



**YACHT &
PLEASURE CRAFT**
Insurance Policy

Welcome

The proposal is the basis of and forms part of the contract between **You** and Elmo Insurance Ltd.

The Policy is evidence of the contract.

The Policy, schedule and any **Endorsements** are to be read as one document, and any word or expression used with a specific meaning in any of them has the same meaning wherever it appears.

We will provide under those Sections which are shown in the Policy schedule the insurance described in the Policy during any **Period of Insurance** for which **You** have paid or have agreed to pay the premium, and **We** have accepted or have agreed to accept the premium.

The conditions which appear in the Policy or in any **Endorsement** issued by **Us** are part of the contract and must be complied with. They are, where their nature permits, conditions precedent to the right to recover from Elmo Insurance Ltd.



Signed

Authorised Insurer
Elmo Insurance Ltd

YACHT & PLEASURE CRAFT *Insurance Policy*

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Meaning of words

The words or expressions listed below have the following meaning wherever they appear in the Policy, the schedule or any **Endorsement/s**.

Competent Person

A person who has an experience and knowledge to drive, sail and handle a **Craft** like the insured **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 law.

Cover is only extended to the named drivers listed in the proposal form or schedule

Craft

The **Craft** shown in the Policy schedule including machinery, outboard motors, **Special Equipment**, and tenders/dinghies.

Cruising Limits

The geographical area specified in the schedule within which **We** have agreed to insure the **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.

Deductible

The first part of any claim for which **You** are responsible.

Endorsement

An alteration made to the terms of the Policy.

Hidden Defects

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

Hull

The outer shell of the **Craft**, deck, fixtures and fittings on deck or below deck that are not normally removable and would be normally sold with the **Craft**.

Meaning of words (continued)

In-Commission

The period shown in the schedule when the insured **Craft** may be used in navigation for the purpose stated on the schedule subject to any restrictions noted in the schedule.

Laid-Up

The period shown in the schedule when the insured **Craft** is stored in its **Laid-Up** location, this being a safe berth or ashore.

Market Value

The value in Malta at the time of a loss of a **Craft** of the same type, age and condition as the insured **Craft** being equipped with the same machinery, gear and equipment.

Period of Insurance

The period shown in the schedule and any further period for which **We** accept **Your** premium.

Personal Effects

Including but not limited to:

- Items of clothing and articles of a personal nature likely to be worn, used or carried.
- Nautical apparel or apparatus (including lifejackets, wetsuits, diving equipment, water-skis, and tow ropes).

Special Equipment

Items of equipment or accessories that do not form part of the integral fittings which have been purchased separately and may be removed from the **Craft** whilst not in use.

Us/We/Our

Elmo Insurance Ltd.

You/Your/The Insured

The person or persons named on the Policy schedule.



Section A: Loss or damage to the Craft

We will cover **Your Craft** described in **Your** Policy schedule including:

- The **Hull**
- Engines
- Tender
- **Special Equipment**

while it is navigating or in transit within the **Cruising Limits** specified in **Your** Policy schedule, and while the **Craft** is at any marina, mooring, slipway or location when **Laid-Up** ashore.

What is covered:

- a) Sudden and accidental damage
 - i. To **Your Craft**,
 - ii. If **Your Craft** accidentally sinks, provided it was in seaworthy condition at the time of sinking,
 - iii. Whilst loading or unloading,
 - iv. To engines through external accidental causes,
 - v. To engines through overheating arising from an insured peril,
 - vi. To **Special Equipment** whilst it is temporarily not on board the **Craft** and is ashore for storage or repair. **You** will be covered up to 20% of the **Special Equipment** amount shown in the policy schedule.
- b) Fire, provided the **Craft** is equipped with suitable fire fighting equipment.
- c) Explosion or lightning.
- d) Storm.
- e) Theft
 - i. Of the entire **Craft** and/or (if insured) of its tender.
 - ii. Of the engine(s) provided that, it/they is/are secured with an anti-theft device in addition to its/their normal method of attachment; or removed from the **Craft** and stored in a secure location.
 - iii. The **Craft's Special Equipment**.

