

THE EIS SAILPLAN POLICY

SECTION 1

THIS POLICY IS A LIABILITY POLICY ONLY

A INTRODUCTION

Here is your plain language Insurance Policy and Schedule. The Policy is a legally binding contract between Us, The Watkins Syndicate at Lloyds' whose address is St Helens, 1 Undershaft, London EC3A 8LE through Groves, John & Westrup Limited, and You the Insured.

Groves John & Westrup Limited's address is Silkhouse Court, Tithebarn Street, Liverpool Telephone Number 0151 473 8000 Facsimile Number 0870 051 7968. Groves John & Westrup Limited and the Watkins Syndicate at Lloyd's are members of the Munich Re Group. All correspondence about this Policy should in the first case be addressed to Euromarine Insurance Services Limited (EIS) whose address is

**Euromarine House
18 St Peters Park Road
Broadstairs
Kent
England
CT10 2BL**

Please read these documents carefully. The cover that you have is shown in the Schedule. If the Policy and the Schedule do not provide you with the protection you want either now or at any time in the future please inform your Broker.

In providing you with your insurance coverage we relied upon the information provided in the answers you gave us on the proposal form. You must tell us of any change in this information as soon as possible, since failure to do so could invalidate your Policy. You should not wait until the next renewal date.

If the proposal contains any material untruth or fails to disclose any material circumstance you should inform us immediately. A material circumstance is one which could affect our assessment of the risk and the terms, conditions and premiums we impose and whether we accept the risk.

You are responsible to EIS for the payment of the premium.

B PAYMENT OF PREMIUM BY INSTALMENTS

References to the payment of premiums include payments by instalments. If you pay by this method the Policy remains an annual contract and the date of payment and the amount of the instalments are governed by the terms of the credit agreement. If an instalment is not received by the due date then subject to the Consumer Credit Act 1974 to 2006 and regulations made thereunder you will be given written notice giving 10 days in which to remedy the default prior to your Policy and the Credit Agreement being cancelled, the Policy being cancelled from the date when the payment became due.

C CLAIMS

Groves, John & Westrup Limited are a Lloyds Service Company and in matters of a claim act on behalf of the Watkins Syndicate.

D COOLING OFF PERIOD

Your Policy contains a 'Cooling Off' period. If the Policy provided does not meet your requirements you may return the Policy to EIS Limited within 14 days of purchase. A full refund of the premium paid will be made to you provided you have not made and are not intending to make a claim under the Policy.

E OUR SERVICE

It is our aim to provide the highest possible standard of service. If for any reason you are not satisfied with the service you have been given we would ask that you state your complaint in writing, marking the letter 'for the attention of the Managing Director' at Groves, John & Westrup Limited at the address given above. If the complaint cannot be resolved amicably you have the right to refer your complaint to the Complaints and Advisory Department at Lloyds, 1 Lime Street, London. If relevant under the terms of the Financial Service Ombudsman Scheme we must:

1. reply to you within four weeks; and
2. resolve your complaint within eight weeks. Failing satisfaction, if you are either a private individual or a business with a turnover of less than £1million or a charity with an annual income of less than £1million or a trustee of a trust with a net asset value of less than £1million you may then approach the Financial Service Ombudsman, South Quay Plaza, 183 Marsh Wall, London E14 9SR, Telephone No. 0845 080 1800, e-mail: complaint.info@financial-ombudsman.org.uk who will advise whether he is able to deal with your complaint. This is in addition to any other action you may subsequently wish to take. An application to the Financial Service Ombudsman must be made within six months of being notified of our final decision about your complaint.

F LAW APPLICABLE TO THE CONTRACT

1. The law applicable to this insurance contract is subject to agreement between the parties.
2. Unless a Special Endorsement to the contrary has been requested by you and agreed by us, the law applying to this contract will be as follows:
 - 2.1 if you are applying for insurance protection as a private individual, the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you or the first named Policy Holder normally resides; or
 - 2.2 if you are applying for insurance protection in your capacity as a sole trader or as a company the law applicable to that part of the United Kingdom, Channel Islands or Isle of Man in which you have your principal place of business; or
 - 2.3 if the above does not apply, the Law of England and Wales.

