

PRODUCT INFORMATION SHEET (PART A), CONSUMER INFORMATION (PART B) PANTAENIUS YACHT HULL CLAUSES PYHC

PART A: PRODUCT INFORMATION SHEET FOR YACHT HULL INSURANCE

The following information is intended to provide you with an initial overview of yacht hull insurance. However, this information is **not exhaustive**. The contract is made up of the application, the insurance policy and the accompanying conditions of insurance. The regulations set out in these documents are material to the insurance cover. Please therefore ensure that you read through the entire policy provisions thoroughly.

1. Which insurance contract are we offering?

In the present case, we are offering you a hull insurance policy for the named yacht.

2. For what does your Pantaenius Yacht Hull Insurance provide benefit?

The insurance covers damage to the named yacht, its machinery, apparatus, fixtures and fittings, dinghies as well as personal effects. The cover is effective within the cruising area specified in the policy and includes any customary stay out of the water, e. g. at winter storage or shipyards including hauling out and launching. Money, valuables and jewellery, food and luxury items are some of the items which are not insured. Please refer to §§ 1 - 3 of the PYHC for the exact scope of insurance.

In the case of a claim, the agreed fixed rate will be paid; for partial damage the necessary replacement costs without deductions on a "new for old" basis will be compensated. Please refer to §§ 9 and 10 of the PYHC for more details.

3. How much is the premium and when do you have to pay it?

Please refer to your application and the insurance policy for the amount of the premium as well as the duration of the contract. The premium is due two weeks after receipt of the insurance policy. Should you culpably fail to pay the premium, the Insurer is then entitled to withdraw from the contract.

4. What is not insured?

Insurance cover does not exist for all possible events. Intentional damage by the policyholder or damage caused by war, for example, are excluded from the insurance cover. Please refer to § 6 of the PYHC for more details regarding the exclusions.

5. What obligations must be complied with when concluding the contract?

In order that we may assess your application properly, please answer all questions in the application and in additional documents fully and correctly. You can find more details about this in specific correspondence relating to your pre-contractual duty of disclosure forming the basis of the application.

6. What must be observed during the duration of the insurance contract?

The insurance contract may have to be adapted in the event of a change of circumstances (increased risk), about which we have made enquiries in the application or further correspondence. You must therefore inform us of any such changes. This applies, for example, if changes occur in relation to the cruising area or the machinery.

7. What obligations must be observed in the case of a claim?

In the case of a claim, you are subject to certain obligations with which you must comply in order to prevent any release from obligation to perform. These obligations can be found in § 11 of the PYHC.

8. What are the consequences if you fail to observe points 5-7?

You must observe the obligations referred at figures 5 to 7 with care, as they are of great importance for the implementation of the insurance contract. If you fail to comply with the contractual obligations there may be serious consequences, depending on the nature of the breach of duty. You could lose your insurance cover partially or even totally, or the Insurer could be entitled to withdraw from the insurance contract. Please refer to the insurance conditions for more details.

9. How long does your insurance contract last? How can it be terminated?

The duration of the contract is set out in the insurance policy. You may terminate the contract in writing no later than three months before the renewal date. There is also an opportunity to terminate in the case of a claim. The contract will also come to an end if you dispose of the yacht or suffer total loss.

PART B: CONSUMER INFORMATION

1. Risk carrier

The risk carrier is essentially a consortium of several insurers. The exact involvement of the insurers participating in this contract, their address for service, companies register number and further information can be found in the quotation and the annexed address sheet of insurers for whom Pantaenius GmbH & Co. KG acts.

2. Information about Pantaenius GmbH & Co. KG

Pantaenius GmbH & Co. KG
Grosser Grasbrook 10, D-20457 Hamburg
Registration court: County court Hamburg (HRA 72656)
Shareholder with personal liability:
Harald Baum GmbH, based in Hamburg
Registration court: County court Hamburg (HRB 63869)
Managing directors: Harald Baum, Martin Baum, Daniel Baum, Anna Baum

Insurance Broker Information

Pantaenius acts as a 'bonded insurance agent' according § 34d para. 1 German Trade, Commerce and Industry Regulation Act for pools of insurers regarding the following insurance classes: Yacht Hull, Yacht Third-Party Liability, Yacht Personal Accident and for one Yacht Legal Expenses insurer. Pantaenius' activity corresponds to this of an 'underwriting agent' who is given wide-ranging authority by insurers. Yacht owners can therefore be confident that all statements made to Pantaenius are treated as having been received by the insurers. The same applies to premium payments made to Pantaenius. Pantaenius offers everything on a professional basis – from the conclusion of a contract to claims payment.

