

SKULD YACHT
CREW LIABILITY
TERMS & CONDITIONS
AS OF 20 FEBRUARY 2015



SKULD YACHT

CREW LIABILITY COVER

TERMS & CONDITIONS 2015

CONTENTS

PART 1	INSURANCE AGREEMENT.....	3
PART 2	INSURANCE COVER.....	4
PART 3	EXCLUSIONS.....	5
PART 4	GENERAL PROVISIONS.....	7
PART 5	ADDITIONAL COVER.....	13
APPENDIX 1	DEFINITIONS.....	15
APPENDIX 2	CO-ASSUREDS.....	18

PART 1 INSURANCE AGREEMENT

1. TERMS AND SCOPE OF COVER

- 1.1. The *Assured* is insured by *Skuld* in accordance with the terms set out in these Terms and Conditions, the Certificate of Insurance and any Endorsement issued by *Skuld* (together "*this insurance*") for the liability, costs and expenses in relation to the *Yacht's crew* specified in Part 2 below (and the additional cover under Part 5, where applicable) arising out of an *Event* taking place during the *period of insurance* in direct connection with the *Assured's* ownership and the operation of the *Yacht*, unless expressly excluded under Part 3 below or elsewhere under *this insurance* and subject always to the General Provisions set out in Part 4 below.
- 1.2. The cover under *this insurance* may be extended to a *Co-Assured* on the terms set out in Appendix 2.

2. DEFINITIONS

Words and phrases which appear in italics in these Terms & Conditions are defined in and shall have the meanings set out in Appendix 1.

PART 2 INSURANCE COVER

This insurance shall in accordance with Part 1 above cover (unless specifically amended in the Certificate of Insurance or in an Endorsement) the following specified liabilities, losses, expenses or costs:

3. INJURY, ILLNESS OR DEATH

- 3.1. Liability for injury, illness or death of *crew*;
- 3.2. Liability to pay for the necessarily and reasonably incurred costs of medical or hospital treatment and ancillary expenses in relation to any injury, illness or death including funeral arrangements;
- 3.3. Wages due to serving *crew* members or, if deceased, their dependents as a result of injury illness or death.

4. MEDICAL AND FUNERAL EXPENSES AND REPATRIATION COSTS

- 4.1. Costs of repatriation of ill or injured *crew* (or a deceased's remains);
- 4.2. Costs of repatriation under a statutory obligation, including where compulsorily applicable the Maritime Labour Convention 2006 or equivalent domestic legislation by a State Party to *MLC*;

Provided that *this insurance* shall not cover costs incurred due to expiry or termination of the *crew* employment contract, sale of the *Yacht* or failure of the *Assured* to fulfil their legal or contractual obligations towards the *crew*.

5. ABSENT CREW

Liability, costs and expenses necessarily and reasonably incurred by the *Assured* pursuant to a statutory obligation by reason of any *crew* who go absent from the *Yacht* without leave, where such costs or expenses cannot be recovered from the *crew* concerned.

6. PERSONAL EFFECTS

Liability for loss of or damage to *personal effects* other than *valuables*.

7. CASUALTY

Cost of repatriation and liability for compensation for loss of employment to serving *crew* members as a result of being signed off due to a major *casualty* to the *Yacht* which renders the *Yacht* unseaworthy, and necessitates the signing off of the *crew*;

Provided that compensation for loss of employment shall be limited to a period of two months unless otherwise agreed.

8. LEGAL AND ASSOCIATED COSTS

Legal and associated costs necessarily and reasonably incurred by the *Assured* with the consent of *Skuld* in relation to any liability, loss, expense or costs for which the *Assured* is covered under *this insurance*.

9. INQUIRY COSTS & EXPENSES

Legal and associated costs necessarily and reasonably incurred by the *Assured* following a *casualty*, with the consent of *Skuld*, to protect the interests of the *Assured* or *crew* before an inquiry or tribunal constituted to investigate that *casualty*.

