

**PANTAENIUS-YACHT-HULL-CLAUSES (PYHC)**  
31050/DK/0110

**§ 1 Insured property**

1. Insured is the vessel designated in the policy, her components and equipment, including machinery, dinghies, fixtures and fittings, accessories and personal effects on board.

**§ 2 Scope of cover**

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

Temporary and unplanned departures from the cruising area are held covered, but must be notified to the insurance company as soon as possible for possible charge of an additional premium.

2. Transports are covered as specified in Clause 4.

**§ 3 Insured events**

1. The insurance covers sudden loss or damage (sudden: when both such loss or damage and the cause thereof occur at a point of time and not over a period of time) caused by:

a) Stranding, inrush of water, sinking, grounding and breakage, bending or distortion of masts, booms and spars and tearing of standing and running rigging.

b) Accident, fire (fire being defined as an open, self-sustaining fire), scorching, smouldering, short-circuit, lightning, explosion and force majeure.

c) Burglary, robbery, piracy, theft of the vessel, malicious acts (e.g. vandalism).

d) Collision with any fixed or floating object.

2. If, due to imminent danger to life or critical physical health, the vessel has to be abandoned and is not recovered within three months, the loss will also be regarded as sinking.

3. The insurance also covers theft of objects properly secured on deck or fastly attached to the vessel. Theft of outboard motors is covered provided that they are fastened to the vessel with a suitable antitheft device.

4. If specially agreed in advance that the vessel may be chartered (bareboat charter or skipper charter), the risk of misappropriation and fraud is also covered.

**§ 4 Transport Risks**

1. Land transports, as well as river and ferry transports of the vessel on a trailer, are covered within Europe or within the wider cruising area specified in the policy, provided that the means of transport is suitable and that the insured property is properly loaded and secured. Loose objects are covered against theft provided that they are locked in a storage compartment or otherwise suitable secured.

2. Sea and air transports of the insured property, but not the vessel herself and personal effects, are covered worldwide.

3. Insurance cover of all other transportation risks must be specially agreed in advance by the insurance company.

**§ 5 Costs and expenses covered**

1. The insurance covers reasonable salvage costs as well as other expenses incurred by the insured to avoid or reduce a claim (see § 10.2), regardless if the measures taken were successful or not. Furthermore, reasonable wreck removal and disposals costs are covered.

2. This reimbursement of expenses also applies for assistance in emergency situations where the insured vessel is in no immediate danger in accordance with § 3 for towage to the nearest place of repair as well as the

delivery of fuel, oil, batteries and spare parts (except the costs of the materials or parts themselves) provided other assistance cannot be obtained. Unless otherwise agreed, these costs are limited to a maximum of DKK 37.000.

3. Coverage is provided for the necessary costs of inspecting the vessel after grounding.

4. The above defined reimbursements according to § 5 are in addition to any payment under this policy for loss of or damage to the insured property. The deductible as per § 7 does not apply to those costs and expenses.

**§ 6 Exclusions**

The insurance does not cover:

a) Loss or damage sustained when the vessel is used for other than sport or pleasure (including business entertainment) unless such other use (e. g. bareboat charter/skipper charter) is specially agreed in advance by the Insurer.

b) Loss or damage arising due to faulty construction, faulty manufacture, faulty materials or due to normal wear and tear. This exclusion applies only to the defective part(s); loss or damage to the other parts of the insured objects caused by these reasons is insured within the framework of these conditions.

c) Damage or loss caused by:

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

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

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

- terrorists and political acts of violence, irrespective of the quantity of persons involved

- riot, civil commotion, strike, lockout and labour disturbances

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

d) Loss or damage, of what kind so ever, caused by nuclear energy inclusive of radio-active radiation resulting from nuclear fission and/or fusion; this exclusion applies unrestricted, when the nuclear energy is used as a means for peaceable aims or for war or other hostile purposes.

e) consequential loss or damages (e.g. reduced racing performance, depreciation, loss of use, loss of income).

f) Cash, valuables, jewellery,

g) Objects of art and antiquities with a value exceeding DKK 22,500

h) Loss or damage if the insured event is caused by the insured by a wilful act or by gross negligence.

**§ 7 Deductible**

The deductible stated in the policy will apply to every claim, except in the event of:

- total loss, including constructive total loss, see § 9

- burglary

- lightning or fire

- loss or damage during transport as defined in § 4.1 and § 4.2

- loss or damage to personal effects

- loss or damage caused by a third party vessel, which is underway, colliding with the insured vessel when it is correctly moored or berthed.

### **§ 8 Sum insured. Agreed valued policy**

The sum insured is fixed in the policy (agreed valued policy).

The insurance company cannot claim underinsurance.

### **§ 9 Indemnity**

1. In the event of an actual total loss or a constructive total loss (constructive total loss when the costs of repair exceed the agreed sum insured), the sum insured must be paid out as specified in Clause 8.

