certificate is in force throughout the period of insurance.
  3. The vessel is operated at all times by a qualified person holding a valid operating licence issued by the competent authority in Israel.
  4. When not in use the insured vessel is to be properly protected and kept in a safely locked place, otherwise the risks of theft, burglary, forcible entry and malicious damage will be expressly excluded.
  5. All conditions and provisos contained in the Certificate of Registration and/or the operating licence as above are deemed incorporated in this policy.

### 7) EXCLUDING SEEPAGE AND POLLUTION

THE FOLLOWING CLAUSES SHALL BE PARAMOUNT AND SHALL OVERRIDE ANYTHING CONTAINED IN THIS INSURANCE INCONSISTENT THEREWITH.

#### A) WAR EXCLUSION

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

- 1) war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
- 2) capture, seizure, arrest, restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat.
- 3) derelict, mines, torpedoes, bombs or other derelict weapons of war.

## **Yacht/Boat Cover**

### **B) STRIKES AND POLITICAL ACTS EXCLUSION**

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

- 1) strikers, locked-out workman or persons taking part in labour disturbances, riots or civil commotions.
- 2) any terrorist or any person acting from a political motive.

### **C) NUCLEAR EXCLUSION**

In no case shall this insurance cover loss, damage, liability or expense arising from

- 1) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 2) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- 3) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## **SPECIAL CONDITIONS RELATING TO ACCIDENTS AND CLAIMS ATTACHED TO POLICY NO.**

1. In the event of any accident of occurrence which may give rise to a claim under this policy a prompt notice must be given to ***Bituach Haklai Central Cooperative Society Ltd.***

1. The Insured shall supply full information of the accident and submit a detailed written advice of the occurrence including names, addresses of all witnesses and any other persons involved in the accident, as soon as possible after the occurrence.
2. The Insured must submit to the Insurers as soon as possible any summons, writ, claim, loss advice etc. in relation to any occurrence which may inflict any liability on the Insured, and which are addressed to the Insured, its Agents or Servants, by any third party.
3. The Company shall be entitled to decide where repairs shall be carried out and may take or, require to be taken, tenders for carrying out of such repairs.
4. No liability of any sort shall be admitted nor any offer promise or payment made by the Insured to claimants nor legal expenses incurred without the written consent of the Company who shall be entitled, if they so desire, to take over and conduct in the name of the Insured, the defence of any action, or to prosecute any claim for indemnity or damages or otherwise against any third party.
5. Immediately the Insured shall become aware of any loss or damage covered by this Policy he shall take all reasonable steps to minimize such loss or damage and to trace and recover the property lost. In the case of loss or damage by theft or pilferage, if included in the perils insured against under this policy, the insured shall

take all reasonable steps to discover and punish any guilty person or persons and give immediate notice to the Police.

### **CLAIMS SETTLEMENT AND MEASURE OF INDEMNITY**

1. If the property insured under this policy or any part thereof shall at the time of any accident which may give rise to a claim, be of greater value than the amount insured, the Insured shall be deemed to be his own Insurer for the difference between the insured amount and actual value and, shall bear a ratable proportion of the loss accordingly.
2. Notwithstanding anything to the contrary contained in the conditions of the Institute Yacht Clauses but subject always to the other terms and conditions of the above clauses, it is hereby declared and agreed in any event of loss or damage either partial or total or a constructive total loss to the insured property or to any part thereof the Insurer shall bear only the cost of replacement of the actual value of the damaged or lost property prior to the occurrence of the damage, and shall always deduct "New for Old" accordingly.
3. If at the time of the occurrence of any loss covered by this Policy there shall be existing any other Insurance of any nature whatsoever covering the same, whether effected by Insurers or not, then the Company shall not be liable to pay or contribute more than its ratable proportion of any loss.
4. In any event where a claim has been settled under this policy during the currency of the policy, the sums insured as specified in the Schedule shall be reinstated subject to payment of additional pro-rata premium, by the Insured.

### **CANCELLATION OF POLICY**

The Company shall not be bound to send any notice to renew this policy. The Company shall at any time by giving notice in writing to the Insured by registered letter at his address last known to the Company be at liberty to terminate and cancel the Policy 30 days as from the date of such notice.

### **NO RETURN PREMIUM**

IT IS HEREBY DECLARED AND AGREED THAT AS THE PREMIUM HEREON IS CALCULATED ON THE SEASONAL USE OF THE INTEREST INSURED, NO REFUND OF PREMIUM WILL BECOME DUE TO THE INSURED IN THE EVENT OF CANCELLATION OF THE POLICY BY THE INSURED.