10. MITIGATION COSTS (SUE AND LABOUR)

Extra costs which are necessarily, reasonably and solely incurred by the *Assured* on or after a *casualty* or *Event* which may give rise to a claim under *this insurance*, in avoiding or minimising any liability, loss, expense or cost covered under *this insurance*, but this Clause shall not cover costs for work which could have been carried out by the *crew*, by reasonable use of the *Yacht* and her equipment, or which are not approved in writing in advance by *Skuld* where it is practicable to obtain such approval.

11. DIRECTIONS OF SKULD

Liability and costs which the *Assured* incurs in accordance with the written direction of *Skuld* which direction specifically refers to this Clause 11.

PART 3 EXCLUSIONS

12. *This insurance* shall not cover the *Assured* for any liabilities, losses, expenses or costs for
- 12.1. any claim arising under the terms of a *crew* contract or other agreement, unless those terms have been approved by *Skuld*,
 - 12.2. any claim resulting from the *Assured's* deliberate breach of any contract, fraudulent act or *wilful misconduct*;
 - 12.3. any claim resulting from the *Assured* knowingly sending the *Yacht* to sea or operating the *Yacht* in an unseaworthy condition;
 - 12.4. claims resulting directly or indirectly from the *Assured's* failure to keep and/or operate the *Yacht* in compliance with the applicable requirements of her Flag State, Class (if the *Yacht* is classed with a Classification Society at the inception of *this insurance*), Certification (which is mandatory for the size, tonnage and operation of the *Yacht*) as well as all applicable requirements of the *ISM* and *ISPS Codes*, unless such failure was committed without the *Assured's* knowledge, consent or approval;

- 12.5. any claim for liquidated damages;
- 12.6. any claim for loss of reputation or for punitive or exemplary damages;
- 12.7. any claim for failure to perform under a contract;
- 12.8. irrecoverable debts or the insolvency of the *Assured* (save for Clause 4.2) or any other party, or fraud of any of the *Assured's* agents, associated companies or employees when acting on behalf of the *Assured*;
- 12.9. the *Assured's* internal administrative costs or expenses, the daily running costs or expenses of the *Yacht* (unless expressly covered by *this insurance*);
- 12.10. any claim recoverable by the *Assured* under any other insurance policy;
- 12.11. the loss of or damage to any property owned or leased by the *Assured* or by any party associated with the *Assured*;
- 12.12. *personal effects* other than those covered under Clause 6;
- 12.13. *nuclear risks*;
- 12.14. *chemical, bio-chemical, electromagnetical weapons and computer virus risks*;
- 12.15. any default judgment or default award;
- 12.16. operation of the *Yacht* for any illegal activity or purpose, so far as the *Assured* can control the matter;
- 12.17. any payment in respect of bribery, blackmail, kidnap, ransom or any other illegal payment;
- 12.18. the deductible under *this insurance* or any other deductible or franchise or excess under any other insurance;
- 12.19. any claim where payment by *Skuld* or the provision of cover in respect thereof may expose *Skuld* to the risk of being subject to a sanction, prohibition or any adverse action by a state or international organization or competent authority;
- 12.20. any claim directly or indirectly arising from or in respect of:
 - 12.20.1. *war risks*;
 - 12.20.2. any claim while the *Yacht* is participating in a race or is subject to the rules of a race;
 - 12.20.3. pre-delivery *crew cover*;unless the Certificate of Insurance or an Endorsement expressly specifies that such risk is covered by *this insurance*;

PART 4 GENERAL PROVISIONS

Unless otherwise agreed, all cover under *this insurance*, including any applicable additional cover, shall be subject to the conditions and provisions in this Part 4.

13. FULL DISCLOSURE AND CHANGE IN CIRCUMSTANCES

The *Assured* shall:

- 13.1. make full and correct disclosure to *Skuld* of all circumstances which the *Assured* knows or ought to know which might influence *Skuld* in deciding whether and on what terms to provide cover; and
- 13.2. make full, correct and prompt disclosure to *Skuld* of every change in circumstance which the *Assured* knows or ought to know alters the risk(s) covered by *Skuld*; failing which the *Assured* shall not be entitled to any recovery from *Skuld* in respect of any *Event* occurring after the time of the failure to comply with this Clause.

