

General Conditions

Generali ON PLEASURE BOATS



Generali ON PLEASURE BOATS

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INFORMATION STATEMENT

The member state that controls the insurance activity of the company is Spain and the controlling authority is the Insurance and Pension Funds General Directorate, overseen by the Ministry of Economy.

The registered offices of the insurance company **Generali Seguros y Reaseguros, S.A.U.** are located at Paseo de las Doce Estrellas, 4, 28042 Madrid, Spain.

APPLICABLE LEGISLATION

In terms of risks classified as “Large Risks”, the parties may establish whichever agreements they deem convenient. This shall also be the case with regard to the choice of applicable law. In the absence of the provisions established in its general conditions and schedule and with the exception of those agreements established by the parties, this contract shall be governed by and is subject to:

- The Insurance Contracts Act 50/80, of 8 October.
- The Royal Decree 607/99, of 16 April, which sets forth the mandatory Public Liability Insurance Regulations for pleasure boats and sports boats.
- The Spanish Port Authority and Merchant Shipping Act 27/1992, under Article 78.
- REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), and Spanish Organic Law 3/2018 of 5 December on protection of personal data and guarantee of digital rights.
- The Commercial Code and other legislation which may be applicable during the contract validity period.

- Maritime Navigation Act.
- Law 20/2015 of 14 July on the regulation, supervision and solvency of insurance and reinsurance companies, and the regulations implementing that Law.

COMPLAINTS AND CUSTOMER PROTECTION REQUESTS

Generali Seguros y Reaseguros, S.A.U. has a **Customer Service Department** for managing and settling any complaints or claims arising from actions taken by the company or its insurance agents or bank insurance brokers, in accordance with the procedure set forth in Order ECO 734/2004 of 11 March.

Policyholders, insured parties, beneficiaries, affected third parties and their entitled dependents may submit their complaints and claims to the **Customer Service Department**. Paseo de las Doce Estrellas, 4, 28042 Madrid, e-mail: [**reclamaciones@generalion.es**](mailto:reclamaciones@generalion.es)

All complaints and claims filed by customers shall be handled and settled within a maximum period of one month after being submitted.

If the claimant disagrees with the resolution made or receives no response within a period of one month, the claimant may submit his or her complaint or claim in writing to the Claims Service of the Directorate-General for Insurance and Pension Funds at Paseo de la Castellana, 44, 28046 Madrid, Spain.

In addition to the methods for submitting claims listed above, disputes may be brought before the relevant judges and courts by legal means.

The **Customer Ombudsman Regulations**, which outline the procedures for handling complaints and claims, are available to customers at all Generali offices. These regulations are also available on the website [**www.generalion.es**](http://www.generalion.es), or from your insurance agent.

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PRELIMINARIES

DEFINITIONS

The following definitions shall be used for this contract:

■ **Insurer:** The insurance company is **Generali Seguros y Reaseguros, S.A.U.**, which signs the policy together with the insurance policyholder and is bound, through its collection of the relevant premium, to pay the benefit corresponding to each cover included in the schedule, pursuant to the limits and conditions set forth in the policy.

■ **Insurance policyholder:** The individual or legal entity that signs this contract alongside the insurer, and to whom the obligations arising therefrom correspond, unless they must be met by the insured, due to their nature.

■ **Insured:** Physical or legal person who is the owner of the insured interest. The Boatowner or proprietor of the boat, or, where applicable, the person who, duly authorised by the owner, serves as the skipper or pilots the boat, the people who second them in the steering of the same, and any skiers who may be pulled by the boat, unless the relevant cover states otherwise, in the absence of the insurance policyholder assume all obligations and rights derived from the contract, except those that must be met by the insurance policyholder due to their nature.

■ **Third party:** Physical or legal person who is the owner of the insured interest. The Boatowner or proprietor of the boat, or, where applicable, the person who, duly authorised by the owner, serves as the skipper or pilots the boat, the people who second them in the steering of the same, and any skiers who may be pulled by the boat, unless the relevant cover states otherwise, in the absence of the insurance policyholder assume all obligations and rights derived from the contract, except those that must be met by the insurance policyholder due to their nature.

■ **Beneficiary:** The individual or legal entity entitled to indemnity.

■ **Policy:** The document containing the regulatory conditions of the insurance contract. The policy is made up of the following: the general conditions; the policy schedule; the special conditions; and the supplements or appendixes that are issued with the policy to complement or modify it.

■ **Boat:** A floating vessel for personal use in recreational or sports navigation, which is propelled by a motor or by a sail. Personal watercraft and boats with no engine which are more than six metres in length are included.

■ **Accessories:** Are those items that form an integral part of the boat, are connected to or fixed to the same, and/or any elements that are necessary for sailing and are specifically listed in the policy. Each accessory whose unit value exceeds 600 euros must be expressly declared in the policy schedule.

■ **Personal belongings:** Are all those items of clothing and objects of personal use and enjoyment which people take on board the insured boat at any given moment, and which are not necessary for sailing or steering of same. Gear or equipment for fishing, water skiing and diving is also considered as such.

Each accessory whose unit value exceeds 600 euros must be expressly declared in the policy schedule.

■ **Occupants:** Any person who occupies the insured boat or who boards or disembarks the boat, at no cost, and one who is authorised to do so by the insured.

■ **Insured sum:** The sum established for each item of the policy, which constitutes the maximum limit on indemnity to be paid by the insurer in the event of a claim. Regarding cover for material damage, this must correspond to the real value of the boat, by which is understood the hull, motors, sails, masts, spars, gear, rigging, accessories and auxiliary craft.

■ **Value as new:** The acquisition cost as new of the insured boat, in accordance with current sale prices, including VAT if relevant, and any other applicable taxes and charges, or others with similar

characteristics, in the case that the model of the insured boat is no longer on the market.

■ **Real value:** Market value of the insured boat immediately before the claim occurred, bearing in mind its use, wear and age.

■ **Claim or breakdown:** Any event causing damage which is partially or totally covered under the policy.

A sole and unique claim is understood to be one or a series of damaging events due to the same original occurrence or cause, regardless of the number of claimants or lodged claims.

■ **Accident:** An accident is an occurrence stemming from violent, sudden or external causes beyond the control of the insured, which results in material damage to items or bodily injuries to individuals.

■ **Salvage expenses:** Expenses incurred through using means to lessen the consequences of the claim.

■ **Personal injury:** Physical injuries or death caused to individuals.

■ **Material damage:** Damage, deterioration or destruction of an item and damage caused to animals.

■ **Economic loss:** Damage that is the direct result of personal injuries or material damage suffered by the claimant of the loss.

■ **Premium:** The cost of the insurance. The receipt will also include the legally applicable surcharges and taxes.

■ **Excess:** The sum, percentage or any other quantity set forth in the policy to be deducted from the indemnity to be paid to the insured or beneficiary of each claim

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OBJECT OF THE INSURANCE

Within the limits established in the policy, the following risks are covered, provided that they are expressly included in the policy schedule:

- Mandatory public liability insurance.
- Voluntary public liability insurance.
- Legal defence.
- Loss, damage and/or theft of the boat.
- Personal Belongings and Accessories included in each over which is contracted as stated in the general conditions.
- Claim for damages.
- Personal accidents.
- Nautical assistance.

Territorial boundaries

Limited to inland waters and territorial seas suitable for navigation and to overland travel within Spain and EU countries, and outside of these only and exclusively up to 200 miles from the from the Spanish and Portuguese peninsular coast and from the French coast up to Calais, including crossings between ports on the Iberian Peninsula and the Canary Islands. Up to 12 miles from the Spanish coast of Ceuta and Melilla.

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COVERED RISKS

TYPE A: MANDATORY PUBLIC LIABILITY INSURANCE

This cover is governed by Spanish Insurance Regulations on mandatory Public Liability Insurance for pleasure boats and sports boats, approved by Royal Decree 607/99, of 16 April.

Object of the insurance

Through the mandatory public liability insurance, within the legally endorsed limits, extra-contractual public liability is covered, which, due to fault or negligence, may link the insured, according to current legal regulations, to material damage,

personal injuries, economic loss caused to third parties, and damage caused to maritime facilities and ports, as a result of an impact, collision, and other events in general, arising from using the insured boat within Spanish maritime waters, or objects or skiers that are being towed in the sea by the boat.

Benefits awarded by the insurer

This insurance covers, up to the limits stated in the current regulations:

- Payment to the injured parties or their entitled dependents of the indemnities arising from the public liability of the insured.
- The defence of the insured and the legal or extrajudicial costs or expenses arising from the processing of the claim and the defence of the same.
- Payment of the pecuniary fines required of the insured to guarantee his/her liability.

Legal defence, payment of legal costs and posting of bonds

- In any legal proceeding derived from a claim included in the policy's liability cover, no matter what jurisdiction it takes place in, the insurer shall undertake, at its own expense, the legal management of the defence before the claim of the damaged party, appointing the lawyers and court attorneys to defend and represent the insured in any legal actions that might be brought against him/her.
- The insured shall offer the necessary cooperation with regard to said defence, undertaking to grant any powers of attorney and personal assistance that might be required.
- Whatever the ruling or result of the legal proceedings, the insurer reserves the right to decide whether or not to initiate the legal appeals that might proceed against said ruling or result, or to accept it.

- If the insurer deems an appeal inadmissible, it shall inform the insured, who will be free to file one at his/her own expense, **and the insured shall undertake to reimburse the legal costs and fees for lawyers or court attorneys should said appeal succeed.**
- In the event that there is a conflict of interest between the insured and the insurer stemming from the latter's obligation to uphold interests in the claim which are contrary to the defence of the insured, the insurer shall duly inform the insured, without prejudice to executing procedures that, due to their urgent nature, may be necessary for the defence. In this case, the insured may opt to allow the insurer to continue to manage his/her legal affairs or entrust his/her own defence to another person. In case of the latter, the insurer shall be obliged to pay for the expenses of said legal services up to the maximum limit of 6,000 euros per claim.