# Yacht/Boat Cover

(FOR USE ONLY WITH THE NEW MARINE POLICY FORM)

## **INSTITUTE YACHT CLAUSES**

This Insurance is subject to English law and practice

### **1. VESSEL**

Vessel means the hull, machinery, boat(s), gear and equipment, such as would normally be sold with her if she changed hands.

### **2. IN COMMISSION AND LAID UP**

2.1 The vessel is covered subject to the provisions of this insurance.

2.1.1 while in commission at sea or on inland waters or in port, docks, marinas, on ways, gridirons, pontoons, or on the hard or mud or at place of storage ashore, including lifting or hauling out and launching, with leave to sail or navigate with or without pilots, to go on trial trips and to assist and to tow vessels or craft in distress, or as is customary, but it is warranted that the Vessel shall not be towed, except as is customary or when in need of assistance, or undertake towage or salvage services under a contract previously arranged by Owners, Masters, Managers or Charterers.

2.1.2 while laid up out of commission as provided for in Clause 4 below, including lifting or hauling out and launching, while begin moved in shipyard or marina, dismantling, fitting out, overhauling, normal maintenance or while under survey, (also to include docking and undocking and periods laid up afloat incidental to laying up or fitting out and with leave to shift in tow or otherwise to or from her lay-up berth but not outside the limits of the port or place in which the Vessel is laid up) but excluding, unless notice be given to the Underwriters and any additional premium required by them agreed, any period for which the Vessel is used as a houseboat or is under major repair or undergoing alteration.

2.2 Notwithstanding Clause 2.1 above the gear and equipment, including outboard motors, are covered subject to the provisions of this insurance while in place of storage or repair ashore.

### **3. NAVIGATING AND CHARTER HIRE WARRANTIES**

- 3.1 Warranted not navigating outside the limits stated in Schedule to the policy or, provided previous notice be given to the Underwriters, held covered on terms to be agreed.
- 3.2 Warranted to be used solely for private pleasure purposes and not for hire charter or reward, unless specially agreed by the Underwriters.

### **4. LAID UP WARRANTY**

Warranted laid up out of commission as stated in the Schedule to the policy, or held covered on terms to be agreed provided previous notice be given to the Underwriters.

### **5. SPEED WARRANTY**

- 5.1 Warranted that the maximum designed speed of the Vessel, or the parent Vessel in the case of a Vessel with boat(s), does not exceed 17 knots.
- 5.2 Where the Underwriters have agreed to delete this warranty, the conditions of the Speedboat Clause 19 below shall also apply.

### **6. CONTINUATION**

Should the Vessel at the expiration of this insurance be at sea or in distress or at a port or place of refuge or of call, she shall, provided prompt notice be given to the Underwriters, be held covered at a premium to be agreed until anchored or moored at her next port of call in good safety.

### **7. ASSIGNMENT**

No assignment of or interest in this insurance or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Underwriters unless a dated notice of such assignment or interest signed by the Assured, and by the assignor in the case of subsequent assignment, is endorsed on the policy and the policy with such endorsement is produced before payment of any claim or return of premium thereunder.

### **8. CHANGE OF OWNERSHIP**

This Clause 8 shall prevail notwithstanding any provision whether written typed or printed in this insurance inconsistent herewith.

## Yacht/Boat Cover

- 8.1 Should the Vessel be sold or transferred to new ownership, or, where the Vessel is owned by a company, should there be a change in the controlling interest(s) of the company, then, unless the Underwriters agree in writing to continue the insurance, this insurance shall become cancelled from the time of such sale transfer or change and a pro rata daily net return of premium be made calculated on the premium charged for the in commission and/or laid up period.
- 8.2 If however the Vessel shall have left her moorings or be at sea at the time of sale or transfer such cancellation shall if required by the Assured be suspended until arrival at port or place of destination.

## 9. PERILS

Subject always to the exclusions in this insurance

- 9.1 this insurance covers loss of or damage to the subject-matter insured caused by:
  - 9.1.1 perils of the seas rivers lakes or other navigable waters
  - 9.1.2 fire
  - 9.1.3 Jettison
  - 9.1.4 piracy
  - 9.1.5 contact with dock or harbour equipment or installation, land conveyance, aircraft or similar objects or objects falling therefrom
  - 9.1.6 earthquake volcanic eruption or lightning.
- 9.2 and, provided such loss or damage has not resulted from want of due diligence by the Assured Owners or Managers, this insurance covers
  - 9.2.1 loss of or damage to the subject-matter insured caused by
    - 9.2.1.1 accidents in loading, discharging or moving stores, gear, equipment, machinery or fuel
    - 9.2.1.2 explosions
    - 9.2.1.3 malicious acts
    - 9.2.1.4 theft of the entire Vessel or her boat(s), or outboard motor(s) provided it is securely locked to the Vessel or her boat(s) by an anti-theft device in addition to its normal method of attachment, or following upon forcible entry into the Vessel or place of storage or repair, theft of machinery including outboard motor(s), gear or equipment.