14. PREMIUM DUE BY THE ASSURED

- 14.1. The *Assured's* premium is a fixed premium.
- 14.2. The *Assured* shall pay (without set off) all premium(s) owed to *Skuld* when due and payable, otherwise:
 - 14.2.1. the *Assured* shall not be covered for any liabilities, losses, expenses or costs which arise out of an *Event* which occurs at a time when the *Assured* owes any premium to *Skuld*,
 - 14.2.2. *Skuld* shall be entitled to cease handling all or any cases *Skuld* is for the time being handling for the *Assured*, and
 - 14.2.3. *Skuld* may cancel this *insurance* under Clause 21.2.
- 14.3. The *Assured* shall pay *Skuld* on demand the amount of any tax or duty relating to all premium paid or payable by the *Assured* and for which *Skuld* is or may become liable.

15. SURVEY AND AUDIT

- 15.1. *Skuld* may at any time and for its sole benefit, conduct a survey of the condition or operation of *the Yacht* or an audit of the *Assured's* management systems.
- 15.2. If the survey or audit demonstrates that the condition or operation of the *Yacht* or her management systems are not satisfactory, *Skuld* in its sole discretion, shall be entitled to restrict cover by way of an Endorsement until the condition, operation and management of the *Yacht* or her management systems are satisfactory or issue a notice of cancellation of *this insurance* under Clause 21.2.

16. THE ASSURED'S OBLIGATIONS FOLLOWING AN EVENT

On the happening of an *Event* which may give rise to liability, loss, expense or cost which may be recoverable under *this insurance*, the *Assured* shall:

- 16.1. notify *Skuld* promptly;
- 16.2. notify the relevant government authority or agency if the *Assured* considers a crime to have been committed or if required to do so by local practice or law;
- 16.3. take all reasonable steps to avert or minimise any liabilities, losses, expenses and costs which may be covered under *this insurance*;
- 16.4. comply with *Skuld's* request for information, documents, statements or inspection;
- 16.5. refrain from admitting liability, waiving rights, settling any claim or appointing any lawyers or arbitrators without the prior written approval of *Skuld*;
- 16.6. preserve any right of recourse against third parties;
- 16.7. allow *Skuld* to handle or take over the handling of any claim or legal or other proceedings in respect of any liability, loss, cost or expense for which the *Assured* is or may be wholly or partly covered under *this insurance* and to conduct such proceedings in the name of the *Assured* and authorise *Skuld* to appoint lawyers, experts, arbitrators, surveyors and other parties on behalf of the *Assured*.

This insurance shall not cover the *Assured* for any liabilities, losses, expenses or costs resulting from the *Assured's* failure to comply with any of the obligations set out in this Clause 16 to the extent that the failure has materially prejudiced *Skuld's* interests.

17. LIMITATION

Where an *Assured* is entitled to limit any liability for any marine claim recoverable under *this insurance*, there shall be no recovery in respect of such liability for more than the amount to which liability could have been limited.

18. LIMIT OF INSURANCE

- 18.1. There shall be no recovery under *this insurance* in excess of the Limit(s) specified in the Certificate of Insurance or an Endorsement arising out of any one *Event* notwithstanding the number of third parties claiming against the *Assured(s)* and/or the number of *Assureds* or others claiming an indemnity under *this insurance*.

- 18.2. In the *Event* of shortfall in recovery from *Skuld's* reinsurers by reason of a sanction, prohibition or adverse action against the reinsurers by a state, international organisation or other competent authority or the risk thereof if payment were to be made by such reinsurers, the *Assured* shall in no circumstances be entitled to recover from *Skuld* that part of any liabilities, costs and expenses which is not recovered by *Skuld*. For the purposes of this provision, the word "shortfall" includes any failure or delay in recovery by *Skuld* by reason of the parties or reinsurers making payment into a designated account in compliance with the requirements of any state, international organisation or other competent authority.

19. DEDUCTIBLES

- 19.1. The deductible of GBP 100 (or if greater, the amount specified as the Deductible in the Certificate of Insurance) shall be paid to *Skuld* in respect of a claim under this insurance for liabilities, losses, expenses and costs arising under any one *Event*.
- 19.2. Where more than one deductible applies in respect of one *Event*, the *Assured* will only be required to pay the largest applicable deductible.
- 19.3. Failure by the *Assured* to pay a deductible which is due will entitle *Skuld* to withhold the indemnity due under *this insurance*.