Temporal scope of the cover

The insurance contract takes effect for damages incurred for the first time during the validity period of the contract, when the event giving rise to said damages takes place after the effective date of the contract, and when the claim is formally communicated to the insurer during the validity period of the policy or within 12 months from the termination date of the contract.

To this effect, the date of the claim will be taken as the date on which:

- Judicial or administrative proceedings are begun or charges are brought against the insured as the alleged perpetrator of the damages, or against the insurer.

TYPE B: VOLUNTARY PUBLIC LIABILITY INSURANCE

Object of the insurance

This insurance covers extra-contractual public liability affecting owners of pleasure or sports boats, people who are duly authorised by the owner to navigate the boat, people who support boat steering, and skiers who are pulled along by the boat, due to material damage, personal injuries and subsequent damage caused to third parties, as a result of an impact, collision, damage caused to maritime facilities and ports, and, in general, due to other events arising from boat use, or objects or skiers that are being towed by the boat, within the limits established under the policy schedule, and **always in excess of the cover and quantitative limits of Type A: Mandatory public liability insurance.**

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Exclusions applicable to types A and B

THE FOLLOWING IS NOT COVERED:

- a. **Damage caused to the insurance policyholder, the shipping company or the owner of the boat identified in the policy, or to the insured or user of the boat.**
- b. **Death or injuries suffered by transported people who make payments for a cruise or trip.**
- c. **Death or injuries suffered by the boat skipper or pilot, and death or injuries suffered by people who are professionally involved in boat maintenance, conservation and repairs.**
- d. **Material damage caused to the insured boat.**
- e. **Damage caused by the boat during repairs, while on land, or when it is being towed or transported over land, be it on a vehicle or any other method.**
- f. **Damage caused to goods (ownership, storage, use, handling, transport or other) that, for any reason, are**

held by the insured, the people who depend on him/her, or the boat occupants.

- g. Personal injuries or material damage suffered by people while voluntarily on board a boat, navigated or skippered by a person who does not have adequate qualifications, if the insurer is able to prove that the former were aware of these circumstances.
- h. Damages caused to boats, occupants of same, and towed objects, with the aim of saving them.
- i. Personal injuries and material damage caused by the insured boat if it is stolen or mysteriously disappears.
- j. Sanction and fine payments as well as consequences related to payment default.
- k. Damage due to participation in regattas, unless otherwise stated, trials, competitions related to speed, or to nautical skiing and training, including bets and challenges.
- l. Any costs and/or expenses, including the establishment of legal bail, when concerning claims of criminal liability of the insured.
- m. Personal injuries and material damage caused as a result of sailing under the influence of alcohol, drugs, toxic substances, narcotic drugs or psychotropic substances. Sailing under the influence of alcohol shall be considered to have occurred when the skipper's blood alcohol content exceeds the legal limits in force regarding the transit of motor vehicles or when the skipper is sanctioned for a specific offence related to sailing while intoxicated or under the influence of drugs, toxic substances, narcotic drugs or psychotropic substances, or the ruling against him or her identifies this circumstance as one of the accident's contributing factors. Without prejudice to the insurer's right of recourse against the person responsible, this exclusion shall not apply to the injured party.

- n. **Communicable diseases.** Any loss, damage, liability, claim, cost or expense of any kind that is related, whether directly or indirectly and in full or in part, to a communicable disease or the suspicion or threat of same shall be excluded.

A “communicable disease” is understood to be one that can be transmitted through a substance or agent from one organism to another organism where:

- The substance or agent includes, but is not limited to, a virus, bacteria, parasite or other organism or any variation thereof, whether considered living or not; and
 - The transmission method, whether direct or indirect, includes - but is not limited to - transmission via the air, transmission via bodily fluids, transmission from or to any surface, object, solid, liquid or gas, or between organisms; and
 - The disease, substance or agent may cause harm to human health or well-being or may cause damage, impairment, loss of value, loss of business opportunity or loss of use of the property.
- o. **Cyber attacks.** Under no circumstances shall this insurance cover losses, damage, liabilities or expenses that are related, whether directly or indirectly, to the use or operation of any computer, IT system, computer software program, malicious code, virus, IT process or any other electronic system as a means to inflict damage.
- p. **Internet operations.** “Internet operations” shall be understood to mean the following:
- The use of e-mail systems by the insured’s employees, including part-time and temporary staff and other personnel involved in the insured’s activity;

The accessing of any kind of public Internet site via the insured's computer network on the part of the individuals specified above;

The accessing of the insured's intranet via a public Internet network for the insured's customers or other third parties unconnected to the insured. "Intranet" shall be understood to mean the insured's internal data and IT resources.

The operation and maintenance of the insured's website.

Personal injuries and material damage and/or losses that may be directly or indirectly attributable to "Internet operations" are expressly excluded.

This exclusion does not constitute an extension to any of the cover provided by the policy.

TYPE C: LOSS, DAMAGES AND/OR THEFT OF THE BOAT

Benefits from the insurer

This insurance covers damage to the boat itself and/or other insured components. The indemnity limit to be met by the insurer in the event of an claim covered under the policy is the insured sum that is indicated in the policy schedule, **or the actual cash value prior to the claim if it is less, as a direct result of:**

C.1. Total loss

Total loss or abandonment of the boat due to a boating accident, understood as total disappearance or final destruction of the boat, as a result of shipwreck, sinking, running aground, being bogged, impact, collision with objects and facilities (both in the air, or fixed or floating), fire, explosion, or green water loading due to storms (8 on the Beaufort Scale). **If a right to abandon the boat exists, as regulated by the Commercial Code, the insurer reserves the right to opt for total loss without ownership**

transfer, within a period of 30 days from the abandonment notification date, between the acceptance thereof and the claim settlement date.

C.2. Constructive total loss

Constructive total loss, understood as damage suffered by the boat as a result of any circumstances indicated in cover C.1., with repair costs exceeding 75% of the boat's real value at the time the claim occurred.

In this case, the insurer will indemnify the insured as if total loss had occurred, less the payment relating to the residual value of the damaged boat.

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C.3. Salvage expenses

Salvage expenses incurred reasonably by the insured to meet his/her obligations to salvage the boat from destruction and/or disappearance, and to minimise the cost and consequences of the claim.

For the aforementioned purposes, salvage expenses will be understood as the reasonable **towage** costs related to the **damaged** boat.

The maximum compensation amount for all items will not exceed, in any case, 100% of the total declared value of the insured boat.

C.4. Wreckage removal

Wreckage removal of the insured boat, **solely and exclusively, by order of the marina authorities and provided that it was the result of a covered incident, up to a maximum of 30,000 euros.**

C.5. Total loss due to theft with violence of the entire boat and/or its auxiliary craft

The insurer will provide indemnity, up to the limits established in the schedule, for total loss of the entire boat and/or its

auxiliary craft, **solely and exclusively when placed in premises or garages that are duly locked and have the sufficient surveillance and security measures in place, or when afloat, it is docked or moored to a pier with similar measures.**

For the aforementioned purposes, theft with violence is understood as the illegitimate procurement or removal of insured goods, using force with items, or violence or intimidation with people.

THE FOLLOWING IS NOT COVERED:

- a. Theft with violence occurring when the boat is on an open shore or beach, and no staff are on board.**
- b. Theft with violence by the insured's family members or by people who live with and/or who are dependent on the insured.**
- c. Mysterious disappearance, understood as the illegitimate procurement of the insured boat, without force when removing items, nor intimidation or violence regarding people.**
- d. Theft with violence or attempted theft with violence not reported to the competent authorities.**

C.6. Partial damage (particular average)

Material damage that may occur to the boat and/or other insured elements is covered, with an indemnity limit of the insured sum indicated in the policy schedule, for the following circumstances:

- 1. When navigated, afloat or moored,** damages sustained by the insured boat are covered, as a result of:
 - a. Sinking, shipwreck, running aground, being bogged, bottoming, fire, impact, crashing, or collision into contact with solid objects and facilities (whether airborne, fixed or floating).
 - b. Green water loading.

- c. Damages to the motor as a result of the accidental input of solid objects or foreign bodies via refrigeration pipes and circuits, **provided there is a trace or other evidence of the accidental entry of said foreign body into the refrigeration circuit and provided the pipes had been fitted with protection and were adequately maintained.**
 - d. Lightning strike on the boat.
 - e. Acts of vandalism or malicious actions which do not involve theft with violence, caused by third parties, **provided that the boat is in an adequate place, home port, anchorage or storage area, with the necessary enforced security and surveillance measures,** including road transfers and/or stops made in fitted out parking areas.
 - f. Damages sustained during hoisting, lifting and lowering operations into the water, **provided that they occur in a suitable place, using elements and measures appropriate to the type and nature of the boat, and for the purposes of carrying out maintenance, repairs or conservation, or for transfer or transport to a new mooring or anchorage point, or for storage on land.**
2. **On land, in storage or in enclosed garages and/or winter storage,** provided that these areas have sufficient security measures and are appropriate for the type and nature of the insured boat, damages sustained by the boat are covered, as a result of:
- a. Fire and/or explosion.
 - b. Crashing, collision, or contact with other objects during the land storage period. **Water damage, regardless of the cause, is not covered.**
 - c. Slipping or overturning when immobile.
3. **In transit or during land transport,** damages sustained by the insured boat are covered, as a result of:

- a. Accidents involving the towing or carrying vehicle, **provided that this form of transport is suitable and usual for the type of road being travelled on, that the trailer is prepared and is appropriate for the type and nature of the boat, and that the towing or carrying vehicle is authorised to carry out these kinds of operations.**
 - b. **Trailer loading and unloading, provided that these are carried out using the appropriate measures.**
4. Damages to the boat, and to the parts or fixtures that constitute fixed parts of the same, incurred due to robbery or attempted robbery, and arising during the period in which the boat is in the possession of third parties as a result of the robbery are covered. Outboard motor theft with violence is also covered, provided that motors have an anti-theft device as well as their regular fastening methods, as well as theft with violence of auxiliary equipment and personal belongings declared in the policy, when these are locked up in the boat cabin or in other locked compartments of the boat.