Section A: Loss or damage to the Craft (continued)

In the event of a claim it will be necessary for **You** to demonstrate that there is physical evidence of forcible and violent entry. It is a condition of this cover that **You** are at all times required to take reasonable measures to prevent theft.

- f) Malicious acts or vandalism.
- g) Damages to **Your Craft** during transportation by road or ferry.
- h) All reasonable and necessary salvage charges, removal charges or charges incurred to recover or remove the wreck if **Your Craft** is damaged or sinks accidentally.
- i) Other expenses if **Your Craft** gets damaged due to stress of weather. **We** will also pay the reasonable cost of taking action to:
 - a. Minimise loss or damage, or
 - b. Remove the **Craft** to safety (including emergency towing), or
 - c. Dry all the electrical equipment in the motor(s), or
 - d. Clean and oil the motor(s).
- j) The **Craft's** outboard engine dropping off or falling overboard subject the outboard engine(s) does not exceed the **Craft's** weight and complies with the manufacturer's specifications.
- k) Contact or collision with a pontoon, quays, jetties, reefs or any other object that is underwater or partly underwater.
- l) The cost of inspecting the underwater part of the **Hull** of the insured **Craft** after a stranding even if there is no damage.

What is not covered:

- a) Loss or damage caused by normal wear and tear, lack of maintenance, timber rot, delamination, osmosis, deterioration, vermin, marine growth, rusting or other forms of corrosion or electrolysis.
- b) The cost of replacing or repairing any part due to **Hidden Defects**, faulty design or construction or faulty workmanship.
- c) Scratching, denting or bruising whilst in transit.

Section A: Loss or damage to the Craft (continued)

- d) Loss or damage to motors, electrical machinery, batteries and their connections caused by frost, **Hidden Defects**, mechanical and/or electrical failure or derangement.
- e) Any claim arising directly or indirectly from pollution or contamination by any substance.
- f) Any **Deductible** as stated in **Your** schedule.
- g) Anything listed under Section G – ‘General Exclusions’.

Claims Settlement

The settlement may either be an agreed value or indemnity as specified in the Policy schedule.

Agreed Value (if applicable)

Where specified and shown in the Policy schedule, **We** will pay the agreed sum insured in respect of:

- The **Hull**
- Engines
- Tender
- **Special Equipment**.

Where **You** have not specified a separate sum insured for either a part of the **Craft** as above, or an individual item, then the maximum **We** will pay is the current **Market Value** of the part or item.

Indemnity (if applicable)

Where specified and shown in the Policy schedule, **We** will indemnify **You**, at **Our** option:

- Pay for the repairs.
- Pay the reasonable cost to replace the lost, stolen or damaged **Craft** or part of the **Craft** if found to be beyond economical repair.
- Pay an amount in cash equivalent to the value of any loss or damage.

The maximum amount payable will be either:

Section A: Loss or damage to the Craft (continued)

- a) The **Market Value** of the **Craft** at the time of the loss, or
- b) The sum insured as shown on the Policy schedule, whichever is the lesser amount.

In any dispute over the **Market Value** of the **Craft**, it will be **Your** responsibility to prove that the **Market Value** of the **Craft** at loss, was higher than that established by **Us**.

Total Losses

We will pay for a total loss of **Your Craft** and other covered property only if the **Craft** is completely lost or destroyed. **We** will also pay for a constructive total loss if the cost of recovering and repairing the **Craft** is greater than the sum insured shown in the Policy schedule. If **We** pay **You** for a total loss or constructive total loss, **We** will be entitled to salvage proceeds or recovery therefrom, if any. Depreciation will be deducted if **Your** Policy is on indemnity basis.