G DATA PROTECTION ACT 1998

To enable us to provide a fast and efficient service to our clients we operate a new centralised database of all information relating to your Policy, including information provided to us on your proposal form, information contained within the Schedule of Insurance, policy periods and renewal dates, together with any correspondence that we might exchange. Under the Data Protection Act 1998 we need to obtain your consent for holding this information on our system. If we should need to store any additional information we will of course approach you first to obtain your permission. The information will be used for underwriting purposes and in the unfortunate event of a claim.

We may also share this information with Watkins Syndicate of Lloyd's or Groves John & Westrup Limited. You have signified whether or not you are agreeable to this in the proposal form and we will of course follow your requests in that respect. If you have any objections to us holding your information either in full or in part or wish to obtain details of any information we are currently holding on you, please let us know immediately or telephone Groves John & Westrup's Limited Data Protection Manager, M J Pope on 0151 473 8000.

DEFINITIONS

Boat	Any type of small craft which forms part of the Vessel's equipment and is used for the operation of the Vessel and is permanently marked with the name of the Vessel. Any reference by us to the 'Vessel' in the Policy includes the Vessel's boat(s) unless the context requires otherwise. A life raft or Vessel of a similar nature is not a boat.
Brest to Elbe	Includes the Inland Waterways of Europe not South of 46 degrees North and not East of 10 degrees East.
Coastal Waters	This is the area of water within 12 miles of the high water point on the coastland or 3 miles if a Personal Watercraft.
Cruising Range	The geographical area specified on the Schedule.
Excess	The amount noted on the Schedule which will be deducted from your claim in respect of each event. If a claim is made for more than one separately insured item only the highest applicable excess will apply.
Houseboat	You will use your Vessel as a houseboat if anyone (other than a trespasser) occupies the Vessel as living accommodation, whether or not for the purpose of maintenance or security of the Vessel during the lay up period.
Immediate family	Spouse, daughter, son, father and mother.
In Commission Period	The period when the Vessel is not required to be laid up and may be used in navigation.
Ireland	Means Northern Ireland and Southern Ireland

Laid Up Period	<p>The period (if any) noted on the Schedule when the Vessel must not be used for any purpose except for the carrying out of minor maintenance and repairs and must be laid up at the place named in your proposal form or any other place agreed by us in writing. The Vessel must not be used as a Houseboat during the laid up period nor undergo major repair or refit unless we give permission in writing and issue a Special Endorsement to that effect.</p> <p>Whilst laid up the Vessel must not have any consumable stores on board and all portable items, including personal effects and portable navigation equipment, must be stored ashore.</p>
Skipper	You or any person nominated by you to be in control of the Vessel whilst under way and who has suitable experience to handle the Vessel.
Special Endorsement	An alteration in writing to the terms of the Policy.
United Kingdom	England, Scotland, Wales, Isle of Man, Northern Ireland and the Channel Islands.
Vessel	Vessel or Vessels specified on the Schedule
Warranty	<ol style="list-style-type: none"> 1. A Warranty is a promise by you that: <ol style="list-style-type: none"> 1.1 some particular thing shall or shall not be done; or 1.2 some condition shall be fulfilled; or 1.3 a particular state of affairs does or does not exist. 2. A warranty must be strictly complied with. If it is not we will be discharged from liability from the date of the breach of warranty. 3. If you give us prior notice in writing that you wish to alter or delete a warranty we may, at our discretion, and upon payment of any additional premium required, agree in writing to such alteration or deletion.
Wilful misconduct	Includes but is not limited to conduct when under the influence of alcohol or prohibited drugs.

SECTION 2

LIABILITIES

A COVER FOR LIABILITY TO THIRD PARTIES

Cover

1. Subject to the Warranties and the other terms of the Policy we shall cover you and any Skipper in respect of legal liability to another person arising out of interest in or use of the Vessel (excluding salvage charges, wreck removal and damage caused by oil pollution).

B EXCLUSION TO COVER FOR LIABILITY OF THIRD PARTIES

Persons not covered

1. This Policy does not cover the liability of the following persons:
 - 1.1 any person employed under a contract in connection with the Vessel other than captain or crew employed by you;
 - 1.2 any person whilst engaged in any sport which involves being towed by the Vessel unless Special Endorsement TB has been agreed and noted on the Schedule;
 - 1.3 any person whilst engaged in snorkelling, aqualung diving or other underwater sport including whilst disembarking or boarding unless caused by the negligent navigation of the Vessel;
 - 1.4 any person operating or employed by the operator of a shipyard, repair yard, slipway, yacht club, marina, sales agency or similar organisation;
 - 1.5 any person operating or employed by the operator of a railway or ferry.