Excess

- 1. No excess applies for total loss or constructive total loss of the boat.
- 2. With regard to partial damages to the boat and/or motors and/or equipment and/or fixtures, the excess stipulated in the policy schedule will be applied to each declared claim.
- 3. When the claim affects elements and interests included in personal effects and/or trailers or cradles, the excess **will be 10% of the amount of the claim, with a minimum of 90 euros.**
- 4. If the claim occurs as a result of the accidental input of solid objects or foreign bodies into the motor via refrigeration circuits, **excess will apply as indicated in the schedule amounting to 25%, with a minimum of 150 euros.**

5. If no excess has been determined in the policy schedule, the previous item 2 becomes void, with excess stipulated in items 3 and 4 always taking precedence.

Exclusions applicable to type C

THE FOLLOWING IS NOT COVERED:

- a. Progressive deterioration or wear due to use or operations, inherent vice, weathering, corrosion, oxidation, cavitation, rust, encrustation, osmosis and parasites of any type, as well as effects from simple marks, scratches or scrapes.
- b. Fire or explosion when the boat does not have the regulatory prevention and extinguishing systems installed during navigation or while afloat.
- c. Dislodgement or collapse of motors and consequences thereof, unless caused by sinking, shipwreck, collision, running aground or being bogged.
- d. Running aground due to normal tides.
- e. The action of ice.
- f. Damage to sails, cases, protective covers or awnings that have been torn by the wind or dragged whilst being unfurled, unless this is the result of damage to the posts, masts or booms they were affixed to or caused by the boat running aground or colliding with any object other than water (including ice).
- g. An internal mechanical or electrical breakdown, damages to motors or machinery and batteries, as well as to connections thereof, unless these were all directly caused by a previous accident covered under the policy.
- h. Loss or damage sustained by motors, directly or indirectly caused by the blockage and/or ingestion of any external substances (understood as fluid or

semi-fluid materials, such as oil, fuel, petrol and derivatives, including tar) through motor water refrigeration systems or any other devices on the boat that function by using exterior water.

- i. Loss or damage sustained by the insured boat as a result of a lack of maintenance or conservation.
- j. Loss of use and/or any other loss and/or consequential damage.
- k. Stains, moisture, soaking, breakage, mysterious disappearance, loss or disappearance of equipment or fixtures and/or personal belongings and/or similar, which did not occur as a direct result of risks covered under the policy.
- l. Damages or theft occurring when the boat is left without the correct monitoring or assistance, whether on the beach or open coast, devoid of the necessary security measures during the stoppage, inactivity or winter storage period, as well as its overland transport during stops in places and/or spaces for parking, as well as damage caused by breaking of berthing or anchorage.
- m. Any personal possession, accessories, motor(s), sail, auxiliary craft etc., which is not expressly detailed in the policy schedule or the special conditions of the policy.
- n. Money in cash, traveller's cheques, credit cards, store charge cards or similar (bank, telephone or similar), mobile telephones, laptops, video game consoles, documents with or without value, jewellery or watches of any kind, and leather.
- o. Damages to propulsion equipment, accessories or connections (including batteries) due to internal failures or malfunctions, whether mechanical or electrical, once these failures are a direct consequence of

a previous accident due to one of the causes cited in part C.6.1.

TYPE D: CLAIM FOR DAMAGES

D.1. Covers

- 1.1. Claims, including judicial claims, for damages caused by third parties to the insured boat or to any of its passengers, as well as any expenses necessary to bring said claim to its conclusion. The combined limit of these expenses will be that stated in the present general conditions.
- 1.2. Advance payment of indemnity, within the limit established in the present general conditions, that, through friendly initiatives on the part of Generali, insurers of third parties formally recognise as owed due to the responsibility of said third parties for damages claimed.

D.2. Clarifications

- 2.1. Negotiated claims will be managed by the insurer or by professionals appointed by the insurer.
- 2.2. If claims are heard in court, the insured may, with prior written correspondence to the insurer and the latter's express acceptance thereof, appoint the professionals s/he believes are suitable to file the claim.

If it is deemed necessary to contract professionals, such as doctors or experts, who will issue a report supporting the claim, the insurer must appoint them.

- 2.3. If the insurer considers the submitted claim to have no grounds, the insured, in mutual agreement with the appointed professionals, may proceed with the claim via the means s/he deems necessary, at which time the insurer's liability will become void. If the claim is settled successfully, the insurer will reimburse the insured for the expenses stemming from the lawsuit, according to the insured sum limit.

- 2.4. When the insurer obtains an offer for the indemnity payment from the party responsible for the damage or from its insurers, and if it considers that the amount cannot be improved, the insurer will inform the insured in a reliable way within the shortest period possible.
- 2.5. In the case that this offer is not accepted by the insured, this party may continue with the claim in whatever way that he or she sees fit, thus terminating the responsibility of the insurer. **If the claim is settled successfully, the insurer will reimburse the insured for the expenses stemming from the lawsuit, according to the insured sum limit.**

D.3. Insured sums

- 3.1. The maximum limit on the indemnity for coverage for legal claims is **2,500 euros**.
- 3.2. The insured sum as the advance payment of indemnity per claim and/or occurrence is set at **15,000 euros**.

D.4. Professional fees

Fees for lawyers or attorneys directly nominated by the insured, which are assumed by the insurer, will be a maximum of the amounts established as minimums by relevant professional bar associations.

THE FOLLOWING IS NOT COVERED:

Claims of less than 300 euros.

TYPE E: PERSONAL ACCIDENTS OF OCCUPANTS ON THE BOAT AND/OR OF SKIERS AND/OR THE SKIPPER

Definition

An accident is understood as bodily harm caused by a sudden, violent, external action, carried out against the will of the insured.

Also considered as an accident:

- Asphyxiation or internal harm caused by involuntary inhalation of gases or vapours, or ingestion of toxic or corrosive products in liquid or solid form.
 - Infections arising from an accident covered by the policy.
 - Harm caused by the legitimate protection or rescue of people.
1. The insurer will cover indemnity payments up to the limit established in the schedule, in the event of an accident that occurs to any of the insured boat occupants, while they are on board the boat, or while boarding or disembarking from the boat.
 2. This solely and exclusively covers the number of people who are indicated in the schedule, and this number cannot exceed the authorised maximum for the insured boat.
 3. If the number of transported people at the time of the accident exceeds the legally authorised spaces, the relevant indemnity for each occupant will be reduced according to the proportion between the number of authorised spaces and the number of occupants.
 4. By express agreement, which will be indicated in the schedule, a person or people who carry out waterskiing activities and who are being towed by the insured boat, will be included under this cover and will therefore be considered occupants.

Covers

A. Death due to an accident

If the insured's death is directly caused by an accident covered under the policy, the insurer will indemnify the beneficiaries indicated in the policy with the established sum insured indicated in the schedule for the risk of death **within one year from the date the accident occurred during the insurance validity period.**

When no beneficiary has been indicated, the beneficiaries will be determined by the preferential and exclusive order described below:

1. The spouse who is not divorced or separated from the victim.
2. The children, in equal parts.
3. The insured's parents, in equal parts.
4. His/her heirs.

If, before the death of the insured, the insurer paid indemnity for permanent disability caused by the same accident, this amount shall be deducted from the indemnity payment corresponding to the death due to an accident cover.

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B. Permanent disability due to an accident

In this contract, permanent disability is understood to be the loss, injury, shortening or functional impotence of any organ or extremity as a result of an accident covered under this policy.

Total permanent disability is any disability that completely disables the insured from performing any profession or occupation. **Total permanent disability** shall also be applied when, as a result of an accident covered by the policy, the insured sustains residual injuries that shall be indemnified with 100% of the sum insured for the permanent disability due to an accident cover, and it will be considered **partial** when it does not reach said percentage, in accordance with the scale established in the policy.

If the insured suffers from total or partial permanent disability as the direct result of an accident covered under the policy, **declared within a maximum one-year term from the date the accident occurred during the insurance validity period, the insurer shall pay indemnity corresponding to the degree of disability,**

| Permanent injuries | Percentage |
|--|------------|
| Skull | |
| Incurable mental derangement preventing all work | 100% |
| Persistent vegetative state or complete brain death | 100% |
| Post-concussion disorder, mild traumatic brain injury | 15% |
| Loss of capacity for spoken communication | 30% |
| Post-traumatic epilepsy requiring continuous treatment | 20% |
| Total post-traumatic amnesia | 40% |
| Face | |
| Loss of upper jawbone | 40% |
| Ablation of lower jawbone | 30% |
| Loss of nose | 30% |
| Loss of smell | 10% |
| Amputation of the tongue | 30% |
| Loss of taste | 10% |
| Loss of both eyes or total blindness | 100% |
| Loss of one eye or total blindness in one eye | 30% |
| Loss of one outer ear | 10% |
| Complete deafness in both ears | 60% |
| Total deafness in one ear | 20% |
| Torso | |
| Fracture with improper healing of ribs and/or sternum | 3% |
| Fracture with improper healing of collarbone | 5% |
| Paralysis of one vocal cord (dysphonia) | 10% |
| Paralysis of two vocal cords (aphonia) | 30% |

| | |
|--|------|
| Permanent tracheotomy with cannula | 30% |
| Mastectomy of one breast | 15% |
| Mastectomy of both breasts | 30% |
| Abdomen and pelvis | |
| Total loss of spleen | 15% |
| Loss of one kidney | 25% |
| Loss of both kidneys | 70% |
| Total destruction of the penis | 35% |
| Traumatic loss of one testicle | 15% |
| Traumatic loss of both testicles | 30% |
| Injuries to the vulva with serious dysfunction | 35% |
| Loss of the uterus | 30% |
| Loss of one ovary | 15% |
| Loss of both ovaries | 30% |
| Cervical spine | |
| Complete loss of flexion and extension, rotation and inclination movements | 25% |
| Dorsal lumbar spine | |
| Loss of flexion and extension, rotation and inclination movements greater than 30% | 25% |
| Loss of flexion and extension, rotation and inclination movements less than 30% | 15% |
| Traumatic condition on a vertebra or an intervertebral disc | 5% |
| Upper limbs | |
| Complete functional loss or amputation: | |
| – Of both arms or both hands | 100% |
| – Of one hand or arm and one foot or leg | 100% |
| – Of one arm | 75% |

| | |
|----------------------------|-----|
| – Of one hand at the wrist | 60% |
| – Of the thumb | 22% |
| – One index finger | 15% |
| – Of any other finger | 10% |
| Total loss of movement: | |
| – Of the shoulder | 25% |
| – Of the elbow | 20% |
| – Of the wrist | 15% |

Lower limbs

| | |
|--|------|
| Complete functional loss or amputation: | |
| – Of both legs or feet | 100% |
| – Of one foot or one leg and one hand or one arm | 100% |
| – Of a leg above the knee | 75% |
| – Of a leg below the knee | 60% |
| – Of a foot | 50% |
| – Of the big toe | 10% |
| – Of any other toe | 5% |
| Total loss of movement: | |
| – Of the hip | 30% |
| – Of the knee | 25% |
| – Of the ankle | 20% |
| Partial removal of a limb: | |
| – Less than 3 cm | 10% |
| – Greater than 3 cm | 15% |
| Unset fracture | 20% |

Central or nervous system

| | |
|---|------|
| Total hemiplegia, paraplegia or tetraplegia | 100% |
|---|------|

in accordance with percentages set forth in the policy scale, applied to the sum insured indicated in the policy schedule for permanent disability due to an accident.