Section B: Trailer Cover

Cover for this section is only provided if stated in the Policy schedule.

What is covered:

Loss or damage to the trailer caused by external accidental means subject to:

- Trailers being securely immobilised by an anti-theft device to the towing vehicle or to a fixed and immovable object, or they are placed in locked premises; or
- Its wheels having been removed; or
- Theft following forcible and violent entry in the place of storage.

What is not covered:

Anything listed under Section A - 'What is not covered' and Section G – 'General Exclusions'.

Claims Settlement

We will pay:

- The cost of repairs, or
- Replacement cost less depreciation

whichever is less, but in no case to exceed the sum insured as specified in the Policy schedule.

Section C: Personal Effects

Cover for this section is only provided if stated in the Policy schedule.

What is covered:

We cover **Personal Effects** that belong to **You** or **Your** immediate family members whilst they are on board or are being conveyed by water to or from the **Craft** against all risks of accidental loss or damage.

What is not covered:

- a) Anything listed under Section A - 'What is not covered' and Section G – 'General Exclusions'.
- b) Money, credit and debit cards, jewellery, furs, traveller's cheques or other valuable papers or documents.
- c) Theft of **Personal Effects** unless theft is followed by forcible or violent entry into the **Craft**.
- d) Any loss or damage to **Personal Effects** occurring whilst the **Craft** is unattended ashore (except in a locked garage/store).
- e) Any loss or damage to **Personal Effects** occurring whilst the **Craft** is in the custody and control of a repairer, a yacht yard or other storage facility.
- f) Breakage of articles of a brittle nature unless caused by the **Craft** being stranded, sunk, burnt or in collision, or by the stress of weather.
- g) Accidental loss or damage to diving equipment, tools and/or water ski equipment whilst in use.

Claims Settlement

We will pay:

- The cost of repairs, or
- Replacement cost less depreciation

whichever is less, but in no case to exceed the sum insured as specified in the Policy schedule. The amount recoverable under this section shall be limited to €500. No one item shall be deemed of greater value than €250 unless specifically declared and valued.



Section D: Liabilities

What is covered:

This Policy insures **You** for all sums which **You** become legally liable to pay (up to a maximum limit shown in Policy schedule under Section D) in respect of:

- a) Death, bodily injury or the **Personal Effects** to any person getting on, or off, or travelling on the insured **Craft**.
- b) Damage to any other crafts, piers, docks, wharves, jetties or pontoons.
- c) Any **Competent Person** who is navigating or in charge of the insured **Craft** with **Your** permission and is included in the Policy schedule.
- d) **Your** legal costs in settling or defending a claim (with interest on our portion of the judgement which is earned before **We** make payment) together with lawyer's fees and all expenses relating to official enquiries or coroner's inquests, as long as **We** have agreed to do so in writing.

What is not covered:

- a) Incidents occurring to any person employed by **You** in any capacity or employed by any organisation using the **Craft** with **Your** permission.
- b) Claims arising directly or indirectly under the Employers' Liability Acts or any other Statutory or Common Law Liability relating to Workmen.
- c) Divers, snorkellers, water-skiers and parascenders, parachuting and similar water sports, operating from the insured **Craft** until they are safely back on board the **Craft**.
- d) Liability arising from accidents whilst the **Craft** is being moved or transported.
- e) Claims in respect of fare-paying passengers unless we agree to do so in writing.
- f) Any fines or other penalties.
- g) Any punitive or exemplary damages, however described.
- h) Any liability arising under an agreement or contract which would not have arisen had the agreement or contract not existed.
- i) Anything listed under Section C – 'What is not covered' and Section G – 'General Exclusions'.

Section D: Liabilities (continued)

Claims settlement

Our liability under this Section shall be subject to a maximum limit of liability shown under Section D of the Policy schedule. **Our** obligation to pay, settle or defend ends when **We** have paid that amount on **Your** behalf. This is the most **We** will pay, regardless of the number of insured persons or boats involved in any one accident or series of accidents arising out of the same event.

