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## Dinghy Policy

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# 1 About your policy

Your policy is the contract of insurance between you (the policyholder named on your insurance certificate) and us (the insurers named on that certificate).

Your policy is made up of your insurance certificate and this document. It includes any 'additional conditions' and 'underwriting information' printed on your insurance certificate. The 'Claims advice' section in the booklet this document is printed in does not form part of your policy.

You can find a summary of the policy in the 'Key facts' section of the booklet this document is printed in.

## Important

We have asked for information about you and your dinghy. This information is shown on the proposal form (if you filled in a proposal form) or your insurance certificate (in the 'Underwriting information' section). We have used this information to decide whether to insure you and your dinghy and how much to charge you. If the information you have given us is wrong, your policy may not be valid and we may refuse to pay any claim you make.

The amount we have insured your dinghy for is the agreed value of the dinghy. If the information you have provided about the value of the dinghy (including the price you bought it for) is false, your policy may not be valid and we may refuse to pay any claim you make.

## Dinghy

The word 'dinghy' in this policy means the dinghy listed on your insurance certificate. It also means the machinery, boats, gear and equipment that would normally be sold with the dinghy. It does not include moorings.

## **2 Cover if the dinghy is lost or damaged**

2a We will pay you if the dinghy or other property listed on the insurance certificate is lost or damaged as a result of:

- an accident;
- theft; or
- someone (not you) deliberately damaging the dinghy.

We will also pay any reasonable costs that you pay in an emergency to prevent any loss or damage which would have been covered by this policy.

### **2b What we will pay**

- 1 The most we will pay you is the amount we insured the dinghy for (the 'sum insured'), less your excess (the part of the claim you pay).
- 2 If the cost of repairing the dinghy is more than the sum insured, we will pay you the sum insured, less both your excess and the value of the dinghy in its damaged condition.
- 3 If your insurance certificate shows a separate sum insured for any item, the most we will pay is the amount printed on your insurance certificate for that item, less the excess.
- 4 The most we will pay for any loss or damage to any outboard motor is its market value at the time it was lost or damaged, less the excess. If the market value is more than the value shown on the insurance certificate, we will only pay the value on the certificate, less the excess.
- 5 Instead of paying to replace anything which is lost or damaged, we may repair it or replace it with a part of similar age, type and condition.
- 6 We may reduce the amount we pay you for loss or damage to:
  - protective covers;
  - machinery, batteries, outboard motors and boats;
  - paintwork and surface finishes; and

- masts, spars, sails, standing and running rigging.

However, we will only do this if we believe that repairing or replacing the part would restore the dinghy to a better condition than it was before the loss or damage happened.

**2c We will not pay you:**

- 1 for loss or damage if the dinghy is not used as set out in section 5;
- 2 for loss or damage if one of the general exclusions in section 6 applies;
- 3 for the cost of replacing any faulty parts, or the cost of putting right any fault in the way the dinghy was designed, built, maintained or repaired;
- 4 for loss or damage caused by wear and tear, corrosion, osmosis or electrolysis;
- 5 for the condition of the dinghy getting worse (for example, through wear and tear, the weather, rust, or damp);
- 6 if you fail to maintain the dinghy, including its machinery and equipment;
- 7 for sails if they split or are blown away by the wind while the dinghy is being used;
- 8 for outboard motors which fall into the water, unless they were attached to the dinghy or the shore by a safety chain or rope;
- 9 for any losses you suffer from not being able to use the dinghy, or any other indirect losses which you suffer as a result of the dinghy being lost or damaged, such as travel costs or loss of earnings;
- 10 for the cost of any repairs or replacements which put the dinghy in a better condition than before the accident;
- 11 for the cost of repairing or replacing any part of the dinghy which cannot be replaced or repaired because it or a part of it is no longer made – in this case, we will pay you the amount we decide it was worth before it was damaged, taking into account:
  - any information you provide on the cost of the part when it was last available; and

- the cost of similar parts of similar age, type and condition;
- 12 for the cost of altering or replacing other parts of the dinghy that are not damaged to be able to match parts that have been repaired or replaced (we will only pay to repair or replace parts that have been damaged);
  - 13 if the value to the dinghy falls because it has been damaged and repaired;
  - 14 for any damage if the same part is damaged again or the dinghy is destroyed before that part has been repaired;
  - 15 for loss or damage caused by insects, vermin or marine life;
  - 16 for loss or damage that happens because rainwater has collected in the dinghy;
  - 17 for any delay in repairing or replacing the dinghy (this includes any increase in costs after a delay);
  - 18 for loss of any boat which is part of the dinghy's equipment, unless it is permanently marked with the name of the dinghy;
  - 19 for repairing or repainting minor damage (such as scratches or dents) that happen when the dinghy is moved by road; or
  - 20 for loss or damage that happens because any trailer the dinghy is being carried on is not roadworthy or because any trolley or trailer is not capable of carrying the dinghy safely.