The classification and degree of disability shall at all times be established in accordance with the scale detailed below, regardless of the insured's profession or any medical decision or judgement regarding the individual, handed down by a labour or criminal court.

For injuries not included in the previous scale, the degree of disability will be determined by analogy with the provided percentages.

The absolute and permanent loss of the use of a limb corresponds to the total loss thereof.

Partial anatomical or functional loss will be set proportionally in relation to the total loss of the affected organ or limb.

The sum of various partial losses, regarding one limb or organ, shall not exceed the percentage of indemnity established for its total loss.

The degree of disability, when the same accident causes different injuries to the insured, shall be calculated by adding the percentages corresponding to each injury. Under no circumstances will the indemnity exceed 100% of the sum insured for the permanent disability due to an accident cover.

If a limb affected by an accident already displayed a physical or functional defect before the accident, the degree of disability shall be determined by the difference between the pre-existing disability and that which was caused by the accident.

If total permanent disability is declared after the insurer indemnified the insured for a partial permanent disability resulting from the same accident, the insurer shall indemnify the difference between the indemnified amount and the sum insured for this cover.

C. Medical-pharmaceutical assistance

With the limits established in the policy schedule, the insurer will repay, within a period of one year counted from the day of the accident, all medical-pharmaceutical expenses paid by the occupants of the insured boat, once these expenses are the result of a claim covered by the policy and said services are provided by clinics designated by the insurer. This includes hospitalisation expenses, if required by the nature of the harm suffered.

D. Funeral expenses

With the limits established for said item in the schedule, the insurer assumes the payment of incurred costs of the cremation or burial, depending on the circumstances, of the person or people who died as a result of the accident covered under the policy.

Exclusions applicable to type E

THE FOLLOWING IS NOT COVERED:

- a. In the case of death or disability, if at the time of the accident the victim is older than 70, indemnity is reduced by 50%. If the victim is younger than 14 years old indemnity for burial expenses is reduced by 50%.**
- b. Costs incurred to search for and locate bodies or limbs.**
- c. Accidents occurring in a state or under the influence of intoxication, narcotics or hallucinogenic drugs.**
- d. Recklessness, active participation in quarrels, be they in legitimate defence or not, duels or challenges.**
- e. Infarctions, hernias or illnesses of any type or nature, as well as intoxication, congestion, insolation and/or other effects of temperature or atmospheric pressure.**
- f. Accidents that only cause psychological effects, those stemming from diving, underwater fishing, as well as those caused by the action of plunging.**

- g. Light-headedness, syncope, strokes or epileptic seizures, as well as bodily injuries resulting therefrom or of any other morbid conditions.**
 - h. Suicide or suicide attempts, self-harm and accidents voluntarily caused by the injured's entitled dependants and/or accidents intentionally caused by the policyholder and/or the insured or the beneficiaries.**
 - i. Misconduct or negligence by the skipper and/or insured and/or beneficiary and/or supervisor of or during navigation or transport.**
-

3 GENERAL EXCLUSIONS

With regard to all policy covers:

- a. Claims that occur when the insured boat is used to perform or carry out commercial or lucrative transactions, or any other activity that is not specific to recreational boating, even when the boat has been rented to a third party, including or excluding the crew, and this circumstance has not been expressly communicated to and duly accepted by the insurer.**
- b. The consequences of seizing, confiscating or selling the boat, as well as bail expenses that may arise when releasing the boat from seizure.**
- c. Participation of the boat in regattas, sporting competitions and/or training events, including when the boat is used for support, assistance or monitoring purposes, unless otherwise stated.**
- d. Material damage, expenditure or costs arising from the towage of other boats, which are not directly the result of the maritime assistance obligation, as well as those occurring due to an excess of people or cargo on board the boat.**

- e. Claims that occur and the results thereof, when the policyholder and/or insured or any person who navigates the boat have not met the requirements established under the legislation governing mandatory permissions to handle any kind of pleasure boat.
- f. Loss or damage caused by civil war, invasion, revolution, rebellion, insurrection or civil strife arising therefrom, capture, arrest, looting, apprehension, confiscation, lien, restriction, detention, or any consequences or any attempt for such purposes, as well as consequences stemming from hostility or warlike operations, whether there is a declaration of war or not; and also loss and damage caused by strikers, workers suffering from lockout, labour unrest, rebellions, civil unrest, terrorism and sabotage.
- g. Claims that occur outside of the navigation limits agreed to in the schedule, or due to the infringement of current legal regulations regarding navigation or orders provided by competent authorities.
- h. Loss or damage sustained by the boat if it goes adrift while moored, anchored or attached without due care, measures or assistance on an uncovered beach or shore, or when not sufficiently safeguarded.
- i. Loss, damage, liability or costs, directly or indirectly caused, due, or related to:
 - 1. Ionising radiation emanating from or radioactive contamination arising from any nuclear fuels or from nuclear waste, or from the combustion of nuclear fuel.
 - 2. Radioactive, toxic, explosive or other dangerous properties of any nuclear power plant or any nuclear complex, or any nuclear component thereof.
 - 3. Any weapon of war used in nuclear or atomic fission and/or fusion, or any other radioactive force or material.

- j. Claims arising directly or indirectly from work accident or employer's liability laws, common law, or any other legal provisions, regarding employee accidents or illnesses, or any other people who are employed in any way by the policyholder and/or insured.
- k. The cover awarded in these general conditions and in the annexed schedule and/or special conditions are subject to a valid seaworthiness certificate being maintained, as well as the approval of technical and periodic requirements to which the insured boat is legally bound, according to Royal Decree 1434/1999, of 10 September. If this is not the case, the cover will not be enforceable and, as a result, no claim will be accepted under said cover.
- l. Personal injuries and material damage caused as a result of sailing under the influence of alcohol, drugs, toxic substances, narcotic drugs or psychotropic substances. Sailing under the influence of alcohol shall be considered to have occurred when the skipper's blood alcohol content exceeds the legal limits in force regarding the transit of motor vehicles or when the skipper is sanctioned for a specific offence related to sailing while intoxicated or under the influence of drugs, toxic substances, narcotic drugs or psychotropic substances, or the ruling against him or her identifies this circumstance as one of the accident's contributing factors.

In any case, the insurer will have the right of recourse against the person responsible. This exclusion will not affect the criminal defence.

Definitions

The following definitions apply for the purposes of this insurance contract:

■ **Policyholder/insured:** An individual or legal entity policyholder, a resident of Spain and/or with a boat that has its home port in Spain as well, listed in the policy schedule and who signs the contract in his/her name alongside the insurer, as the owner of the sailing or motor pleasure boat.

The following may also be considered insured parties:

As regards covers relating to boat occupants:

- Every natural person who is on board the insured boat for the purposes of sailing on the boat, **provided that they do not exceed in number, the amount indicated on the corresponding seaworthiness licence or on the dispatch and crew muster.**
- The provision of emergency health cover to people who are not boat occupants is uniquely provided to the boat owner, his/her spouse, first-degree relatives in the ascending and descending line who live with the insurance policyholder/insured.

■ **Boat:** The floating object made up of the hull or hulls with sails or a motor, equipped with all the safety requirements as per its category, which is sailed solely for private pleasure purposes, and which is not rented or chartered.

■ **Navigational risks and accidents or perils of the sea:** Fires or explosions, running aground, being bogged, storms, collisions, crashes with fixed or floating objects and shipwreck.

In this insurance, accidents are also those that are sustained by the towing vehicle and/or trailer transporting the boat (if being transferred upon said vehicle via road to its home port).

4.1. Object and definition of the insurance

Nautical assistance insurance covers the provision of various services through a national and international nautical assistance organisation for pleasure boats and personal watercraft, and emergency travel health care, according to the conditions outlined below, to help to resolve compromising or difficult situations that can arise during maritime movement or travel — including on lakes, rivers and navigable canals — using a pleasure boat or personal watercraft as detailed in specific clauses, and to make possible the continuation of the same.

4.2. Territorial scope

1. Cover relating to boat and occupants

The coastal maritime region up to the distance authorised by the Skipper of the insured boat's sailing certificate, once this boat is equipped to sail in these zones in accordance with its classification up to the limits established by the International Maritime Organisation (IMO) as search and rescue areas (SAR), corresponding to inland waters and territorial seas suitable for sailing. Also overland travel within Spain and EU countries, outside of these, **only and exclusively up to 200 miles from the Spanish and Portuguese peninsular coast and from the French coast to Calais**, including crossings between ports on the Peninsula and the Canary Island. Up to 12 miles from the Spanish coast of Ceuta and Melilla.

2. Covers related to the towing vehicle and the trailer (if the boat is transported via road)

With regard to the towing vehicle and the trailer of the boat, the territorial scope is understood as the road network of the aforementioned countries.