- 9.2.2 loss of or damage to the subject-matter insured, excepting motor and connections (but not strut shaft or propeller) electrical equipment and batteries and connections, caused by
  - 9.2.2.1 latent defects in hull or machinery, breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the defective part broken shaft or burst boiler).
  - 9.2.2.2 the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract In respect of any repair or alteration work carried out for the account of the Assured and/or the Owners or in respect of the maintenance of the Vessel,
- 9.3 this insurance covers the expense of sighting the bottom after a stranding, if reasonably incurred specially for that purpose, even if no damage be found.

## **10. EXCLUSIONS**

**No claim shall be allowed in respect of any**

**10.1 outboard motor dropping off or falling overboard**

**10.2 ship's boat having a maximum designed speed exceeding 17 knots, unless such boat is specially covered herein and subject also to the conditions of the Speedboat Cause 19 below, or is on the parent Vessel or laid up ashore**

**10.3 ship's boat not permanently marked with the name of the parent Vessel.**

**10.4 sails and protective covers split by the wind or blown away while set, unless in consequence of damage to the spars to which sails are bent, or occasioned by the Vessel being stranded or in collision or contact with any external substance (ice included) other than water**

**10.5 sails, masts, spars or standing and running rigging while the Vessel is racing, unless the loss or damage is caused by the Vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water**

**10.6 personal effects**

**10.7 consumable stores, fishing gear or moorings**

## **Yacht/Boat Cover**

- 10.8 sheathing, or repairs thereto, unless the loss or damage has been caused by the Vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water**
- 10.9 loss or expenditure incurred in remedying a fault in design or construction or any cost or expense incurred by reason of betterment or alteration in design or construction**
- 10.10 motor and connections (but not strut shaft or propeller) electrical equipment and batteries and connections, where the loss or damage has been caused by heavy weather, unless the loss or damage has been caused by the Vessel being immersed, but this clause 10.10 shall not exclude loss or damage caused by the Vessel being stranded or in collision or contact with another vessel, pier or jetty.**

## **11. EXCESS AND DEDUCTIBLE**

- 11.1 No claim arising from a peril insured against shall be payable under this insurance unless the aggregate of all such claims arising out of each separate accident or occurrence (including claims under Clauses 11, 14 and 15) exceeds the amount stated for this purpose in the Schedule to the policy, in which case this sum shall be deducted. This Clause 12.1 shall not apply to a claim for total or constructive total loss of the Vessel or, in the event of such a claim, to any associated claim under Clause 15 arising from the same accident or occurrence.
- 11.2 Prior to the application of Clause 12.1 above and in addition thereto, deductions new for old not exceeding one-third may be made at the Underwriters' discretion in respect of loss of or damage to:
  - 11.2.1 protective covers, sails and running rigging
  - 11.2.2 outboard motors whether or not insured by separate valuation under this insurance.

## **12. NOTICE OF CLAIM AND TENDERS**

- 12.1 Prompt notice shall be given to the Underwriters in the event of any occurrence which may give rise to a claim under this insurance, and any theft or malicious damage shall also be reported promptly to the Police.
- 12.2 Where loss or damage has occurred, notice shall be given to the Underwriters prior to survey, so that a surveyor may be appointed to represent the Underwriters should they so desire.

- 12.3 The Underwriters shall be entitled to decide the port to which the Vessel shall proceed for docking or repair (the actual additional expense of the voyage arising from compliance with Underwriters' requirements being refunded to the Assured) and shall have a right of veto concerning a place of repair or a repairing firm.
- 12.4 The Underwriters may also take tenders or may require tenders to be taken for the repair of the Vessel.

### **13. SALVAGE CHARGES**

Subject to any express provision in this insurance, salvage charges incurred in preventing a loss by perils insured against may be recovered as a loss by those perils.