## **2d Theft**

We will not pay you if someone:

- 1 steals anything from inside the dinghy or the place the dinghy is stored if there are no signs that the person has used violence to force their way in;
- 2 steals anything from the outside of the dinghy, unless it was fixed to the dinghy and we can see that the person used violence and force to remove the item;
- 3 steals any boat which is part of the dinghy's equipment, unless it is permanently marked with the name of the dinghy;
- 4 steals any outboard motor if there is no sign the person used violence to force their way into the place where it was being

kept, or if it was not locked to the dinghy with a lock designed and marketed as an outboard-motor lock;

- 5 steals the dinghy's trailer and anything on it (including the dinghy), unless it was locked with a wheel clamp while not being towed (the wheel clamp must be used even if the trailer and towing vehicle are only parked for a short time); or
- 6 acts in a fraudulent or dishonest way to steal the dinghy or anything else we insure.

## **2e Machinery**

We will not pay you if the dinghy's engines, gearboxes, electrical machinery, electrical equipment, batteries or connections are lost or damaged as a result of:

- 1 any part not working properly;
- 2 you or anyone else not using or maintaining the machinery properly;
- 3 any fault in the engine, gearbox, machinery, equipment, battery or connection even if you could not have known about it;
- 4 the fuel being contaminated or the quality of the fuel deteriorating or changing;
- 5 frost, if we believe you did not take all reasonable steps to prevent frost damage;
- 6 water, unless:
  - the hull of the dinghy is accidentally damaged while afloat and water immediately floods into the dinghy as a result; or
  - the water flooded into the dinghy because of rare and extreme weather conditions;
- 7 water getting into the engine; or
- 8 you failing to prevent the condition of the equipment from getting worse after any accident.

## **2f Racing**

Our total liability for masts, spars, sails, standing and running rigging which are lost or damaged will be limited to 50% of the sum insured for

the hull, machinery and equipment, as shown on the insurance certificate.

### **3 Personal belongings**

If your personal belongings are insured, your insurance certificate will show this under 'Interest' as well as the value of the belongings you have insured. If the certificate does not mention your personal belongings or there is no amount shown, your personal belongings are not insured.

#### **3a If you have insured your personal belongings**

- 1 We will pay you if your or your family's personal clothing and belongings are accidentally lost or damaged:
  - while they are on-board the dinghy; or
  - while you are taking them to or from the dinghy.
- 2 We will also pay if any belongings covered by this section are stolen or deliberately damaged (though not by you).

#### **3b What we will pay**

- 1 The most we will pay is the amount shown on your insurance certificate for personal belongings, less your excess.
- 2 We will reduce the amount we pay you if the total value of the belongings covered by this section at the time of the accident is more than this amount.
- 3 We may repair or replace any personal belongings instead of paying for the loss or damage.
- 4 We may also reduce the amount we pay to take account of the cost to replace used items with new ones.

#### **3c We will not pay you:**

- 1 for loss or damage caused while the dinghy is not being used as set out in section 5;
- 2 for loss or damage if one of the exclusions in section 6 applies;
- 3 for loss or damage caused by wear and tear, damp, insects, vermin or marine life, or the cost of replacing or repairing anything which is obsolete (something which used to be generally available but no longer is);

- 4 if anything is stolen from a vehicle or the dinghy if there is no sign that the person used violence to force their way into the vehicle or dinghy;
- 5 for any brittle (hard and fragile) items which are broken;
- 6 for any item which is worth more than £100, unless you have declared it to us separately and we have agreed to insure it;
- 7 for money, traveller's cheques, securities (such as share or Premium Bond certificates) or credit, debit or charge cards;
- 8 for fine art, jewellery, watches, spectacles, sunglasses or contact lenses;
- 9 for electronic equipment, including computers, games machines, personal digital assistants (PDAs), software, mobile phones, cameras (including video cameras and associated equipment) or personal entertainment devices, including MP3 players and similar;
- 10 for tools, diving equipment, sports equipment, fishing equipment or bicycles; or
- 11 for any belongings insured under any other policy.