20. AUTOMATIC TERMINATION OF *THIS INSURANCE*

This insurance shall terminate automatically without notice to the *Assured* in the following circumstances:

- 20.1. there is a change of ownership of the *Yacht* without notice to and prior written approval of *Skuld*;
- 20.2. the *Assured* becomes insolvent, bankrupt, is dissolved or wound up, has a receiver or liquidator appointed or commences proceedings under any bankruptcy or insolvency laws to seek protection (or interim protection) from creditors;
- 20.3. the *Yacht* becomes a total loss or the *Yacht's* hull underwriters have accepted that the *Yacht* is a constructive, compromised or arranged total loss (or is deemed by *Skuld* to be so), except in respect of liability arising out of the casualty which gives rise to the total loss of the *Yacht*;
- 20.4. the *Yacht* is missing and there has been no news of her for thirty days;
- 20.5. the *Yacht* is requisitioned by a State or Government Authority;
- 20.6. expiration of the *period of insurance*.

21. TERMINATION OF *THIS INSURANCE* BY NOTICE

Skuld may terminate *this insurance* by giving:

- 21.1. immediate notice of cancellation to the *Assured*, where the *Assured* is in breach of his obligations of disclosure under Clause 13 or, if in the sole opinion of *Skuld*, the *Assured* has acted in a fraudulent manner or with *wilful misconduct* (in which case there shall be no return of premium to the *Assured*);
- 21.2. seven days' notice to the *Assured* where the *Assured* is in breach of his obligation regarding payment of premium under Clause 14; or following *Skuld's* survey of the *Yacht* or its management systems under Clause 15;
- 21.3. thirty days' notice to the *Assured* without giving any reason; or
- 21.4. on such notice in writing as *Skuld* may decide where, in the opinion of *Skuld*, the *Assured* has exposed or may expose *Skuld* to the risk of being or becoming subject to a sanction, prohibition, restriction or other adverse action by a state or international organisation or competent authority.

Where *this insurance* is terminated under Clause 21.3 the *Assured* will be entitled to a rateable proportion of the remaining premium for the *period of insurance* provided that there has been no claim under the insurance.

Where *this insurance* terminates or cover is otherwise restricted or lost under *this insurance*, the *Assured* shall remain liable for all premiums due.

22. TIME LIMITS

Any claim against *Skuld* shall be time barred unless the *Assured*:

- 22.1. gives written notice to *Skuld* of any *Event* which may give rise to a claim under this insurance within six months of the *Assured* becoming aware of that *Event*; and
- 22.2. commences proceedings against *Skuld* in respect of a claim under *this insurance* within twelve months of receiving written notice from *Skuld* stating that the claim has been declined.

23. PROVISION OF SECURITY

Skuld shall be under no obligation to provide security on behalf of the *Assured*.

24. WAIVER

- 24.1. In the absence of an express written confirmation of cover by *Skuld*, no act (including the provision of security, payment of any sum or handling of any claim) or omission or delay by *Skuld* shall be treated as a waiver of *Skuld's* rights or acceptance of cover.

24.2. If *Skuld* provides security, incurs costs, or makes any payment in respect of a claim or dispute which turns out not to be covered, *Skuld's* position under *this insurance* is not waived and the *Assured* shall indemnify *Skuld*.

25. SUBROGATION

Where *Skuld* makes any payment in respect of any liability or costs, it shall be subrogated to the rights of the *Assured* and any recovery shall be passed to *Skuld* which shall be entitled to deduct a sum up to the amount paid by *Skuld* before any balance is credited to the *Assured*.

26. EXEMPTION OF LIABILITY

Skuld, its officers and employees shall not be liable in respect of any act or omission of *Skuld*, its officers, employees, correspondents, agents, representatives, lawyers, experts, surveyors or other party employed or appointed by *Skuld*, whether or not negligence is involved.