Insurance Broker Register

According to legal requirements Pantaenius' entry into the insurance broker register is made in the name of Harald Baum GmbH, the partner of Pantaenius GmbH & Co. KG having unlimited liability. You will therefore find the entry in the insurance broker register under the name of Harald Baum GmbH, as an insurance agent under § 34d German Trade, Commerce and Industry Regulation Act. The registration number is D-57B1-CBTDS-70.

All insurance brokers' entries could be verified at:
Deutscher Industrie- und Handelskammertag (DIHK) e. V.
[German Chambers of Industry and Commerce]
Breite Strasse 29, 10178 Berlin

Tel: 0180 500 5850 (14 eurocents per minute from German landlines, max. 42 eurocents per minute for calls made from mobile networks), or by visiting www.vermittlerregister.info.

Information and Market Principles

With over a hundred years of experience, Pantaenius not only designs its own insurance concepts, but offers a diversity of yacht insurance products in co-operation with single insurers or pools of insurers. Each pool is brought together on selection of appropriate insurers following close market observation. Pantaenius has a reputation for innovation, and its specialists are constantly devising new yacht insurance terms and conditions and customising existing conditions as appropriate to developments within the market. Our products are suitable for owners of private and pleasure yachts.

We should like to point out that Pantaenius offers a limited range of insurance products and insurer pools that are exclusively arranged by Pantaenius.

Mediation body

In the event that you are not entirely satisfied with the service we have provided, you may address your complaint to:

Versicherungsbund e.V. [the Insurance Ombudsman], Postfach 080632, 10006 Berlin; Ombudsmann für private Kranken- und Pflegeversicherung [the Insurance Ombudsman for Private Health Care and Long Term Care Insurance], Kronenstraße 13, 10117 Berlin

3. Fundamental features of the insurance

For the fundamental features of the insurance for which you have applied (e.g., the type, scope, commencement of the insurance cover and payment date of the premium), please refer to the product information sheet, the application, the insurance policy, the conditions and also this consumer information sheet.

4. Total price of the insurance

The amount of the premium (including a fee of EUR 2.50 plus applicable current taxes) can be found in the quotation as well as in your application.

5. Payment / performance, conclusion of the contract

The contract is legally in force when the insurance policy is sent to you. Cover commences on the date stated in the policy. Premiums are due two weeks after receipt of the policy. If you do not authorise us to collect the premium by direct debit, you must send payment within that time.

6. Period of validity

We are bound by the terms and conditions communicated to you in the quotation for a period of three months from the date you receive the documents.

7. Notice regarding revocation

Right of revocation

You may revoke your declaration of intention to conclude a contract, without needing to state reasons, by giving written notice (e.g. by letter, fax, email) within 14 days.

The revocation period begins to run upon receipt of written copies of the insurance certificate; the policy terms, including the General Insurance Terms and Conditions; additional information pursuant to Section 7, paras. 1 and 2 of the German Act on Contracts for Insurance (*Versicherungsvertragsgesetz*, VVG) in conjunction with Sections 1-4 of the German Ordinance on VVG Information Obligations (*VVG-Informationspflichtenverordnung*); and these instructions. However, with regard to contracts concluded electronically, this does not apply until the insurer has fulfilled its obligations under Section 312e, para. 1, first sentence of the German Civil Code (*Bürgerliches Gesetzbuch*, BGB) in conjunction with Article 246, section 3 of the Introductory Act to the German Civil Code (*Einführungsgesetz zum Bürgerlichen Gesetzbuche*, EGBGB).

The revocation deadline is complied with if the revocation is sent out in a timely manner. The revocation is to be addressed to:

Consequences of revocation

If revocation was validly made, insurance coverage terminates, and you will be reimbursed for that portion of the premium attributable to the period following receipt of the notice of revocation, provided that you had agreed that insurance coverage was to commence prior to the end of the revocation period.