## **4 Liability to other people**

### **4a What is covered**

- 1 We insure you for accidents, involving the dinghy, which you are responsible for (known as 'liability') and in which:
  - someone is killed or injured; or
  - someone else's property is damaged.
- 2 We also insure, in the same way, anyone who you have allowed to take charge of the dinghy, unless you or someone else is paying them to be on the dinghy.
- 3 We also insure the costs you are responsible for paying to remove the wreck of the dinghy after it sinks, as long as we have to pay, under this policy, your claim for the damage to the dinghy.
- 4 We will also pay any legal costs involved in defending a claim someone has made against you (but only if you have our written permission to make that defence).

### **4b What we will pay**

- 1 The most we will pay is the amount shown on your insurance certificate for 'third-party liability', less any excess, for:
  - any accident; or
  - any series of accidents caused by the same event;even if more than one person makes a claim.
- 2 If the claim relates to anything that happened in the United States of America or Canada, the most we will pay is £500,000, less any excess, for:
  - any accident; or
  - any series of accidents caused by the same event;even if more than one person makes a claim.
- 3 If your insurance certificate does not show an amount for third-party liability, the most we will pay is the agreed value of the dinghy, less any excess.

#### **4c We will not pay for any liability:**

- 1 if you admit you were responsible for the accident without us agreeing to it in writing;
- 2 if the dinghy was not being used as set out in section 5, or the accident happened while the dinghy was being moved by road;
- 3 if one of the general exclusions in section 6 applies;
- 4 to you or to anyone who owns, leases, charters or pays a mortgage on the dinghy or who has any other rights in the dinghy;
- 5 to any person owning any part of a company the dinghy is owned by, whether directly or indirectly;
- 6 to anyone in charge of the dinghy;
- 7 as a result of any contract;
- 8 to your employees or to anyone else who is being paid to be on-board or to work on the dinghy;
- 9 to any person if they or someone else were paying for that person to be on-board the dinghy;
- 10 relating to any diver from the dinghy who is using underwater breathing equipment;
- 11 to pay fines, penalties or any damages that are more than the amount needed for simple compensation (these damages are sometimes called 'punitive' or 'exemplary' damages but other names are also used); or
- 12 for any costs you have to pay as a result of criminal proceedings against you.

#### **4d Security**

We will not pay or take any steps to prevent the dinghy being arrested (in other words, when any court, government or other authority or anyone else making a claim against you or the dinghy takes possession of the dinghy) or to get it released from arrest.

## 5 Using the dinghy

We will not pay you for any loss, damage, liability or costs if you do not keep to the conditions of this section.

### 5a You must:

- 1 keep the dinghy seaworthy and fit for using in the cruising range printed on your insurance certificate;
- 2 make sure that all equipment and machinery is serviced in line with the manufacturer's recommendations;
- 3 make sure that any swinging mooring identified on the insurance certificate as a location for your dinghy to moor is suitable for the dinghy to use, professionally laid, and inspected by a professional mooring contractor at least once every 12 months;
- 4 make sure that any other swinging moorings your dinghy uses are suitable;
- 5 keep the dinghy at one of the mooring locations printed on your insurance certificate when you are not using it, making sure you:
  - bring the dinghy ashore or place it in a marina on a pontoon berth during any period shown against 'ashore/marina pontoon berth' on the insurance certificate; and
  - at other times, use the dinghy in the cruising range described on the insurance certificate or leave it with a reputable boatyard which is carrying out work on the dinghy;
- 6 get our permission in writing before changing the mooring location where you usually keep the dinghy when you are not using it;
- 7 only use the dinghy for your own pleasure, or the pleasure of your guests (you must not charge them to use the dinghy);
- 8 only use the dinghy legally (however, simple mistakes in navigating or handling the boat which break the Collision Regulations (The International Regulations for the Prevention of Collisions at Sea) will not be treated as breaking this condition);
- 9 make sure that the dinghy keeps to all relevant safety regulations; and

- securely tie the dinghy down to the ground if you store the dinghy ashore for any period.

**5b You must not:**

- 1 use the dinghy outside the cruising range printed on your insurance certificate; or
- 2 allow anyone else to be in charge of the dinghy unless they have qualifications or experience appropriate for the conditions they are likely to sail in.

## **6 General exclusions**

These exclusions apply to all sections of your policy.