Restricted limits for water-skiing

Whilst water-skiing, aquaplaning or practising any other similar sport in which objects or persons or both are towed, the limits applicable shall be restricted as stated in the Policy schedule under Section D.



Section E: Medical Payments

What is covered:

We will pay the reasonable expenses of necessary emergency medical and/or surgical treatment, ambulance, hospital and professional nursing services resulting from an accident to **You** or any person while in, upon boarding or leaving the insured **Craft**, within one year from the date of the accident.

The person seeking medical payments has to provide **Us** with all documentation, bills and reports as requested by **Us** at his/her own expense.

Claims settlement

Our liability in any one accident shall not exceed the amount specified in Section E in the Policy schedule, regardless of the number of persons involved in the accident.

Section F: General Conditions

The following conditions apply to **Your** Policy. If **You** do not comply with them and any other particular term and **Endorsement**, **You** may prejudice **Your** claim and **We** may, at **Our** option, cancel the Policy, or refuse to handle **Your** claim or reduce the amount of any claim payment.

a) Making a claim

- If **You** have an accident or loss, **You** might want to claim for under **Your** Policy, **You** must contact **Us** as soon as possible.
- Upon discovery inform the police about any theft, attempted theft, fire or vandalism, malicious damage or loss of the insured **Craft** or part of it.
- Do not negotiate, admit or repudiate any claim without **Our** written consent.
- Send all claims, letters, summons or legal documents made against **You** and do not reply to any of these documents without **Our** written consent.
- **You** must supply any reports, certificates, specifications and evidence that **We** may require at **Your** own expense.
- Take all reasonable steps to minimize the loss/es, to recover missing property and to prevent further loss, damage or injury.

b) Changes in circumstances

You must tell **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 **Craft** or buy extra and/or different machinery, gear or equipment including **Special Equipment**;
- **You** change the **Laid-Up** location;
- **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;
- **You** change the mooring.

c) **Your** duty of care

You must take all reasonable precautions to:

- Maintain the **Craft** and equipment in a proper state of repair and seaworthiness;
- and
- Safeguard the **Craft** from loss or damage.



Section F: General Conditions (continued)

d) Cancellation

You may cancel this Policy at any time by writing to **Us**. **You** may be entitled to a refund on a short-period basis of **Your** premium as long as no claim has been lodged during the current **Period of Insurance**. **We** can cancel this Policy by giving **You** fourteen days notice by a recorded delivery letter at the address shown in the latest schedule. If **We** cancel the Policy, **You** may be entitled to a refund for any **Period of Insurance** which **You** have not used.

e) **Our** right to recover

We reserve the right to take action in **Your** name to recover any amount **We** have paid or may pay under **Your** Policy, and also provide **Us** as much assistance as possible to do so. If **You** agreed after a loss to give up **Your** rights to recover damages from any party who may be liable to **You**, this Policy will be considered void and without effect as to such loss. **We** will still have the right to retain or recover the premium.

f) Transfer of interest

If **You** sell, transfer, mortgage or pledge **Your Craft** or this Policy, cover will cease unless such change is accepted by **Us** in writing.

g) **Laid-Up** location

If **Your Craft** is to be **Laid-Up** for the period shown in the Policy schedule, it:

- Must be in a safe berth for storage ashore,
- Must not be ready for immediate use,
- May not be used for living on board.

h) Contribution

If any liability, loss or damage is covered by any other insurance who are similarly but not equally liable, **We** will only pay **Our** rateable proportion of the claim.

i) Payment of loss

If the **Craft** belongs to someone else or it is the subject of a hire purchase agreement or a bill of sale by way of mortgage, payment for the total loss or destruction of the **Craft** will be made to the legal owner as described in the hire purchase agreement or the mortgage described in the bill of sale whose receipt shall be a full and final discharge to **Us**.