3. Emergency health cover

Emergency health cover will be valid in the countries laid out in 3.1.

4.3. Covered risks

For this cover, the insurer will cover the risks that are indicated below, in accordance with agreements made in the schedule.

COVERS RELATED TO THE BOAT AND ITS OCCUPANTS

1. Towage of the boat or mechanical and technical assistance to the insured boat when travelling or in displacement (nautical day)

- a. If the insured boat has a sea accident or breakdown while being navigated which prevents it from arriving to port, the insurer, after being informed of the emergency via a maritime radio or telephone call, covers the towage costs of the boat to the nearest port.

If the insurer agrees that the tow was carried out for a boat with the right to claim remuneration, the insurer will bear the cost of this remuneration up to a **maximum that will be determined by the lesser amount of the following, 25% of the real value of the boat in the moment before the malfunction or 6,010.12 euros.**

In the event that an insured boat must be towed without prior warning to the insurer for reasons of force majeure or justified material impossibility, the insurer will take responsibility for the same for an amount that it considers equitable, or for the quantity that the relevant authority — administrative or judicial — establishes. In any case, the insurer will cover up to the maximum amount established in the previous paragraph.

If there is the option to recover the costs indicated in this section, the insured will provide the insurer with as many documents as deemed necessary.

- b. If possible, the insurer will provide emergency repairs to the boat in its specific location to avoid towage to the nearest port.

The insurer covers the costs of the assisting boat displacement and labour to carry out repairs, **but does not cover the cost of replacement parts.**

The cover takes effect at the port entrance (open water of the port of departure) or half a nautical mile from the beach or coast.

2. Hotel accommodation costs

When the boat remains immobile due to a breakdown or accident for less than four days, the insurer will assume overnight stay hotel costs for the insured parties. This cover is limited to a three night stay maximum with a limit of 60.10 euros per person, per day, and a total maximum of 721.21 euros for all the insured parties.

This cover does not apply when the port to which the broken down or affected boat is towed to is located less than 100 km from the boat's home port, or the address or residence of the insurance policyholder or insured parties.

3. Transport costs of the insured to collect the boat

If the breakdown or accident of the insured boat obliged it to be towed to a port other than its home port, once the boat has been repaired, the insurer will assume the displacement costs of the insured owner or the person appointed by the former to recover the boat.

To do so, the insurer will provide a one-way first class train ticket or an economy class aeroplane ticket to the insured owner from his/her home address or from the boat's home port to the port at which the repairs were carried out.

4. Sending a pilot or skipper

When due to the death, injury or sudden illness of the proprietor or person who skips the insured boat, it is not possible to continue the journey or return to the home of the other insured persons — if none of these are able and legally allowed to steer

the boat —, the insurer will send a legally authorised person to pilot the boat to the home port or the destination, according to whether or not it has completed half the maritime crossing.

The insurer will solely assume the costs of the person sent, **excluding all the remaining costs, regarding both the insured parties and the boat itself.**

5. Search and shipment of replacement parts

If the broken down or affected boat requires a replacement part for its repairs which cannot be located in the breakdown area, the insurer will carry out the possible procedures to find the part and will send it to the repair location.

Only the shipment costs will be assumed by the insurer. Once the insured has returned home, s/he will reimburse the insurer for the cost of the received parts.

6. Transfer or repatriation of boat occupants due to boat breakdown or accident

When the boat is immobilised due to a breakdown or accident during navigation for over eight days, the insurer will be responsible for transport and repatriation of the insured occupants of the boat to their home in Spain, or to their destination if over half of the maritime journey has been completed and the insured parties opt for this second alternative.

7. Boat surveillance

If, as a result of theft with violence or breakdown covered under the policy, the boat is easily accessible from the outside and this means that a surveillance service must be contracted by the insured, the insurer will assume the costs thereof **for a maximum period of 48 hours and up to an amount of 90.15 euros.**

The insured must provide the insurer with the report issued at the competent authorities.

8. Reimbursement of locksmith expenses if keys are lost

The insurer will assume costs of up to a **maximum of 90.15 euros**, for a locksmith or professional to solve the problem if this occurs.

9. A service connecting the insured with repairers, fitters and miscellaneous professionals, without an claim occurring covered under the policy

The insurer will cooperate in providing the insured with details (name, telephone number and address) of the nearest professionals in the area in which the insured is located, who carry out the following activities:

- | | | |
|----------------------|-------------------------|---------------------------------|
| – Plumbers | – Locksmiths | – Electricians |
| – Antenna installers | – Electrical appliances | – Upholsterers |
| – Painters | – TV/video repairs | – Varnishers |
| – Glaziers | – Knife sharpeners | – Carpenters |
| – TV/video rental | – Messengers | – Nursing assistants/ nurses |

In this case, **fees (both labour and materials), displacement or any other amounts which may arise will be completely assumed by the insured.** The insurer is solely obliged to cooperate in finding the details of the required professional.

The insured must previously inform the insurer of his/her interest to contract any of the aforementioned services.

Guarantees 7, 8 and 9 are only valid in Spain.

4.4. Health care covers

1. Remote medical advice

If an insured party suffers from a sudden illness or is injured, the insurer will provide medical advice, alongside the involved doctor, to decide on the best treatment to follow, and the most suitable transfer method of the injured or ill party, where necessary.

2. Emergency health repatriation or transfer of injured and ill parties

If an insured party suffers from a sudden illness or is injured **while on board the boat or on a coastal strip of land less than 5 km** from the coast when involved in the displacement or trip, the insurer will be responsible for transfer or repatriation to the most suitable hospital or to his/her home via the most appropriate mode of transport (ambulance, medical helicopter, regular airline with specific provisions, etc.), depending on the medical judgement of the insurer.

In the first case, if the insured subsequently needs to be transferred to another hospital or to his/her home, the insurer will also assume said costs.

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3. Medical, surgical, pharmaceutical and hospitalisation costs while abroad

If, as a result of a sudden illness or an accident which occurred during the policy validity period, the insured requires medical, surgical, pharmaceutical or hospital care, the insurer will assume the following costs:

- a. Emergency transfer costs to the medical centre.
- b. Medical and surgical expenses and fees.
- c. Hospitalisation expenses.
- d. Expenses for medication prescribed by the medical team attending to the insured.

This cover is solely applied for claims which occurred abroad and has a maximum limit of 3,005.06 euros. Likewise, claims must occur when the insured is either on board the boat or on a coastal strip of land less than 5 km from the coast.

4.5. Covers related to people

1. Transfer or repatriation of deceased parties and transport of accompanying insured parties

If one of the insured parties dies while involved in a maritime journey, the insurer will assume all necessary bureaucratic management and will also organise and pay the costs that arise from the transfer and repatriation from the place of death to his/her burial site in Spain.

The insurer will also be responsible for transporting the other insured parties accompanying the deceased party to their home address, if they are not able to return via the initially established methods.

2. Transfer/repatriation of accompanying parties

When one or more insured parties have been transferred or repatriated due to an illness or injury, in accordance with the previous section, and said circumstances prevent the other accompanying beneficiaries to return to their home address via the initially established methods, the insurer will be responsible for transporting them to their home address or to the hospital at which the transferred or repatriated insured party/ies is/are located.

3. Return of policy holder to his/her in event of hospitalisation for severe illness and/or death of family member

In the event of death or severe illness, that is, at risk of death, in Spain, of the spouse, first-degree relatives in the ascending and descending line or brother or sister of the insured or his/her spouse, the insurer will organise and will be responsible for transportation of this person to the burial site, hospital or regular home address, when said party is not able to return via the initially established methods.

4. Urgent message transmission

The insurer will be responsible for transmitting urgent messages as indicated by the insured with regard to covers contracted under the policy, or any other reasons, when there is reasonable and demonstrable just cause.

4.6. Covers related to the towing vehicle and the trailer (if the boat is transported via road)

1. In situ emergency repairs

If the towing vehicle transporting the trailer with the boat cannot begin or continue the journey to the boat's home port due to a breakdown or accident, the insurer (where possible) will provide emergency repair in its specific location, for a **maximum duration of 30 minutes**, to avoid needing to tow the vehicle to the workshop.

The repair cover is also provided to the actual trailer in the event of a breakdown.

The insurer does not cover the replacement part costs and only assumes the displacement and labour costs to carry out the repairs.

2. Towing of the towing vehicle and the trailer with the boat

If the towing vehicle or the trailer with the boat cannot be repaired in the same place as the breakdown or accident, the insurer will move it using a tow truck to the nearest workshop from the location of the occurrence.

The insurer covers all towage costs in Spain and up to a **maximum of 120.20 euros** when it occurs abroad.

3. Transfer of trailer with the boat to the home port

If, during the travel or displacement period of the towing vehicle attached to the trailer transporting the insured boat to its home port, the towing vehicle breaks down or has an accident that requires repairs (according to the brand rate) exceeding **eight**

hours or must be immobilised for **more than three days**, the insurer will be responsible for transferring the trailer and the boat to its home port.

4.7. Additional conditions for the nautical assistance cover

1. The general conditions of the policy are applied to the additional cover, as long as they do not contradict that established in these conditions.

Under all circumstances, the insurer is not responsible for delays or breaches that occur due to force majeure.

2. **To allow the insurer to carry out its obligations, it is essential to immediately notify the insurer of insured contingencies and to have the insurer provide consent. The reimbursement of expenses will occur using justifying documents (invoices, receipts and similar), within the agreed limits, reserving the right to request insured parties return travel tickets that have not been used.**

IMPORTANT NOTE

Assistance cover in the case of a claim covered by the policy does not exempt the insured from involvement in the correct processing of the corresponding claims report, within the time frame stipulated in the general conditions of the boats policy, and as will be defined later.

3. The insurer is subrogated in all the rights and actions which may correspond to insured people, against any liable third party, up to the limit of its liability amount regarding the specific claim.