27. BURDEN OF PROOF

The *Assured* shall have the burden of proving that any claim against *Skuld* results from a risk covered under *this insurance*.

28. SAVINGS BY THE ASSURED

Where the *Assured* as a consequence of an *Event* which is covered by *this insurance* obtains extra revenue, saves expenses or avoids liability or loss which otherwise would have been incurred and which would not have been covered by *this insurance*, *Skuld* shall be entitled to recover from the *Assured* or retain from any sum which would otherwise be payable to the *Assured*, an amount equivalent to the benefit obtained by the *Assured*.

29. ASSIGNMENT AND TRANSFERS

The *Assured* shall not, without the written consent of *Skuld*, assign or transfer any rights under *this insurance*, but in no circumstances, shall any assignee or transferee have a greater right than the *Assured*. Any assignment or transfer without *Skuld's* written consent shall not bind *Skuld*.

30. SET OFF

Skuld shall be entitled to set off any amount due by the *Assured* to *Skuld* against any amount that may be due to the *Assured*.

31. INTEREST

In no case whatsoever shall interest be paid on any amount due by *Skuld*.

32. NOTICES

Notices are to be given in writing. Notices to the *Assured* and to *Skuld* are to be sent to their addresses set out in the Certificate of Insurance.

32. LAW

The *Assured* and *Skuld* are free to choose the law applicable to *this insurance*. Unless the Certificate of Insurance states to the contrary, *this insurance* shall be governed by and construed in accordance with English law.

34. JURISDICTION

Unless the Certificate of Insurance states to the contrary, *this insurance* shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

35. MEDIATION

Without prejudice to Clause 34 above, the *Assured* and *Skuld* agree to use reasonable endeavours to resolve any dispute amicably and if appropriate, refer the dispute to mediation.

36. RIGHTS OF THIRD PARTIES

No term of *this insurance* is intended to confer any benefit or right on any *third party* under any applicable legislation including, but not limited to, the Contract (Third Parties) Act 1999.

37. MISCELLANEOUS

Headings in these Terms and Conditions are for ease of reference and convenience and the headings shall not affect the meaning and/or interpretation of any of the provisions of *this insurance*.

PART 5 ADDITIONAL COVER

38. LEGAL COSTS IN HEALTH & SAFETY PROCEEDINGS IN THE UNITED KINGDOM

- 38.1. The *Assured's* reasonable costs for necessary legal assistance in relation to disputes which are directly connected with the operation of the *Yacht* and which are in respect of proceedings under:
- 38.1.1. the Health & Safety at Work Act 1974; and
 - 38.1.2. the Merchant Shipping & Fishing Vessels (Health & Safety at Work) regulations 1974.
- 38.2. However, *Skuld* shall be under no liability to cover or reimburse the *Assured* for costs:
- 38.2.1. which are incurred before the *Assured* notifies *Skuld* of the proceedings;
 - 38.2.2. where the *Assured* fails to carry out any of his obligations under this insurance;
 - 38.2.3. where the proceedings are between joint *Assureds*, *co-Assureds* or parties with joint interests in the *Yacht*;
 - 38.2.4. where the *yacht* is not insured by *Skuld* at the time the cause of action arises;
 - 38.2.5. where the *Assured* appoints a lawyer without the approval of *Skuld*;
 - 38.2.6. where there are no reasonable prospects of successfully defending or pursuing the proceedings;
 - 38.2.7. where there is no reasonable relationship between the prospects of successfully pursuing or defending the proceedings and the costs which are likely to be incurred;
 - 38.2.8. the *Assured* has failed to take reasonable care in the chartering, control or management of the *yacht*, or the position adopted by the *Assured* is unreasonable or the *Assured's* conduct has been imprudent, improper tainted with illegality; or
 - 38.2.9. the *Assured* fails to provide information or documentation which is necessary.