Section F: General Conditions (continued)

j) 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, **We** may at **Our** option not pay the claim, or declare the Policy void and may inform the police of the circumstances.

k) Contract clause

The Contract of Insurance shall for all intents 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.

l) Maltese Jurisdiction clause

The Insurers' indemnity provided by this Policy, shall apply only to judgements or orders that are delivered or obtained from a Court or in arbitration within the Maltese Islands. Furthermore, the aforesaid indemnity shall not apply to a judgement or order obtained in Malta for the enforcement of a judgement or arbitration award obtained elsewhere or to cost and expenses of litigation recovered by any claimant from **The Insured**, which costs and expenses of litigation are not incurred in the Maltese Islands.

m) Arbitration

All differences arising out of the Policy shall be referred to the decision of an arbitrator appointed under current statutory provisions within one month after a written request by **You** or **Us**. An award must be made by the arbitrator before any court proceedings can be started against **Us**. If **We** refuse liability for a claim and this claim is not referred to arbitration within the period as defined by Legislation, the claim shall be deemed to have been withdrawn and cannot subsequently be revived.



Section G: General Exclusions

The following exclusions apply to **Your** Policy. In no case shall this insurance cover loss, damage, injury, liability or expense arising from:

a) Radioactive contamination

We will not pay for loss or damage to any property, any resulting loss or expense or any legal liability that is caused by or contributed to, or that arises from:

- Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component of such an assembly.

b) War Risks

We will not pay any loss or damage happening through or as a consequence of terrorism, war, invasion, act of foreign enemy hostilities, rebellion, revolution, civil war, insurrection or military or usurped power.

We will not pay for any damage or expense caused by strikes, labour disturbances, riots or civil commotion.

c) Sonic Bangs

We will not pay any loss or damage by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

d) Terrorism

This insurance excludes any loss, damage, cost or expense of whatsoever nature or any death, bodily injury or illness directly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the death injury or illness.

Any act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for religious, ideological or similar purposes including the influence of any government and/or to put the public, or any section of the public in fear.

This Policy also excludes any death, bodily injury, or illness directly or indirectly caused by resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If **We** allege that by reason of this exception, any death, bodily injury or illness is not covered by this insurance the burden of proving the contrary shall be upon **The Insured** person.



Section G: General Exclusions (continued)

- e) Biological, chemical, bio-chemical, electromagnetic weapon and cyber attack
- Any biological, chemical, bio-chemical or electromagnetic weapon;
 - The use or operation, as a means for inflicting harm, of any computer, computer software programme, computer virus or process or any other electronic system.
- f) Seepage and pollution
- The costs to clean up any emission spillage or leakage upon or into waters or land of oil, diesel, petroleum products effluent or sewage at an accident site following sinking or accidental discharge.
- g) Other Exclusions
- Damage caused by wear and tear.
 - Faulty workmanship, design or materials or **Hidden Defects**.
 - Gradual deterioration, marine life, electrolysis, osmosis.
 - Corrosion, rust, dampness, normal wetting.
 - Mechanical or electrical breakdown.
 - Loss or damage due to ice, freezing or extremes of temperature.
 - Damage which existed prior to the effective date of this insurance.
 - Any consequential damages or loss of use.
 - The Policy is void if **Your Craft** is used for any illegal purposes.
 - Any fines or penalties.
 - Any damage, loss or liability deliberately caused by the wrongful acts or wilful mis-conduct of any insured person.
 - Theft, unless followed by forcible and violent entry.
- h) Use of **Craft**
- **We** do not provide cover while the **Craft** is chartered, rented to others, used to carry persons or property for a fee, or used for other commercial purposes or is on exhibition, unless **We** have agreed to such cover in writing.
 - **We** do not provide cover if **Your Craft** is being used by somebody else without Your permission and is not named in the Policy schedule.
 - If **Your Craft** is a motorboat or speedboat, **We** will not pay for any loss, damage or liability which occurs while the **Craft** is racing or engaged in speed testing. If **Your Craft** is a sailing yacht, **We** will not pay for loss of or damage to sails, rigging, masts and spars whilst the yacht is racing, unless the loss or damage is caused by the **Craft** being stranded, sunk, on fire or in collision.
 - **We** will not pay for loss or damage arising from the yacht being moored or anchored unattended off an exposed beach or shore overnight.