C EXCLUSIONS TO COVER FOR LIABILITY TO THIRD PARTIES

Liability not covered

1. This policy does not cover liability to the following persons:
 - 1.1 any person employed under a contract in connection with the Vessel;
 - 1.2 any person while engaged in any sport which involves being towed by the Vessel unless Special Endorsement TB has been agreed and noted on the Schedule;
 - 1.3 any person while engaged in snorkelling, aqualung diving or other underwater sport from the Vessel including whilst disembarking or boarding unless caused by the negligent navigation of the Vessel;
 - 1.4 any person operating or employed by the operator of a shipyard, repair yard, slipway, yacht club, marina, sales agency or similar organisation;
 - 1.5 any person operating or employed by the operator of a railway or ferry.

Wilful Misconduct

2. We shall not cover liability caused or contributed to by recklessness or wilful misconduct on your part or that of any Skipper.

Trailers

3. We shall not cover liability to third parties;
 - 3.1 caused or contributed to by any trailer becoming detached from the towing vehicle provided such towing vehicle is subject to road traffic legislation.
 - 3.2 as a result of an accident occurring on a highway or public or private place whilst any trailer is attached to the towing vehicle;

Liabilities not Covered

4. We do not cover liability for:
 - 4.1 Salvage charges; and
 - 4.2 Wreck removal; and
 - 4.3 Pollution.

Contractual Liability

5. We shall not cover liability arising out of contact.

D AMOUNT PAYABLE IN RESPECT OF THIRD PARTY LIABILITY

We shall pay the following:

- 1.1 the amount for which you or any Skipper is held legally liable to pay a third party, up to the Sum Insured noted on the Schedule in respect of any one event; and
- 1.2 the costs of you or any Skipper in defending any claim brought against you or any Skipper provided such costs are incurred with our prior written consent;
- 1.3 your costs or those of any Skipper at any inquest, inquiry or similar proceeding, provided that such costs are incurred with our prior oral or written consent.
- 1.4 less in all cases the policy excess specified on the Schedule, which you will be responsible for paying prior to settlement to the third party.
- 1.5 In the event that we indemnify more than one person our total aggregate liability will not exceed the sum insured noted on the Schedule.

Exclusions to amount payable

Fines

We shall not pay fines or punitive damages.

SECTION 3

GENERAL EXCLUSIONS

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

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from:

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component hereof;
3. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
4. the radioactive, toxic, explosive or any 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;
5. any chemical, biological, biochemical or electromagnetic weapons;
6. the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, computer virus or process or any other electrical system.

SECTION 4

WARRANTIES

1. **Low Speed Warranty** Unless Special Endorsement TA has been agreed and noted on the Schedule you warrant to us the actual or maximum designed speed of the Vessel (and any Boat(s)) when under engine power) does not exceed 17 knots.
2. **Use Warranty** You Warrant to us the Vessel will not be let out on hire or for reward.
3. **Cruising Warranty** You Warrant to us that the Vessel will remain within the Cruising Area noted on the Schedule.
4. **Structural Alteration Warranty** You Warrant to us that you will not make any major structural alteration or addition to the Vessel during the Period of Insurance without first obtaining our prior consent.
5. **Sea Worthiness Warranty** You Warrant to us that you will exercise reasonable care to make and keep the Vessel in a seaworthy condition and to keep the Vessel in a safe place, when not underway.

- 6. Warranty that the Vessel will not tow or be Towed** You Warrant to us that the Vessel will not tow another Vessel or be towed by another Vessel except in emergency or when it is customary.
- 7. Crew Warranty** If your Vessel is 24 feet in length or over you warrant that at all times when your Vessel is underway the minimum number of competent crew members onboard in addition to the Skipper will be one except when crossing the Bay of Biscay when there will be three.
- 8. Transit Warranty** You warrant to us that if the Vessel is:
1. carried on a trailer, the trailer is fit for the purpose intended and towed by a suitable vehicle; or
 2. fitted in a purpose built cradle and carried by a professional haulier; or
 3. where suitable, securely lashed or fastened to a vehicle roof rack.
- 9. Skipper Warranty** You warrant to us that when the Vessel is underway either you or the Skipper will be on board and in control of the Vessel.
- 10. Houseboat Warranty** You warrant to us that you will not use the vessel as a Houseboat.