### **14. DUTY OF ASSURED**

- 14.1 In case of any loss or misfortune it is the duty of the Assured and their servants and agents to take such measures as may be reasonable for the purpose of averting or minimising a loss which would be recoverable under this insurance.
- 14.2 Subject to the provisions below and to Clause 12 the Underwriters will contribute to charges properly and reasonably incurred by the Assured their servants or agents for such measures. General average, salvage charges, collision defence or attack costs and costs incurred by the Assured in contesting liability covered by Clause 11.2 are not recoverable under this Clause 15.
- 14.3 The Assured shall render to the Underwriters all possible aid in obtaining information and evidence should the Underwriters desire to take proceedings at their own expense and for their own benefit in the name of the Assured to recover compensation or to secure an indemnity from any third party in respect of anything covered by this insurance.
- 14.4 Measures taken by the Assured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.
- 14.5 The sum recoverable under this Clause 15 shall be in addition to the loss otherwise recoverable under this insurance but in no circumstances shall amounts recoverable under Clause 15.2 exceed the sum insured under this insurance in respect of the Vessel.

## **15. UNREPAIRED DAMAGE**

- 15.1 The measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value or the Vessel at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs.
- 15.2 In no case shall the Underwriters be liable for unrepaired damage in the event of a subsequent total loss (whether or not covered under this insurance) sustained during the period covered by this insurance or any extension thereof.
- 15.3 The Underwriters shall not be liable in respect of unrepaired damage for more than the insured value at the time this insurance terminates.

## **16. CONSTRUCTIVE TOTAL LOSS**

- 16.1 In ascertaining whether the Vessel is a constructive total loss, the insured value shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Vessel or wreck shall be taken into account.
- 16.2 No claim for constructive total loss based upon the cost of recovery and/or repair of the Vessel shall be recoverable hereunder unless such cost would exceed the insured value. In making this determination, only the cost relating to a single accident or sequence of damages arising from the same accident shall be taken into account.

## **17. DISBURSEMENTS WARRANTY**

Warranted that no amount shall be insured policy proof of interest of full interest admitted for account of the Assured, Mortgagees or Owners on disbursements, commission, profits or other interests or excess or increased value of hull or machinery however described unless the insured value of the Vessel is over \$ 50,000 and then not to exceed 10 per cent of the total amount insured in respect of the Vessel as stated in the Schedule to the policy.

Provided always that a breach of this warranty shall not afford the Underwriters any defence to a claim by a Mortgagee who has accepted this insurance without knowledge of such breach.

## 18. SPEEDBOAT CLAUSE

WHERE THIS CLAUSE 19 APPLIES IT SHALL OVERRIDE ANY CONFLICTING PROVISIONS IN THE CLAUSES ABOVE.

- 18.1 It is a condition of this insurance that when the Vessel concerned is under way the Assured named in the Schedule to the policy or other competent person(s) shall be on board and in control of the Vessel
- 18.2 No claim shall be allowed in respect of loss of or damage to the Vessel or liability to any third party or any salvage services
- 18.2.1 caused by or arising from the Vessel being stranded sunk swamped immersed or breaking adrift, while left moored or anchored unattended off an exposed beach or shore
- 18.2.2 arising while the Vessel is participating in racing or speed tests, or any trials in connection therewith.
- 18.3 No claim shall be allowed in respect of rudder strut shaft or propeller
- 18.3.1 under Clauses 9.2.2.1 and 9.2.2.2
- 18.3.2 for any loss of damage caused by heavy weather, water or contact other than with another vessel, pier or jetty, but this Clause 19.3.2 shall not exclude damage caused by the Vessel being immersed as a result of heavy weather.
- 18.4 If the Vessel is fitted with inboard machinery no liability shall attach to this insurance in respect of any claim caused by or arising through fire or explosion unless the Vessel is equipped in the engine room (or engine space) tank space and galley, with a fire extinguishing system automatically operated or having controls at the steering position and properly installed and maintained in efficient working order.

## 19. CANCELLATION AND RETURN OF PREMIUM

This insurance may be cancelled by the Underwriters at any time subject to 30 days notice to the Assured or by mutual agreement, when a pro rata daily net return of premium shall be made calculated on the premium charged for the in commission and/or laid up period.

THE FOLLOWING CLAUSES SHALL BE PARAMOUNT AND SHALL OVERRIDE ANYTHING CONTAINED IN THIS INSURANCE INCONSISTENT THEREWITH.

## **20. WAR EXCLUSION**

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

- 20.1 War, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 20.2 capture seizure arrest restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat
- 20.3 derelict mines torpedoes bombs or other derelict weapons of war.

## **21. STRIKES AND POLITICAL ACTS EXCLUSIONS**

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

- 21.1 strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 21.2 any terrorist or any person acting from a political motive.

## **22. NUCLEAR EXCLUSION**

In no case shall this insurance cover loss damage liability or expense arising from

- 22.1 any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 22.2 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 22.3 The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.