39. WAR P&I RISKS COVER

Liabilities, costs and expenses in respect of which cover under *this insurance* is excluded solely by reason of the exclusion under Clause 12.20.1 for *war risks* provided that:

- 39.1. the Certificate of Insurance or an Endorsement specifies that the *Assured* is insured for "War P&I Risks Cover";
- 39.2. cover under this Clause shall only cover such liabilities, costs and expenses insofar as they exceed amounts recoverable under any other insurance (including, but not limited to, the *Yacht's War Risks* insurance);
- 39.3. cover under this Clause may be cancelled by *Skuld* giving the *Assured* seven days' notice of cancellation in writing;
- 39.4. cover under this Clause shall exclude liabilities, costs and expenses arising out of the outbreak of war (whether declared or not) between any of the following countries: the United Kingdom, the United States of America, the People's Republic of China, France or the Russian Federation, and
- 39.5. cover under this Clause will terminate automatically without notice to the *Assured* should war (whether declared or not) break out between any of the following countries: the United Kingdom, the United States of America, the People's Republic of China, France or the Russian Federation.

40. PRE-DELIVERY CREW

Where the *Assured* has entered into a written contract with:

- 40.1. a yard for the purchase of a new *Yacht* and stations *crew* at the yard or the port where the *Assured's Yacht* is being constructed and/or completed prior to handover and delivery of the *Yacht* by the yard to the *Assured*, or
- 40.2. the Seller for the purchase of a second hand *Yacht* and stations *crew* onboard the *Yacht* for the purpose of inspection, work, familiarisation or hand-over;
the *Assured* will be insured for liabilities, costs and expenses covered under this insurance provided that:
- 40.3. the Certificate of Insurance or an Endorsement specifies that the *Assured* is insured for "Pre-Delivery Crew Cover", and
- 40.4. cover under this Clause shall only cover such liabilities, costs and expenses insofar as there is no cover under any other insurance.

41. RACING

Liabilities covered under *this insurance* incurred while the *Yacht* is participating in a race or is subject to the rules of the race provided that the Certificate of Insurance or an Endorsement specifies that the *Assured* is insured for "Racing".

© SKULD 2015

APPENDIX 1 DEFINITIONS

Affiliate

A person or company *affiliated* with the *Assured* including but, not limited to, the beneficial owner of the *Yacht* and his/her immediate family.

Assured

A person or company named as the *Assured* in the Certificate of Insurance, including any *Co-Assured* or *Affiliate*.

Casualty

An incident affecting the physical condition of the *Yacht* which renders the *Yacht* incapable of safe navigation to her intended destination or which creates a threat to the life or safety of her *crew* or guests.

Chemical, bio-chemical, electromagnetical weapons and computer virus risks

Loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from:

- a) any chemical, biological, bio-chemical or electromagnetic weapon;
- b) the use or operation, as a means of inflicting harm, of any computer virus.

Co-Assured

A person or company named as the *Co-Assured* in the Certificate of Insurance.

Crew

A person employed or engaged to serve on board the *Yacht* in accordance with a *crew* agreement or contract of employment, including a substitute for such a person.

Event

A casualty, incident, accident or occurrence arising from the operation or use of the *Yacht* which may give rise to a claim under *this insurance*. A series of Events which have the same cause will be treated as one Event for the purpose of deductibles.

Extra Costs

Those additional costs necessarily and reasonably incurred by the *Assured* over and above the costs that would have been incurred by the *Assured* had the *Event* giving rise to the claim under *this insurance* not occurred.

ISM Code

International Safety Management Code.

ISPS Code

The International Ship and Port Facility Security Code.

MLC

The Maritime Labour Convention 2006.

Nuclear risks

Liabilities, costs and expenses directly or indirectly caused by or contributed to by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel,
- b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof,
- c) any weapon or device employing nuclear fission and/or fusion or other like reaction or radioactive force or matter, or
- d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

Period of Insurance

The period of cover under *this insurance* commencing unless otherwise agreed at 00:00 hours GMT on the date prescribed in the Certificate of Insurance and ending at the time and date set out in the Certificate of Insurance, unless amended by way of an Endorsement or terminated in accordance with the provisions of *this insurance*.

Personal effects

Items of a personal and portable nature which are taken onboard the *Yacht* and which would not normally be sold with the *Yacht*.

Skuld

Assuranceforeningen Skuld (Gjensidig).