The portion of the premium attributable to the period up to receipt of the notice of revocation may be retained; this involves an amount calculated as follows: annual premium divided by the number of calendar days in the relevant year, multiplied by the number of days for which insurance coverage was in place.

Amounts repayable are reimbursed without delay and not later than 30 days following receipt of the notice of revocation. If insurance coverage did not commence prior to the end of the revocation period, and if the revocation was validly made, any performance received is to be returned, as are any derived benefits (e.g. interest).

Special notifications

Your right of revocation is void if, at your express instruction, the contract was performed in full both by you and by the insurer prior to your having exercised your right of revocation.

There is no right of revocation for contracts having a term of less than one month.

- End of revocation notice -

8. Duration of the contract

The insurance contract will be concluded for a period of one year and will be automatically renewed for a further year unless notice of cancellation is given in writing at least three months prior to the renewal date.

9. Right of termination

Please refer to the insurance conditions for the provisions relating to the right of termination.

10. Applicable law

The law of the Federal Republic of Germany shall apply to the insurance contract.

11. Contract language

The contract language is English. Any communication shall take place exclusively in the English language.

12. Alternative dispute resolution

In the event that there is a difference of opinion between you and Pantaenius or between you and the Insurers' underwriting the Pantaenius products, you may call upon the service of the following body:

Versicherungsbund e.V. [the Insurance Ombudsman]
Postfach 080622, 10006 Berlin
www.versicherungsbund.de

The process is free of charge for you. The ombudsman's decisions are binding on the insurer up to a dispute value of EUR 5,000.00. Your right to commence legal proceedings remains unaffected by this process.

13. Disputes with the supervisory authority

You may also refer disputes, free of charge, to the responsible supervisory authority Bundesanstalt für Finanzdienstleistungsaufsicht, Graurheindorfer Str. 108, 53117 Bonn.

PANTAENIUS-YACHT-HULL-CLAUSES (PYHC)

15.11001/EU/0111

§ 1 INSURED PROPERTY

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

§ 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. Occasionally leaving the cruising area, shall be deemed to have been notified and is therefore covered. However, it must be reported as soon as practicable to the Insurer for possible charge of an additional premium.

2. Transports are covered as per § 4.

§ 3 INSURED RISKS

1. The insurance covers loss of or damage to the insured property arising out of stranding, inrush of water, sinking, grounding as well as breakage, bending or distortion of masts, booms and spars, and tearing of standing or running rigging, accident, fire, scorching, smouldering, short-circuit, lightning, explosion, Acts of God (force majeure), burglary, robbery, piracy, theft of the vessel, malicious acts (e. g. vandalism) and collision with any fixed or floating object. 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.

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

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

§ 4 TRANSPORTATION 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 transportation is suitable and 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 suitably secured.

Sea and air transports of insured property, excluding however the vessel herself and personal effects, are covered worldwide.

2. Insurance coverage for all other transportation risks must be specifically agreed in advance by the Insurer.

§ 5 COSTS AND EXPENSES

1. The Insurer will reimburse reasonable salvage costs as well as other expenses incurred by the Insured to avoid or reduce a claim (§ 11 2.), regardless if the measures taken were successful or not. Furthermore, reasonable wreck removal and disposal 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 EUR 5,000.00.

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 § 8 does not apply to those costs and expenses.

§ 6 EXCLUSIONS

The insurance does not cover:

a) Loss or damage sustained whilst the vessel is used other than for sport or pleasure (including business entertainment), unless such other use (e. g. bare-boat charter/skipper charter) is specifically agreed in advance by the Insurer.

b) Loss or damage arising out of faulty construction, faulty manufacture, faulty materials or 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 fault or normal wear and tear are insured within the framework of these conditions.

c) Loss or damage caused by

- war, civil war or warlike occurrences as well as the presence of any kind of weapons of war brought about by war, civil 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, bio-chemical substances or electromagnetic waves as weapons as well as use of any kind of electronic systems as a means for inflicting harm,

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

- riot, civil commotions, 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 the 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) fine art objects and antiques exceeding EUR 3,000.00 per item.