2. Compensation will be paid for partial damage on the basis of the necessary repair costs or replacement expenses without any deduction being made for age or wear and tear (new for old). Expenses incidental to the transport of the vessel to and from the nearest appropriate repair site will be reimbursed as repair costs. Unless otherwise agreed in the policy, the compensation for personal effects is limited to 2% of the sum insured; however, a maximum of DKK 22.500.

3. The insurance company has the right to deduct the residual value of the damaged objects from any compensation based on specific quotations. The insured cannot avoid this deduction by placing these remaining items at the disposal of the insurance company.

### **§ 10 Obligations in the event of damage**

1. The insured is obliged to report any loss of or damage to the insured property to the insurance company without undue delay. Fire, explosion, theft, break-in, vandalism, robbery, piracy, fraud and misappropriation, see Clause 3.4 must be reported immediately to the local police.

2. The insured is obliged to seek to prevent or mitigate the loss or damage and to follow any instructions from the insurance company.

3. The insured is obliged to provide the insurance company with detailed and true reports regarding the circumstances of the insured event. Upon demand, the Insured is further obliged to provide the insurance company with any information which the company deems necessary to clarify the merits of the claim and the extent of its obligation to perform.

4. Where the insured breaches any of the obligations set out in Clauses 10.1, 10.2 and 10.3, the insurance company is not liable to any further extent than it would have been if the obligations had been complied with. The insurance company's obligation is in all other respects determined pursuant to Clauses 21-23 of the Danish Insurance Contracts Act (*Lov om forsikringsaftaler*).

5. Where the insured fraudulently specifies or omits any circumstance of importance to the assessment of the insurance company's liability, the insurance company has the right to fully or partially refuse cover.

### **§ 11 Claims handling and payment of compensation**

1. The insurance company is obliged to conduct the necessary investigations and make the necessary enquiries without undue delay with a view to assessing the scope of the compensation. In the event of theft, as well as in case of § 3.4 in the event of misappropriation and fraud the insurance company has the right not to effect payment of the compensation until after the expiry of a two month period from the date of notification.

2. The insured is obliged to take over any recovered item recovered within a maximum period of two months from the receipt of the notification of claim.

3. If, in context of a claim, any legal authorities commence an investigation and/or prosecution against the Insured, the insurance company is entitled to await the outcome before determining his obligation to perform.

### **§ 12 Commencement and expiry of the insurance**

1. The cover commences on the date and at the time specified in the policy.

2. This contract is effective for one year and is automatically renewed annually unless notice of

cancellation has been given in writing by either party at least 30 days from the end of the current month.

3. In the event of claim events, both parties have the right to cancel the insurance policy in writing subject to a two-week notice after compensation has been paid or the claim has been rejected. Such termination comes into force two weeks after receipt thereof.

4. If the vessel is transferred to new ownership, this contract will terminate on the date of transfer. The insured will immediately prove the actual date of transfer, enclosing a copy of the contract of sale, so that any refund of premium may be calculated. The new owner is granted provisional cover under the terms and conditions of this contract for a period of 14 days following the date of transfer unless the new owner is covered by his own insurance. The purchase price stated in the contract of sale or the sum insured stated in the policy, whichever is the lower, will be the agreed fixed value during the period of provisional cover.

5. In the event of total loss and termination of the insurance according to Clauses 12.2, 12.3 and 12.4, the premium for the remaining insurance period will be refunded.

### **§ 13 Legal expenses insurance**

The insurance covers legal expenses insurance of private disputes concerning the insured vessel in accordance with Pantaenius Terms and Conditions of Legal Expenses Insurance (*Betingelser for Retshjælp*). The cover limit and the deductible applying to the legal expenses insurance appear from the Terms and Conditions of Legal Expenses Insurance.

### **§ 14 General terms and conditions**

1. All information, statements and announcements of any kind which the insured is obliged to submit to the insurance company may be submitted to Pantaenius A/S.

2. Payments from the insurance company and the insured must be made in the currency specified in the policy concerning sum insured and deductible.

3. The premium will be indexed each year on the renewal date. The indexation follows the development in the index of salaries or a similar index from Statistics Denmark or a similar institution.

4. Where the insurance is covered by several insurance companies, the individual company is only liable for its share and is not jointly and severally liable. Any agreements between the leading insurance company and the insured are binding for all other participating companies. Pantaenius will state the names of the participating companies upon request.

5. The benefits under this contract may not be assigned to third parties without express agreement with the insurance company.

6. The Danish Insurance Contracts Act applies in addition to the conditions set out above.

7. The venue for any dispute arising under this contract is the Copenhagen City Court or the Maritime and Commercial Court in Copenhagen.

8. Any dispute arising out of this insurance contract is governed by Danish law.

9. In the event of discrepancies between the Danish version and any foreign translations of these conditions, the Danish conditions apply.