Tender

Any craft owned by the *Assured* which is either stowed onboard the *Yacht* and/or towed by the *Yacht* when she is underway and which is used in connection with the *Yacht* to transfer the owner, guests and *crew* of the *Yacht* or to provide support to the *Yacht* and/or entertainment to the owner, guests and *crew* of the *Yacht*.

Toys

Any personal watercraft (PWC), jetski and other watercraft (other than the *Yacht* or *tender*), para-sailers, para-gliders, bananas, doughnuts or other watersports equipment owned by the *Assured* and stored onboard the *Yacht* when underway.

Third Party

Any person or company other than the *Assured*.

This insurance

These Terms and Conditions, the Certificate of Insurance and any Endorsement issued by *Skuld* (together "*this insurance*").

Valuables

Cash, banknotes or other forms of currency, bullion, works of art, precious or rare metals or stones, plate or other objects of a rare or precious nature, specie, bonds or other negotiable instruments.

War Risks

Liabilities, costs or expenses (irrespective of whether a contributory cause of the same being incurred was any neglect on the part of the *Assured* or his servants or agents) when the loss or damage, injury, illness or death or other accident in respect of which such liability arises or cost or expense is incurred was caused by:

- a) war, civil war, revolution, rebellion, insurrection or resultant civil strife or any hostile act by or against a belligerent power or by any act of terrorism (provided that, in the event of any dispute as to whether or not, for the purposes of this paragraph (a), an act constitutes an act of terrorism, the decision of *Skuld* shall be final),
- b) capture, seizure, arrest, restraint, detainment (barratry and piracy excepted) and the consequences thereof or any attempt thereat;
- c) mines, torpedoes, bombs, rockets, shells, explosions or other similar weapons of war.

Wilful Misconduct

An act intentionally done, or a deliberate omission by the *Assured*, with the knowledge that the performance or omission will probably result in injury, loss, or damage, or an act done or omitted in such a way as to allow an inference of a reckless disregard of the probable consequences.

Yacht

The *Yacht* named on the Certificate of Insurance as the *Yacht* insured under *this insurance*, including her *tender(s)*, *toy(s)*, watersports equipment and other equipment on board. This does not include any shadow vessel in support of the *Yacht* or the shadow vessel's *tender(s)*, *toy(s)* and equipment.

APPENDIX 2 CO-ASSUREDS

1. *Skuld* may agree to extend the cover afforded to the *Assured* to a *Co-Assured* named in the Certificate of Insurance.
2. The cover shall extend only to risks, liabilities and expenses which are within the scope of cover afforded by *this insurance*.
3. Any payment by *Skuld* to the *Assured* or any *Co-Assured* shall be deemed to be payment to the *Assured* and to all *Co-Assureds* jointly and shall fully discharge the obligations of *Skuld* in respect of that payment.
4. Where *Skuld* makes any payment to any *Co-Assured* in respect of any liability or costs, it shall be subrogated to the rights of the *Co-Assured* and any recovery shall be passed to *Skuld* which shall be entitled to deduct a sum up to the amount paid by *Skuld* before any balance is credited to the *Co-Assured*.
5. The contents of any communication between *Skuld* and the *Assured* or any *Co-assured* shall be deemed to be within the knowledge of the *Assured* and all *Co-Assureds*.
6. Any failure by the *Assured* or any *Co-Assured* to comply with any of the obligations under *this insurance* shall be deemed to be a failure of the *Assured* and all *Co-Assureds*.
7. Any conduct or omission by the *Assured* or any *Co-Assured* which would have entitled *Skuld* to reject or reduce any claims shall be deemed to have been the failure of the *Assured* and all *Co-Assureds*.
8. *Skuld* shall not cover any liability, loss, expense or costs in respect of any dispute between the *Assured* and any *Co-Assured*.
9. The total liability of *Skuld* in respect of any one *Event*, to the *Assured* and to any *Co-Assured* shall not, in any circumstances, exceed such sum as would have been recoverable from *Skuld* only by the *Assured*.
10. In the Event that the total liability of *Skuld* is less than the total sum claimed by the *Assured* and by any *Co-Assured*, *Skuld* shall be entitled to apportion payment in proportion to the respective amounts claimed.

© SKULD 2015