SECTION 5

GENERAL TERMS

- 1. Sale or change of Interest in the Vessel**
1. Unless we agree in writing if during the Period of Insurance the ownership of the Vessel is sold or otherwise transferred or in the case of a Vessel owned by a limited liability company 50% of the shares are transferred this Policy will be automatically cancelled with effect from the date of the sale of transfer.
 2. You Warrant to us that you will inform us in writing of any change of ownership or interest in the Vessel within seven days of any change taking place.
- 2. Gas**
1. If gas is used on board the Vessel:
 - 1.1 the installation and tubing must be to the approved British Standard and other recommendations; and
 - 1.2 all gas containers must be secured against movement; and

- 1.3 all gas lockers must be properly vented to the exterior of the Vessel.
2. This Policy does not cover liability to a third party attributable to a breach of this provision of the Policy.
- 3. Assignment of the Policy**

We are not bound by any assignment of:

 1. the Policy;
 2. any interest in the Policy; or
 3. any money payable under the Policy, unless we agree in writing.
- 4. Afloat between 1 October and 31 March**

We do not cover any liability under this Policy if the Vessel remains afloat unmanned between 1 October and the following 31 March, or any part of such period inclusive unless the Vessel is placed in a purpose built marina, protected harbour, non-tidal waters or in a sheltered mooring which has been notified to and agreed by us.
- 5. Date change**

We do not cover any liability arising from, or consisting of the failure or inability of any equipment or any computer programme to recognise or correctly to interpret or process any date as the true or correct date, or to continue to function beyond that date. This will not exclude any resulting loss or damage otherwise insured by this Policy.
- 6. Renewal**

If you wish to renew the Policy you must before renewal is agreed by us tell us of any facts or change of circumstance which would be taken into account by us in the assessment or acceptance of the insurance. Failure to disclose all relevant facts may invalidate your Policy.
- 7. Cancellation**
 1. You may cancel this Policy by giving to us notice in writing when no refund of premium will be due.
 2. We may cancel this Policy by giving you 30 days notice in writing to your last known address when a proportionate part of the premium will be returned to you in respect of the unexpired period.
- 8. Jurisdiction**

If we have agreed in writing that you may let out the vessel for hire or reward for commercial purposes the English Court have exclusive jurisdiction over any dispute arising out of the policy.

SECTION 6

CLAIMS

1. You must:

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| Notification | 1.1 | immediately notify Groves, John & Westrup Limited through EIS at the address given above of any event which may result in a claim under the Policy and provide to them a written report as soon as possible; |
| | 1.2 | at your own expense, provide in writing such particulars and information as we or they may require within 14 days; |
| Communication from Third parties | 1.4 | as soon as possible, pass onto us or Groves, John & Westrup Limited unanswered all communications from third parties relating to a matter which might give rise to a claim under this Policy; |
| Admission | 1.5 | not admit liability, offer to settle, compromise or make payment in respect of any event which might give rise to a claim under the Policy without our prior written consent; |
| Mitigation | 1.6 | minimise or mitigate any liability which may give rise to a claim under this Policy; |
| Statement of truth | 1.7 | return to us or our representative, duly signed or comment constructively upon any statement of truth that we may require from you for prosecution or defence of any claim which is or may be the subject of indemnity under this Policy within 7 days; |
| Disclosure | 1.8 | search for and provide to us any documents which may be required by us for the purposes of prosecution or defence of any claim which may be the subject of indemnity under this Policy within 14 days of request by us or our representative and to sign and return to us within seven days any disclosure statement we or our representatives may require of you. |

2. Our rights

We have the right to:

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| Defence | 2.1 | Commence or take over and conduct the defence of any claim against or prosecution of you or any other person insured under this Policy arising |
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out of an event which might give rise to a claim under the Policy;

Recovery 2.2 Commence, recover, take over and conduct any claim bought in the name of any person insured under this Policy to recover sums which are or might be payable under the Policy;

Formal enquires 2.3 Commence, take over, conduct the representation of any person insured under this Policy at any inquest, inquiry or similar proceedings which might give rise to a claim under the Policy.