§ 7 CAUSING THE INSURED EVENT

The Insurer shall not be obliged to make any payment if the Insured Party wilfully induces the insured event. If the insured event occurs as a result of gross negligence, the Insurer shall be entitled to reduce the amount paid out according to the degree of negligence.

§ 8 DEDUCTIBLE

The deductible stated in the policy will apply to every claim, except in the case of total loss, burglary, loss or damage due to fire, lightning, loss or damage to personal effects, loss or damage during transports as defined in § 4.1 and any loss or damage solely attributable to the negligence of a third party colliding with the insured vessel while it is stationary.

§ 9 AGREED FIXED VALUE

1. The maximum insurable value is the current new replacement value (the actual costs of replacing insured property with new objects of the same kind and quality).

The value specified in the policy (sum insured) is conclusive of the insurable value (agreed fixed value).
2. The Insurer cannot argue under-insurance.

§ 10 AMOUNT OF INDEMNITY

1. In the event of an actual total loss or constructive total loss (costs of reinstatement exceed the sum insured) the sum insured according to § 9 will be paid.

2. Claims for partial loss or damage will be settled on the basis of the necessary costs of repair or replacement without any deduction "new for old". The costs of transporting the vessel to and from the repair yard will be reimbursed like costs of repair.

Unless otherwise specified in the policy, the maximum indemnity for personal effects is 2 % of the sum insured, up to a maximum of EUR 3,000.00.

3. The Insurer is entitled to deduct from any claim settlement under § 10.1 and § 10.2 the realisable value of any remaining items. The Insured cannot avoid this deduction by placing these remaining items at the disposal of the Insurer.

§ 11 OBLIGATIONS IN THE CASE OF AN INSURED EVENT

1. The Insured is obliged to notify the Insurer without delay of every loss of or damage to the insured property. In the case of fire, explosion, theft, burglary, vandalism, robbery, piracy, and in the case of section 3 (3), in the event of embezzlement and fraud a statement must be filed at the nearest police station without delay.

2. The Insured is obliged to take all such measures considered appropriate and reasonable to avoid or reduce the claim and to comply with any instructions given by the Insurer.

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

4. If one of the obligations in § 11.1 - § 11.3 is infringed, the Insurer, in keeping with legal provisions, particularly § 28 and § 82 of the German Insurance Act (VVG), is relieved of any obligation to perform.

§ 12 CLAIM SETTLEMENT

1. The Insurer will proceed without delay with all necessary inquiries to clarify the merits of the claim and the extent of his obligation to perform.

2. In the event of theft, as well as in the case of section 3 (3) in the event of misappropriation and fraud, the Insurer is not obliged to settle claims until two months have elapsed from the date of notification. If any item is recovered, the Insured is obliged to take it back only if the period between the date the claim was notified and the date the Insured is in possession of the recovered item does not exceed two months.

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

§ 13 INCEPTION OF COVER

The insurance coverage begins at the day and hour stated in the policy. The rule that the Insurer is not liable for any claims under the contract prior to payment of the first premium as defined in § 37.2 of the German Insurance Act (VVG) does not apply.

§ 14 DURATION OF THE CONTRACT, CANCELLATION

1. 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 three months prior to the renewal date.

2. 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, insofar as he does not object, is granted provisional cover under the terms and conditions of this contract for a period of one month following the date of transfer. 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.

§ 15 NOTICES, DECLARATORY ACTS

All statements and declaratory acts for the Insurer made by the Insured within the framework of this contract are deemed legally executed when made to Pantaenius.

§ 16 GENERAL CONDITIONS

1. Payments by the Insurer and Insured will be made in the currency of the sum insured and premium noted in the policy.

2. German law applies.

3. The benefits under this contract may not be assigned to third parties without the Insurer's express agreement.

4. If the contract is placed with more than one Insurer, each Insurer is liable only for his share, i.e. there shall be no joint liability. Any agreement between the Leading Insurer and the Insured is binding for all other participating Insurers. Upon request, Pantaenius will provide the Insured with the names and shares of the participating Insurers in writing.

5. In addition the contract is governed by the German Insurance Act (VVG).