Customer Satisfaction

Elmo Insurance Limited is committed to provide **You** with the highest level of service. However if **You** are not satisfied with **Our** services please refer the matter to **Our** Complaints Officer at:

Address: Elmo Insurance Limited, Abate Rigord Street, Ta' Xbiex

Tel: +356 2343 0000

E-Mail: complaints@elmoinsurance.com

Your complaints will be acknowledged by **Our** Complaints Officer and a response will be sent to **You** within a maximum time period of ten working days.

In the event that **Your** complaint remains unresolved, **You** may also write to the Customer Complaints Manager at the Malta Financial Services Authority. This will not prejudice any rights **You** may have at law including any right to institute legal proceedings.

You may also seek assistance from the Malta Insurance Association with whom We are affiliated.

Data Protection Statement

Elmo Insurance Ltd is the data controller in relation to personal data held about you or any other person whom you insure with us.

By making a request for insurance with Elmo Insurance Ltd, you acknowledge that you and all persons whom you propose to insure with us accept this Data Protection Statement. You should therefore show this notice to anyone whom you propose to insure with us.

It may be necessary for us to collect sensitive personal data (such as medical conditions or injuries) relating to you or any other person insured or to be insured under the policy or who may claim under the policy. You should get their explicit consent before sharing their personal data with us. By making a request for insurance with Elmo Insurance Ltd, or making a claim under this policy, you acknowledge that you and all such persons are giving their explicit consent to such information being processed in the manner and for the purposes outlined here.

Under the terms of your policy, you should give us notice about any accident which may give rise to a claim under the policy. When you give us notice about any such accident you acknowledge that you and all persons who may claim under this policy accept this Data Protection Statement. You should therefore likewise show this notice to anyone claiming under this policy.

We will use this information to manage and administer your insurance policy, to assess creditworthiness and for underwriting, claim handling and fraud prevention purposes. In order to provide you with products and services this information will be held in the data system of Elmo Insurance Ltd. We may also collect information from other sources and check the information that you provided us.

We may pass this information to other insurers either directly or through persons acting on their behalf such as the Malta Insurance Association, Insurance Intermediaries, Motor Surveyors or Private Investigators, Medical Consultants, the Commissioner of Police, the Malta Insurance Fraud Platform, and where we are entitled to do so under the Insurance Business Act or the Data Protection Act.

Furthermore, in case you default in the payment of your premium or other dues under the policy, we may pass this information to the Malta Association of Credit Management or Credit Info and or any Credit Referencing Agency, so that such information will be recorded in the system and made available to participants.

You are entitled to know what personal data is held about you in our systems and where applicable request the rectification or erasure of such data. If you wish to receive such information, you should write to us.



Data Protection Statement (continued)

We may pass some or all of the information that relates or is ancillary to the claims history of persons who may claim under your policy to the Malta Insurance Fraud Platform. The aim of the Malta Insurance Fraud Platform is to prevent, detect, suppress and/or prosecute insurance fraud. Elmo Insurance Ltd jointly with other motor insurers is the data controller in relation to the Malta Insurance Fraud Platform. The platform is administered on our behalf by the Malta Insurance Association (MIA).

Under the Data Protection Act, you are entitled to know what information about claims you have made is held on the Malta Insurance Platform and where applicable, request the rectification or erasure of the same. If you wish to receive this information, please write to the Malta Insurance Association at its registered address.

Notes