4.8. Specific exclusions regarding nautical assistance cover

A. THE FOLLOWING RISKS ARE GENERALLY EXCLUDED FROM THE COVER

1. **Covers and benefits which were not requested from the insurer and were not carried out with or by agreement, except in situations of force majeure or proven physical impossibility.**

2. Claims caused due to wilful misconduct or notoriously dangerous or reckless activities by the insurance policyholder, the entitled dependants or the insured parties travelling in the boat, or those that are entrusted with the boat or with its navigational control.

3. Accidents or breakdowns sustained by the boat as a result of being involved in official or private sporting competitions or regattas, training, trials and bets.

Accidents or breakdowns that occur as a result of carrying out waterskiing or parasailing activities are not included either.

4. Expenses or fees caused by actions such as assistance, rescue, recovery and removals from the boat, with the exception of the towing expenses incurred after the rescue until the port of said boat.

5. Events that occur due to natural phenomena such as earthquakes, tsunamis, floods, cyclones, falling astral bodies and other events that are considered catastrophes or disasters.

6. Claims which occur in the event of war, demonstrations, political or social disturbances, popular uprisings, acts of terrorism and sabotage, strikes, riots, restrictions to public circulation or any other case of force majeure, unless the insured proves that the claim is not related to these events. Likewise, quarantine or other disinfection or health measures.

7. Violent acts or actions of the armed forces or of the security forces and services in times of peace.

8. Claims caused by nuclear radiation, other ionising radiation, or other dangerous or polluting explosives.

9. Claims incurred when the person steering the boat does not possess the correct sailing qualification as demanded by the relevant authorities.

10. Accidents or malfunctions that occur when the person steering the boat is under the effects of alcoholic drinks, drugs, intoxicants, narcotics and/or psychotropic substances.
11. Claims incurred when the insured boat is not being used for the purposes it has been officially authorised for.
12. Events that take place outside of the geographical sailing area established in the present general conditions.
13. Navigation for the purposes of smuggling, drug trafficking or prohibited or clandestine trading.

B. COVERS RELATED TO THE INSURED BOAT AND ITS OCCUPANTS

1. Motor or sail boats more than 35 years old since their first registration, in the case of malfunction, unless agreed otherwise.
2. Offshore motor boats.
3. Cover 4.2. “Expenses for hotel accommodation” does not apply when the port where the boat that has suffered damages or an accident has been towed to, is located less than 100 km from the home port of said boat or the home address or residence of the policy holder or insured parties.

C. COVERS RELATED TO HEALTH CARE

1. Any medical and/or pharmaceutical expenses which are less than 30.05 euros.
2. Illnesses, injuries or conditions that already existed, or chronic illnesses (prior to displacement or travel), as well as complications or relapses thereof.
3. Injuries sustained while performing manual labour.
4. Death by suicide or illnesses and injuries arising from attempted suicide or intentionally caused by the insured him/herself.

5. The treatment of illnesses or pathological conditions caused by the intentional ingestion of toxic or narcotic drugs, or by the use of medicines without a medical prescription.
6. Expenses related to glasses, contact lenses, crutches and prostheses in general.
7. Birth and pregnancies, unless there are unforeseen complications during the first six months.
8. Any type of mental illness.

D. COVERS RELATED TO PEOPLE

Burial and funeral costs, in the event of transfers or repatriation of deceased persons.

E. COVERS RELATED TO THE TOWING VEHICLE OF THE TRAILER WITH THE BOAT

1. Any towing vehicle that is not owned by the insurance policyholder, the proprietor of the boat.
2. Vehicles where over 10 years have passed since the first registration, in the case of breakdowns, unless they have passed the relevant technical specifications.

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COMMON PROVISIONS

1. Equipment and maintenance of the boat

To ensure validity of the awarded covers, the insured boat must meet all the legal provisions required by the naval command or other competent authorities when beginning any navigational activities or nautical days, and maintenance must also be suitable to offer the duly appropriate security during navigation.

2. Area of navigation

Limited to inland waters and territorial seas suitable for sailing and to overland travel within Spain and EU countries, and outside of these, only and exclusively **up to 200 miles from the Spanish and Portuguese peninsular coast and from the French coast to Calais**, including crossings between ports on the Peninsula and the Canary Islands. Up to 12 miles from the Spanish coast of Ceuta and Melilla.

In all cases, the shipping radius of the insured boat will be limited to that authorized by the relevant regulations and/or authorities for boats of the corresponding class and/or the professional and/or sporting qualifications of the policy holder and the boat.

Cover for overland transport is limited to the European Union.

3. Limitation of utilisation and use of the boat

The insured boat is utilised and used only and exclusively for recreational and/or sport sailing, and is thus registered on the 6th and 7th lists, according to the stipulations of Royal Decree 1027/1989 of 28 July (National State Gazette no. 194), and Royal Decree 1435/2010 of 5 November, unless agreed otherwise.

An essential condition is that the insured boat is not used as a permanent home, or rented or chartered with or without a crew, subject to the loss of rights granted by this policy, unless agreed otherwise and specifically stated.

At no point will this insurance take effect for third parties, persons and/or entities, other than the insured, who have custody and/or are supervising the boat insured by the present contract.

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INDEX-LINKED SUMS INSURED

1. The effects of these index adjustments are solely applied to the insured sums and the net premium corresponding to the covers

included in cover C, which will be modified upon each expiry date. The applicable capital appreciation index shall be the last year-on-year consumer price index published by the National Statistics Institute as of 30 September of the previous year.

Both parties may oppose this adjustment in writing, two months before the annual expiry date.

2. The new sums insured and the annual net premium shall be established after each expiry date by multiplying those contained in the policy by the value obtained by dividing the expiry date index by the base index.

The following terms are defined as:

- **Base index:** The last General Consumer Price Index published by the National Statistics Institute prior to the date of issue of the policy, which must be recorded therein.
- **Expiry date index:** That which is shown in each premium invoice, corresponding to the last invoice published by said body upon policy annual expiry.

7

INDEMNITY CLAUSE

INSURANCE COMPENSATION CONSORTIUM INDEMNITY CLAUSE FOR LOSSES ARISING FROM EXTRAORDINARY EVENTS IN PERSONAL INSURANCE POLICIES

Pursuant to the revised text of the Insurance Compensation Consortium Legal Statute, approved by Royal Legislative Decree 7/2004, 29 October, the policyholder of an insurance agreement that by law must include a surcharge payable to the above-mentioned public business entity has the power to reach an agreement for the cover of extraordinary risks with any insurance entity that meets the conditions required under current legislation.

The indemnity derived from incidents resulting from extraordinary events that occur in Spain or abroad, when the insured have

their primary residence in Spain, will be paid by the Insurance Compensation Consortium when the policyholder has paid the corresponding surcharges in favour thereof and whenever any of the following situations occurs:

- a. Extraordinary risk covered by the Insurance Compensation Consortium is not covered under the insurance policy contracted with the insurance company.
- b. That, even if it is covered by said insurance policy, the insurance company cannot meet its obligations because it has been judicially declared bankrupt or is subject to compulsory liquidation proceedings or such liquidation has been undertaken by the Insurance Compensation Consortium.

The Insurance Compensation Consortium shall comply with the provisions set forth in said Legal Statute, Law 50/1980, 8 October, on Insurance Agreements, in the Regulations on extraordinary risk insurance approved by Royal Decree 300/2004, 20 February, and in all complementary provisions.

SUMMARY OF LEGAL REGULATIONS

1. Covered extraordinary events.

- a. The following natural phenomena: earthquakes and tidal waves, extraordinary floods including those caused by battering of coastal waters, volcanic eruptions, atypical cyclonic storms (including extraordinary winds with gusts exceeding 120 km/h and tornadoes) and falling astral bodies and meteorites.
- b. Those caused violently as a result of terrorism, rebellion, insurrection, riot or civil unrest.
- c. Acts or actions of the armed forces or the security forces and services in times of peace.

Atmospheric and seismic phenomena, volcanic eruptions and falling astral bodies shall be certified, at the request of the Insurance Compensation Consortium, through reports issued by the State Meteorology Agency (AEMET), the National Geographic

Institute and other relevant competent public bodies. In the case of political or social events, as well as in the case of damage caused by acts or actions of the armed forces or the security forces in times of peace, the Insurance Compensation Consortium shall be able to collect information about the facts from the competent judicial or administrative bodies.

2. Excluded risks.

- a. Those that do not give rise to indemnity according to the Insurance Agreements Act.**
- b. Those caused to people or property insured by insurance agreements other than those that include the obligatory surcharge in favour of the Insurance Compensation Consortium.**
- c. Those caused by armed conflicts, even when not preceded by an official declaration of war.**
- d. Those derived from nuclear energy, without prejudice to the terms of Act 12/2011, 27 May, on public liability for nuclear damage or damage caused by radioactive materials.**
- e. Those caused by natural phenomena other than those set forth in section 1. a. above of the Regulations on Extraordinary Risk Insurance and, in particular, those caused by a rise in the water table, hillside movements, landslides or soil settlement, falling rocks and other similar phenomena, except where they are obviously caused by the action of rainwater that has, in turn, caused extraordinary flooding in the area and they occur simultaneously with the flooding.**
- f. Those caused by the actions of people during the course of meetings and demonstrations held in accordance with Organic Law 9/1983 of 15 July, regulating the right to assembly, as well as during legal strikes, unless such actions may be considered extraordinary events under the terms of the above section 1.b.**
- g. Those caused by the insured acting in bad faith.**

- h. Those related to incidents occurring prior to payment of the first premium or when, under the terms of the Spanish Insurance Agreements Act, the cover provided by the Insurance Compensation Consortium has been suspended or the insurance has been terminated due to the non-payment of premiums.**
- i. Incidents that, due to their magnitude and severity, are qualified by Spain's Government as a «national catastrophe or disaster».**

3. Extension of the cover.

- a. The cover of extraordinary risks shall extend to the same persons and the same insured amounts that may have been established in the policy for the purposes of cover against ordinary risks.**
- b. With regard to life insurance policies that, under the terms of the agreement and in accordance with the laws regulating private insurance, generate policy reserves, the cover of the Insurance Compensation Consortium shall refer to the sum insured at risk for each insured party; in other words, the difference between the insured sum and the policy reserves that the insurer that issued the policy must have established. The amount corresponding to the policy reserves shall be paid by said insurance company.**

NOTIFICATION OF DAMAGE TO THE INSURANCE COMPENSATION CONSORTIUM.