### **6a Events not covered by this policy**

You are never insured for any loss, damage, liability or costs directly or indirectly caused by:

- 1 war, including a revolution, a rebellion, an invasion or a similar event;
- 2 a riot;
- 3 strikes or any other industrial action;
- 4 terrorism (except where not covering the risk of terrorism in the policy is banned by law);
- 5 being captured, arrested or held in custody;
- 6 any chemical, biological, biochemical or electromagnetic weapon; or
- 7 radioactivity, including:
  - any nuclear explosion, contamination or radiation;
  - radiation or radioactive contamination from any nuclear fuel or waste; or
  - the radioactive, toxic, explosive or other dangerous properties of any radioactive matter or nuclear device.

### **6b Items not covered by this policy**

You are never insured for any loss, damage, liability or costs relating to:

- 1 fuel, lubricants, paints, polishes, spares or other stores;
- 2 food, drink, cleaning materials or other consumable items (items that are replaced once they are used up);
- 3 fishing gear or diving equipment; or
- 4 moorings.

## **7 Claims**

You must follow the conditions of this section if you have to make a claim. If you do not, we will not pay you.

### **7a Emergency repairs**

If the dinghy is damaged, you must take appropriate action to prevent further damage. For example, if the engine and machinery might have been damaged by water, you must make sure that they are treated urgently to prevent them from deteriorating further. You must do this even if the dinghy is only partly flooded.

### **7b Providing false information**

Any information you give us when making a claim must be true. If you tell us something false by mistake, you must tell us as soon as you realise. If you mislead us about what happened or about the amount of the claim, we will not pay anything. We may also cancel the policy and we will not refund any premium you may have paid.

### **7c Admitting liability**

You must get our permission before you admit liability for any claim made against you.

### **7d Making a claim**

#### **You must:**

- 1 tell us as soon as anything happens which might mean you have to make a claim (you must do this even if you are not sure if the dinghy has been damaged or if someone else is going to make a claim against you);
- 2 send us a copy of any claim that someone makes against you as soon as you receive it (we may have to respond to the claim very quickly);
- 3 report any crime (including theft and deliberate damage) to the police immediately;
- 4 tell us the hull identification number of the dinghy and the serial number of any outboard motor which is lost or stolen (if the equipment is lost and you cannot provide accurate serial numbers, we will not pay your claim); and
- 5 help us find out what happened and allow any surveyor we appoint to inspect the dinghy.

## **7e After you make a claim**

- 1 We may:
  - take over and defend any claim made against you;
  - make any claim in your name to recover anything we have paid you;
  - appoint solicitors to deal with any claim; and
  - settle any claim made against you.
- 2 You must give us all the help and information we need. This may include being interviewed by and providing statements to anyone we appoint.

## 8 Excess

- 1 Your insurance certificate shows the excess which applies to each section of the policy and each item we insure. We will reduce any claim you make by the amount of any excess which applies.
- 2 If more than one excess applies, we will reduce the claim by only the highest amount of excess that applies.
- 3 We will reduce your claim by double your excess if you make the claim because of something that happens while the dinghy is being used outside the United Kingdom and Ireland.

## **9 General conditions**

### **9a Cancelling your insurance**

- 1 You can cancel your insurance by phoning us or by writing to us.
- 2 If you cancel your insurance:
  - within 14 days of the beginning of the period of insurance shown on your insurance certificate, we will return the premium you have paid, less £30;
  - more than 14 days after the beginning of the period of insurance, we will return the premium for the rest of the period of insurance, less £30, as long as this is more than £10. If it is less than £10, we will not return any premium.
- 3 If you have made a claim, you will not be entitled to receive a refund of any premium you paid. If you later make a claim for something which happened before you cancelled your policy, you must pay us the premium we refunded you, before we deal with the claim.
- 4 We may cancel your insurance at any time by writing to you. We will cancel your insurance on the 15th day after we send our letter to you.

### **9b Change of ownership**

Your insurance ends as soon as you sell, give up or transfer any interest in the dinghy or there is a change in the controlling interest of the company that owns the dinghy.

### **9c Law**

You and we can choose the law which applies to this contract. Unless you and we have agreed something else, English law will apply and the English courts will have the authority to deal with any disputes.

## 10 Complaints

If you have a complaint, please contact the General Manager at our address shown on the insurance certificate.

If you are not satisfied with how we have handled your complaint, you can refer the matter to the Complaints Department at Lloyd's. Their address is:

Complaints Department  
Lloyd's  
One Lime Street  
London  
EC3M 7HA.

Phone: 020 7327 5693  
Fax: 020 7327 5225  
E-mail : complaints@lloyds.com

If the Complaints Department cannot sort out your complaint, the Financial Ombudsman Service might be able to help. We will give you more details when you need them or if you ask.

**Reference: Dinghy Policy SDY 01/08**