

Loss of Yacht Charter Hire

1. If in consequence of any loss, damage or occurrence covered hereon and occurring during the period of this insurance the yacht is prevented from earning hire then this policy shall indemnify the Assured to the extent of the net charter fees so lost (as defined below) for each 24 hours during which the yacht is so prevented from earning hire for not exceeding 60 days in respect of any one accident or occurrence and in all provided that the repairs in respect of which a claim is made hereunder are completed within SIX months of the expiry of the period covered by this policy.

For the purposes of this clause the daily charter fee shall be calculated at pro rata of the appropriate published weekly rate of hire (as agreed with Insurers) less all normal expenses not incurred during the period the yacht is off hire. Normal expenses are deemed to be the cost of fuel, stores and provisions, and commissions, dues or similar expenditure.

Any indemnity recoverable under this policy will be restricted to losses incurred under signed charter agreement for which payment of a binding deposit has been made prior to the date of casualty, and only for the amount in excess of the first 30 days charter hire so lost in respect of each accident.

2. No claim to attach to this policy if the accident in respect of which such claim arises is the cause of the vessel becoming a Total or Constructive Total Loss.

3. In all cases where a recovery is obtained from third parties in respect of loss of earnings or demurrage such recovery shall be apportioned between the Assured and the Insurers as their respective interests may appear.

4. Subject to cruising confined to Policy Limits. Cruising outside these limits may be covered at terms to be agreed subject to prior notice.

5. Should the vessel at the expiration of this policy be at sea or in distress at port of refuge or of call, she shall, provided previous notice be given to the Insurers, be held covered at a pro rata daily premium to her port of destination.

6. In the event of the yacht named herein being sold this insurance is automatically cancelled, unless Insurers' written agreement to the transfer of ownership is obtained prior to the date of sale.

7. (i) Warranted that hull insurance is maintained during the period of this insurance on full conditions.

(ii) Warranted that the yacht named herein is under the charge of a professional skipper appointed by the Owner or his Agent.

8. In the event of an accident which may give rise to a claim hereon immediate notification is to be given to Insurers advising location of craft, nature of damage and estimate of time required to effect repairs. Subject to this condition the Assured shall effect or cause to be effected, all repairs (temporary or permanent) with due diligence and dispatch. Insurers to have the right to require the Assured to incur any expense which would reduce Insurers Liability under this policy provided such expense is for Insurers account.

9. Insurers reserve the right to appoint an independent examiner to inspect the books and accounts of the Assured at any time.

10. For the purpose of this insurance the maximum daily hire rates are agreed at US\$ 500.

ALL OTHER TERMS, CLAUSES AND CONDITIONS REMAIN UNALTERED.