1. Request for indemnification for damages whose coverage corresponds to the Insurance Compensation Consortium

will be made in a communication to it by the policyholder, the insured or the beneficiary of the policy, or by anyone acting for and on behalf of the above, or the insurer or the insurance agent who manages the insurance.

2. Notification of damage and receipt of information relating to the procedure and the state of the claim for the incident

Can be made:

- by calling the Insurance Compensation Consortium's Call Centre (**900 222 665**)
- through the website of the Insurance Compensation Consortium (**www.consorseguros.es**)

3. Valuation of the damage

The valuation of the damage subject to indemnity, in accordance with insurance legislation and the contents of the insurance policy, shall be carried out by the Insurance Compensation Consortium, without it being bound to any valuations that, if applicable, were carried out by the insurance company covering ordinary risks.

4. Payment of indemnity

The Insurance Compensation Consortium shall pay the indemnity to the beneficiary of the policy by means of bank transfer.

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DECLARATIONS REGARDING RISK

- The application and questionnaire filled out by the insurance policyholder, as well as the insurer's proposal, where applicable, together with this policy, constitute a single whole, the foundation of the insurance, which only covers, within the accorded limits, those risks specified therein.
- Should the policy's content differ from that of the insurance proposal form or the established clauses, the insurance policyholder may, within one month from the date on which the policy is handed over, claim against the insurer to rectify the

existing discrepancy. Should said period elapse without any claim being filed, the terms of the policy shall apply.

- The insurance contract and its modifications must be formalised in writing.

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WITHOLDING AND MISREPRESENTATION OF INFORMATION WHEN TAKING OUT THE INSURANCE

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- This policy has been arranged based on the statements made by the insurance policyholder, in accordance with the application and questionnaire that s/he submitted to the insurer and which were used for the latter's acceptance of the risk, the undertaking of the contractual obligations and the establishment of the premium.
- In the event of reserve or misrepresentation by the insurance policyholder, the insurer may rescind the policy through a statement addressed to the insurance policyholder or the insured within one month from the time it learns of said reserve or misrepresentation. Once the insurer issues this statement, the premiums corresponding to the period underway shall remain in its ownership, except when it occurs through wilful misconduct or gross negligence.
- Should an claim occur before the insurer has made the statement explained in the previous paragraph, the benefits provided by the insurer will be reduced in the same proportion existing between the premium listed in the policy and that which actually corresponds to the true nature of the risk. When the reserve or misrepresentation is due to the insurance policyholder's wilful misconduct or gross negligence, the insurer shall be released from its obligation to pay the benefits.

- The insurance policyholder or insured are obliged to inform the insurer in advance of the existence of any other policies they have contracted with other insurers that cover any of the same interests for an identical period of time.
- The insurer reserves the right to visit the insured risk throughout the valid term of the policy. The insured is obliged to allow people appointed by the insurer to enter premises for the visits, and to provide any data, information and documents that may be requested.

BASIS FOR THE CONTRACT

11 IN THE EVENT OF AN INCREASE IN RISK

- The insurance policyholder, the insured and, if applicable, the beneficiary, must keep the insurer informed throughout the validity of the agreement, as quickly as possible, of any circumstances declared in the questionnaire that increase the risk and are of such a nature that, had they been known to the insurer when the agreement was drawn up, it would not have been executed or its conditions would have been more demanding.

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12 POWERS OF THE INSURER IN THE EVENT OF AN INCREASE IN RISK

- If the insurer is informed of an increase in risk during the term of the policy, it may propose a modification of the conditions of the contract within a period of two months from the date it receives notice of the aggravating circumstance. In this case, the insurance policyholder shall have 15 days, upon receipt of this proposal, to accept or reject it.
- If the insurance policyholder rejects it or makes no mention of it, the insurer may terminate the contract once the period has elapsed, providing prior notice to the policyholder and giving him/her a new period of 15 days to respond, following which, and within the next 8 days, it shall inform the insurance policyholder of the definitive termination.
- In addition, the insurer may terminate the policy notifying the insured of this decision in writing within one month from the date it received notice of the increase in risk.

- If an claim occurs and no increase in risk is reported, the insurer shall be released of its obligations to provide benefits if the insurance policyholder or insured have acted in bad faith. Otherwise, the benefits provided by the insurer will be reduced based on the proportional difference between the accorded premium and that which would have been applied had the true magnitude of the risk been known.
- If an increase in risk during the policy validity period gives rise to a premium increase, when the contract is terminated for this reason, if said increase is attributable to the insured, the entirety of the collected premium shall correspond to the insurer. If said increase is the result of causes beyond the control of the insured, s/he is entitled to the reimbursement of the portion of the paid premium corresponding to the period of the insurance year underway which has not yet elapsed.

- The insurance policyholder or insured may, over the term of the contract, inform the insurer of all those circumstances that decrease the risk and are of such a nature that, had they been known by the latter when the contract was drawn up, it would have been executed under more favourable conditions for the insurance policyholder.
- At all times, upon finalisation of the insurance period covered by the premium, the insurer shall reduce the cost of the future premium by the corresponding proportion. If this does not occur, the insurance policyholder shall be entitled to the cancellation of the policy and the reimbursement of the difference between the paid premium and that which would

have corresponded to him/her to pay from the time the decrease in risk was communicated to the insurer.

15 IN THE EVENT OF TRANSFER

- If the insured object is transferred, the purchaser subrogates the rights and obligations that corresponded to the previous policyholder, at the time of transfer.
- The insured must inform the purchaser in writing of the existence of the policy for the transferred object. Once the transfer has been verified, he or she must also report it to the insurer or its representatives in writing within a period of fifteen days. Unless the insurers give written consent to the continued provision of cover, this insurance shall be cancelled from the moment of sale or transfer and a pro-rata rebate on the net premium shall be issued, calculated on the basis of the premium paid for the period of active service and/or stoppage. If, however, the boat is being sailed or is otherwise at sea at the moment it is sold or transferred, the aforementioned cancellation shall be suspended (if the insured expressly requests as much) until the boat reaches port or its final destination.
- The purchaser and the previous holder (or if s/he dies, his/her heirs), shall be jointly and severally liable for the payment of the premiums due at the time of transfer.
- The insurer may terminate the contract within a period of 15 days from the date it becomes aware of the verified transfer. The insurer, exercising its rights and by notifying the purchaser in writing, must reimburse the portion of the premium corresponding to the insurance period which did not display any risk, as a result of the termination.
- The purchaser of the insured object may also terminate the contract by providing written notice to the insurer within a period of 15 days upon learning of its existence. In this case,

the insurer is entitled to collect the premium corresponding to the period that has elapsed up to contract termination.

- The same underwriting rules apply in the event of death or bankruptcy of the insurance policyholder or insured.

16 DRAWING-UP AND EFFECTS OF THE AGREEMENT

- The insurance contract is executed by consent, as evidenced by the contracting parties underwriting the policy or provisional document. The contracted cover and its modifications or additions will not take effect until the premium has been paid, except where otherwise accorded in the policy schedule.
- If there is a delay in meeting these requirements, the insurer's obligations shall begin 24 hours after the contract requirements have been met.

17 PERIOD OF COVER

- The policy cover shall take effect on the date and at the time indicated in the policy schedule of the same.
- When the period indicated in the policy schedule expires, the policy will be extended for a period of one year and extended successively upon the expiry of each insurance year.
- The parties may oppose the extension of the agreement by giving notice in writing to the other party. Notice must be given at least one month prior to the end of the current insurance period when the extension is opposed by the policyholder, and at least two months when it is opposed by the insurer.

The insurer must inform the policyholder of any changes to the insurance agreement at least two months prior to the end of the current period.

- The tacit extension is not applicable to insurance taken out for periods of less than one year.
- The contract will be rendered null and void, except where provided under Spanish Insurance Contract Law, if, at the moment of its termination no risk exists, and no claim has occurred (article 4 of the Law), or if no interest of the insured exists (article 25 of the Law). It will equally be rendered null and void when, by bad faith of the insured, the insured sum notably exceeds the value of the insured interest (article 31 and 4th paragraph of article 32 of the Law).
- If interest or risk ceases during the contract validity period, the insurer has the right to take possession of the remaining premium portion.

18 PREMIUM AMOUNT

The amount of the applicable rates and/or premiums shall be subject to a general review by the insurer each year based on the principles of equity and adequacy set out in the Spanish Law on Regulation and Supervision of Private Insurance. The criteria used to determine the new premium will be backed up by technical studies, based on the costs of the following factors:

- a. Indemnity for bodily harm.
 - b. Healthcare.
 - c. Repairs to the boat, including transportation, replacement parts, paint and labour.
 - d. Frequency of claims.
 - e. Processing of claims.
 - f. Objective changes in risk taken place during the previous year.
- In these cases, the insurer shall inform the policyholder of the increase at least two months prior to the termination of the contract. If the insured does not accept the price increase, the

insurer may refuse to renew the contract for the next period of cover.

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PAYMENT OF THE PREMIUM

1. Time of payment

The insurance policyholder must pay the first or single premium upon execution of the contract. Any subsequent premiums shall be paid on their corresponding due dates.

If the policy does not take effect immediately, the policyholder may delay payment of the premium until the policy is to become effective.

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2. Place of payment

Should no place for the payment of the premium be stipulated in the policy schedule, the payment is to be made at the residence of the insurance policyholder.

3. Consequences of non-payment of the premium

If, by fault of the policyholder, the first premium is not paid or the single premium is not paid on its due date, the insurer shall be entitled to terminate the contract or to demand the amount due for the outstanding premium based on the policy. Under all circumstances (unless otherwise stated in the schedule), if the premium has not been paid before an claim occurs, the insurer shall be released from its obligations.

If one of the subsequent premiums is not paid, the insurer's cover shall be suspended one month after the premium due date. If the insurer does not demand payment within a period of six months following the date a premium comes due, the contract will be understood to have been terminated.