3. Payment We will have the absolute right in our discretion at any time to pay the Sum Insured (after deductions of any sum already paid) or any lesser amount for which a claim can be settled and shall thereafter be under no further liability except for the payment of costs and expenses incurred prior to the date of payment.

4. Other insurance If at the time of any event which gives rise to a claim under this Policy, there is any other insurance covering the same liability, our liability shall be limited to its rateable proportion. If any such other insurance is subject to any provision whereby it is excluded from ranking concurrently with this policy whether in whole or in part or from contributing, our liability shall be limited to any excess beyond the amount which would be payable under such other insurance had this policy not been affected.

6. Fraud exaggeration If you or anyone acting on your behalf makes a claim under this Policy knowing the claim to be dishonest or exaggerated in any respect we shall not be liable to pay that claim and all cover under this Policy will cease immediately and in such circumstances we shall be entitled to refer the matter to the appropriate authorities.

SECTION 7

SPECIAL ENDORSEMENTS

Important

The under noted Special Endorsements only apply to your Policy if specified on the Schedule.

Special Endorsement TA

Speed Boat Clauses

The Low Speed Warranty is deleted by this clause:

1. If the Vessel is fitted with inboard machinery there is no cover for liability to third parties caused by fire or explosion unless the Vessel is equipped with fire extinguishing

appliances to at least the following minimum requirements, properly installed and maintained in efficient working order:

- (a) automatically operated, or having remote controls from the steering position, in the engine area and, where design allows, in the tank space, and
- (b) manually operated and a fire blanket which are both installed in an accessible position in the galley.

2. There is no cover under this policy:

- (a) for claims occurring as a result of the Vessel being stranded, sunk, swamped, immersed or breaking adrift whilst left afloat unmanned off any beach or shore, unless the mooring has been accepted and agreed by us;
- (b) for claims occurring whilst the Vessel is participating in racing or speed tests, or any connected trials.

Special Endorsement TB

Liability to and of Water Skiers Clause

This policy is extended to cover liability to and of anyone engaged in water skiing, mono skiing, bare footing and/or knee boarding whilst being towed or preparing to be towed by the Vessel or whilst on board the Vessel.

You warrant to us that no more than two persons shall be preparing to be towed or towed at the same time.

The limit of indemnity is the Sum Insured specified on the Schedule and applies to each incident or series of incidents arising out of the same event occurring during the period of insurance.

Special Endorsement TC

Not In Use Warranty

It is warranted that the Vessel/Craft will be kept at the location specified on the Schedule when not 'in use'.

This requirement is in addition to any other security requirement specified in the Policy or Schedule.

'In Use' for the purposes of this Special Endorsement means any period the Vessel is temporarily away from the normal place of storage (including whilst in transit) for the purpose of being used on water.

Special Endorsement TD

Houseboat Clause

It is agreed that this policy is extended to cover the Vessel whilst being used by you as a Houseboat by your Immediate Family.

Special Endorsement TE

Single Handed Sailing

It is agreed that the Vessel may be sailed single-handed by the Skipper, (whose details of experience have been notified to and agreed by us), within the Cruising Range specified on the Schedule.

Special Endorsement TF

Marina Excess

It is agreed that the policy excess does not apply to any claim arising whilst the Vessel is in the marina specified on the Schedule.

Special Endorsement TG

Personal Watercraft Clauses

Subject to the Warranties and the other terms of the policy we shall cover you and any skipper in respect of legal liability to another person arising out of interest in or use of the Vessel which is a personal watercraft but with the following amendments:

Warranties –

Warranty 1; Low Speed Warranty is deleted and Special Endorsement TA applies

Warranty 7; Crew Warranty is deleted.

Warranty 9; Skipper Warranty is deleted.

The following Warranties are added:

Driver's Age: You warrant to us that when the Vessel is in use on the water and unless we agree in writing to the contrary all skippers will be aged 21 years or over.

Driver's Experience: You warrant to us that when the Vessel is underway all skippers will be experienced in handling vessels of the type and power insured.

Prohibited Areas: You warrant to us that you will not use the Vessel in areas where Personal Watercraft are prohibited.

Not Left Afloat Warranty: You warrant to us that you and the Skipper will not leave the Vessel afloat unmanned at any time.

Dead Man's Handle Operation: You warrant to us that if fitted to the Vessel the dead man's handle will be in operation and used at all times when underway.

GENERAL TERMS –

Section 5.4 is deleted.