At all times, during the contract suspension period, the insurer may only demand payment for the current premium.

If the contract has not been resolved or terminated in accordance with the previous paragraphs, the policy cover will take effect again 24 hours after the insurance policyholder pays the premium.

20 CLAIMS

1. Obligations in the event of an claim

In the event of an claim, the policyholder, insured or beneficiary, as applicable, must:

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- Report the claim and its consequences to the insurer within a maximum period of seven days from becoming aware of the claim, unless a longer period is established in the policy. If this obligation is breached, the insurer may claim for damages caused as a result of the claim not being declared.
- File a report with the competent authorities, making a note of the claim, its circumstances, how it occurred and the possible consequences and/or repercussions thereof, and provide a copy of the report to the insurer, displaying the fact that it was diligently filed.
- Preserve the insurer's rights of subrogation with regard to liable third parties.
- Use all means available to reduce the consequences of the claim. Breaching this obligation will entitle the insurer to reduce the benefits proportionally, bearing in mind the significance of damages arising from the claim and the degree to which the insured was at fault. If this breach occurs with the clear intention of harming or misleading the insurer, the latter shall be released from providing all benefits stemming from the claim.
- Expenses incurred due to compliance with this obligation, provided they are not inappropriate or disproportionate to the salvaged goods, shall be borne by the insurer, even when said expenses have not had effective or positive results.

- Measures adopted by the insured and the insurer to salvage, protect, reduce or recover the insured object will not be considered the renouncement or acceptance of abandonment, nor will they affect either party's rights.

Obligations to indemnify third parties will be evaluated from the perspective that a single claim is considered to be the total of damages derived from one single basic cause, even when these damages occur at different times and places and regardless of the number of injured parties. All damages are considered to have occurred at the same moment that the first claim takes place.

2. Valuation of damages

Since insurance should not be the cause of unjust financial gain, damages shall be appraised subject to the following rules:

- **In the case of total loss or total constructive loss, the resulting indemnity will be the real value of the insured interest at the moment before the claim occurred, once the value of the wreckage is deducted.**

In the case of boats less than two years old since their first registration, indemnity in the case of total loss or total constructive loss will be 100% of the replacement value as new.

In the case of second hand boats, indemnity will correspond to the real market value.

In all cases, indemnity will be limited to the insured sum declared in the policy.

- In no case will the costs of rescue and/or wreckage removal plus the amount of the indemnity exceed the insured sum at the moment the claim occurs.
- Partial damages. Indemnity for partial loss or damage will be granted based on repair or substitution cost to the value as new, with the applicable excesses deducted.
- In the event that the insured sum is less than the market value of the insured interest (real value) at the time the claim occurs,

the insured will be his/her own insurer for the proportion corresponding to the difference between the indicated values, applying the relevant condition of average.

- When the damages consist of repairable tears, breakages or rips in the sail, the insurer will cover the cost of repair by careful sewing.

Indemnity for claims for personal belongings or accessories will always be based on their real value. Items with a unit value higher than 600 euros will not be subject to indemnity if they have not been declared in the policy schedule in advance.

- Repairs. The insured is obliged to carry out, without delay, the replacements and repairs needed to rectify the damages and deterioration.

In no case will the Insurer cover damages that have not been repaired, caused by previous claims, whether declared to the company or not, if a total loss occurred later (whether or not covered by this policy) during the life of the policy. In any case, indemnity will be reduced by the excess established in the policy.

- If the partially damaged items comprise:
 - Masts and spars.
 - Sails and protective covers.
 - Tackle.
 - Rigging in general.
 - Outboard engines.

They will be valued based on their actual cash value.

3. Claim payment and processing

1. Own damages

The insurer shall appoint the suitable expert to visit the claim location, as quickly as possible, to begin the operations to verify the causes of the claim, how it occurred, the declarations

contained in the policy, its valuation, and the damages sustained by insured goods and objects.

2. Public liability

For claims included in this cover, neither the policyholder, nor the insured, nor any other person acting on their behalf may negotiate, admit or reject any claim without prior express authorisation from the insurer.

For events covered under the policy, the insurer will take control of all procedures related to the claim, acting on behalf of the insurance policyholder or the party causing the occurrences, to negotiate with the injured parties or their entitled dependants, providing indemnity where applicable. If an agreement is not reached, the insurer will defend the policyholder or the party responsible for the damages through its lawyers and attorneys with regard to civil proceedings. The defendant must provide the necessary powers of attorney to the insurer for said purposes.

If the insured is convicted, the insurer will decide whether to appeal the decision before the competent High Court. However, if the insurer deems the appeal to be inadmissible, this will be communicated to the insured/interested party, who may decide to lodge an appeal. The insurer is obliged to reimburse him/her the expenses incurred up to the reached financial limit, **if the outcome of the appeal is beneficial.**

The insurer also covers any bail that is required by the courts for the insurance policyholder or the insured, with regard to public liability.

If the bail is required for joint criminal and public liability purposes, the insurer will provide half of the overall required bail, in response to its public liability obligations.

3. Personal accidents

- In the event of death: If any of the insured people die as a result of the accident, the insurer will pay the sum insured to the victim's beneficiary.
- In the event of disability: The degree of disability arising from the accident will be determined after the disability medical certificate has been submitted. The insurer will notify the insured in writing about the relevant indemnity amount, in accordance with the degree of disability indicated on the medical certificate and the established policy scales.

If the insured does not accept the insurer's proposal regarding the degree of disability, the parties will submit to the decision of medical loss adjusters, in accordance with article 38 of Spanish Insurance Contract Law.

4. Concurrence of cover

When two or more contracts arranged with different insurers cover the effects that a single risk might produce because of identical insured interest for the same period of time, the insurance policyholder or the insured, unless otherwise agreed, must inform each insurer of the other insurance s/he has taken out. When the claim occurs, the insurance policyholder or the insured must report it to each insurer, indicating the names of the others.

The insurers will contribute to the payment of the indemnity and expenses in proportion to the sum they insure, and in no case may this exceed the cost of the damage. Within this limit, the insured may request the owed indemnity from each insurer, according to the respective contract.

If, due to wilful misconduct, this communication is not made, and if an claim occurs when there is overinsurance, the insurers are not obliged to pay out indemnity.

5. Claims – indemnity payment

1. As a general rule, the insurer undertakes to pay indemnity upon conclusion of the investigations and appraisals required to establish the existence of the claim and, where applicable, the cost of the damages arising therefrom.

Under all circumstances, the insurer must, within a period of 40 days from receiving the claim report, pay the minimum sum it owes, according to the circumstances known to it.

2. If the expert opinion is disputed, the insurer will pay the minimum amount that is referred to in the previous paragraph.
3. When the nature of the insurance allows and the insured also agrees, the insurer may substitute indemnity payment for repair and replacement of the affected object.
4. The insurer is in default when it has not provided benefits within a period of 3 months from the claim occurring and has not proceeded to pay the minimum sum it owes within a period of 40 days from receiving the accident report, in which case the indemnity will be increased through the payment of an annual interest 50% greater than the legal interest on money. This interest will be considered to accrue daily, without the need to file legal claims. Nevertheless, once 2 years have elapsed from the claim date, the annual interest may not be less than 20%.
5. If, after the claim, recovery or compensation is received due to any causes, the insured must notify the insurer, and the latter may deduct the amount from the indemnity.
6. In accidents that cause the death of an occupant, the insurer has the power to retain that part of the insured capital which, in accordance with circumstances known to the insurer, is estimated to be owed as inheritance tax, which will be paid to the insured if proof of payment or exemption from same is provided.

21 SUBROGATION

- Once the indemnity has been paid, and when there is no need for any other assignments, transfers, deeds or orders, the insurer is subrogated to all the rights, appeals and actions that, as a result of the claim, correspond to the insured, as regards individuals who perpetrated or were liable for the claim, including other insurers, where applicable, up to the indemnity limit.
- The insurer may not exercise the rights it has subrogated in detriment to the insured.
- The insured shall answer to the insurer for the damages that, with his/her actions or omissions, s/he might cause to the insurer with regard to its right to subrogate.

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22 RECOURSE

- The insurer may sue the insured for the indemnity amount it had to pay as a result of the exercise of direct action by the injured party or the entitled dependants thereof, when the damage caused to the third party resulted from wilful misconduct by the insured.
- Likewise, the insurer may file a claim for damages caused to it by the insured and/or the insurance policyholder in the cases and situations set forth in the policy and may request the reimbursement of any indemnity it paid to third parties harmed by claims not covered under the insurance.

23 TERMINATION AND NULLITY OF THE CONTRACT

Should the insured interest or risk disappear during the term of the policy, the insurance agreement will be terminated, and the insurer will be entitled to the premium that has not been consumed.

Limitation for actions stemming from the insurance contract shall be for a term of two years, with regard to insurance for damages, and five years, with regard to insurance for people.

If both parties do not agree, they may submit their differences to the judgement of arbitrators, in accordance with current legislation.

- The insurance policyholder, insured or beneficiary shall send all notices intended for the insurer to the registered offices indicated in the policy, or by e-mail to the e-mail addresses provided by the insurer for this purpose. Nevertheless, if they are sent to an agent of the insurer, they shall have the same effect as if they had been sent directly to the insurer.
- Notices intended for the insurance policyholder, insured or beneficiary will be considered validly issued when they are sent to their addresses, sent by e-mail or made using the telephone numbers provided by these people at the beginning of the contractual relationship or during the same. To do so, the postal address, e-mail address and telephone number must be updated immediately with the insurer by their owners.

The insurer will not be liable for the consequences resulting from a failure to update the aforementioned contact information.

- Any communication sent by an insurance broker to the insurer on behalf of the insurance policyholder shall have the same effects as if they had been sent by the policyholder, unless otherwise stated. The express approval of the insurance policyholder shall

be required, at all times, to enter into a new contract or to modify or terminate the insurance contract currently in force.

- This insurance contract shall be subject to Spanish law. Any disputes arising therefrom shall be heard by the competent court corresponding to the insured's address. If the insured's address is abroad, the insured shall provide an address in Spain for such purposes.

