

Insurance terms for **Boat Insurance**
Version 6th of September 2013

First Bådforsikring (boat insurance) in brief

Unless otherwise stated in the insurance policy the boat insurance comprises:

- Hull insurance covering damage to the boat and its permanent fittings
- Liability insurance covering liability for damage caused by the boat.
- Sailing accident for 6 persons on board
- Legal expenses insurance under the hull insurance
- Salvage expenses

Glossary

The insurance terms include a section with a glossary of insurance terms and concepts on page 19.

First Skadehjælp (damage assistance) in brief

In the event of emergency damage, call our Skadehjælp (damage assistance line) on tel. no. +45 7070 2470.

A claim form for non-emergency damage is available at <http://first.dk/>.

Right of cancellation

You are entitled to cancel your purchase

Under clause 34 of the Danish Act on Insurance Contracts, you are entitled to cancel your insurance order. The deadline for cancellation is 14 days from the date of receipt of the policy.

- For example, if you receive the insurance terms on Monday the 1st, you may cancel the agreement until and including Monday the 15th.
- If the deadline expires on a national holiday, a Saturday, Constitution Day, 24 December or 31 December, you may wait to cancel the agreement until the following business day.

How to cancel

If you cancel the insurance agreement, it is important that you notify us in writing before the deadline. You can do this, for example, by letter or e-mail, and you must have sent the notification before expiry of the deadline. You may send the letter as a registered letter and save the postal receipt if you want to have documentation that you have made a timely cancellation.

You must notify

First Marine A/S, Nytorv 3, 1450 Copenhagen K or baad@first.dk

Other information

Personal information etc.

As a customer, you will of course be able to see the personal information about you which we keep. This is typically details of name, address, personal registration number/company registration number and your insurance policies. If you wish to see this information you can simply write to:

[First A/S, Nytorv 3, 1450 Copenhagen K](#) or baad@first.dk

If you do not wish to receive marketing material in the future, you should send notification to the same address.

We advise that information on your customer relationship with us will be registered centrally at First.

Commission

We advise that some of First's employees receive a commission or bonus when they sell an insurance policy.

NemKonto

First uses the NemKonto system to make payments to you [and we have to register your personal registration number/company registration number in order for you to become a customer with First.](#)

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Glossary 19

Scope of coverage

1. Who is insured?

The insured and anyone using the boat lawfully with the insured’s lease permission.

2. Coverage

Geographic area

The insurance policy covers sailing and periods in the leased area of coverage in force.

All rentals have a specified geographical rental area consisting of sailing area of waters – delimited as by lines width 1, length 1 and width 2 and length 2 where the insurance applies.



If the boat has been assigned a narrower permitted area by the National Maritime Authority, the insurance covers only the assigned permitted area.

3. When does the insurance policy provide coverage in the water and on land?

- A The insurance policy covers sailing and transportation on land all year round.
- B When the boat remains in port, at anchor or on land, the insurance policy provides cover in accordance with the table below.

= covered
 = extended cover
 = not covered

Boat remaining	Period	Rental period 1	Rental period 2	Rental period 3
On land		At approved location	At approved location	At approved location
On trailer		At approved location	At approved location	At approved location
In A port				
In B port				
In C port, at jetty and at anchor,				
In public and desolate places				

A port list is given on Boatflex web: <http://boatflex.com>

Safety regulations

4. What are the prerequisites for insurance coverage?

The safety regulations must be complied with in order to cover the boat, and in the event of violation of the safety regulations with a causal relationship between the violation and the damage, the right to compensation may lapse completely or be reduced.

Safety regulations, theft and vandalism

- Personal effects must be removed from the boat when the boat is laid up and must be kept in a locked place when the boat is not in use.
- Outboard motor must be locked/bolted to the boat with an approved clamp bolt.
- If the boat remains on a trailer, such trailer must be properly placed in a carport/garage or in the garden at the permanent residence of the insured and it must be locked with an (SSFN 014 class 4 lock (Red)) when it is detached so that it cannot be pulled away, or it must be placed in a properly locked building such as a warehouse or equipment building.
- If electronic tracking equipment is installed it must be active and capable of generating a tracking record.
- Unmanned boats at anchor must always be properly covered with a tarpaulin.
-

Seaworthiness

The boat must be kept in seaworthy condition and the crew must generally display good seamanship and common sense.

Mooring, drainage, inspection and ports

The boat must be moored safely with the correctly dimensioned mooring lines. The boat must be kept dry and must be inspected properly. The premium calculation is based on the assumption that the boat has a permanent berth in port, at anchor or on a trailer. See clause 3.

Winter lay-up

In an approved A port the boat must be properly moored and covered and protected against icing or, when on land, properly supported and covered. A boat with mast and rigging is only covered in an approved rack. Small outboard motors must be detached. The insurance policy does not provide cover for damage or liability for damage if the boat remains in the water outside the port and without any experienced seamen on board during the **time outside normal sailing season**.

Display of navigation lights and navigation equipment

Navigation lights must be displayed according to the navigation rules. There must be a chart on board for navigating outside the home port area.

Fire protection

There must be proper fire extinguishing equipment on board when a cooker, heater, refrigerator or similar equipment is used on the boat if powered by inflammable liquids or gas. This requirement also applies if the boat does not have a motor. Hand-operated fire extinguishers must be positioned in an easily accessible place and must be ready for immediate use. The equipment must be of an approved type. The equipment must be inspected regularly according to the manufacturer's instructions and at least once every year.

If the boat has an inbuilt petrol motor with a capacity of more than 100 HP, there must be an approved automatic fire extinguisher in the engine room or a fire extinguisher that can be operated from the manoeuvring place on the boat.

Use of hot-air fan or the like connected to 230 VAC requires the presence of the owner or user.

Free flammable liquids may only be used in the absence of open fire.

Statutory safety requirements

The manufacturer's recommended motor strength, speed and number of passengers must be complied with. There must be life jackets on board for all passengers. Boats marketed in Denmark after 1 July 1998 must be CE marked and approved, and hull number must be stated.

Hull insurance

5. What does the insurance policy comprise and which types of damage are covered?

A Coverage table

The coverage table in clause 6 shows what the insurance policy comprises, which types of damage it covers, and the exceptions and limitations that apply to the insurance. General exceptions are given in clause 5 D and F.

B What does the insurance policy comprise?

The left-hand column of the table shows what the insurance policy covers and what it does not cover.

C Which types of damage does the insurance policy cover?

The horizontal fields at the top of the table show the types of damage that may be covered by the insurance. Below are shown the exceptions and limitations that apply to the individual types of damage.

D Which general exceptions apply to the insurance?

The insurance does not cover:

1. Boats which do not comply with applicable laws and the safety regulations of the authorities, including the technical regulations of the Danish Maritime Authority and EU directives.
2. Boats which are not seaworthy.
3. Boats which are not properly equipped.
4. Boats which are not properly manned.
5. Damage to boats resulting from defects in material or construction and damage under the warranty.
6. Damage to boats resulting from lack of maintenance or corrosion.
7. Damage to boats resulting from lack of or inadequate inspection.
8. Damage resulting from ice, snow or frost.
9. Loss of time, subsistence allowance, travel expenses and loss of use of the boat.
10. Damage caused intentionally.
11. Damage caused because the boat operator was under the influence of alcohol, narcotics or the like.
12. Damage caused when the boat was used for illegal purposes.
13. Damage to boat types in respect of which the requirement for a speedboat certificate has not been fulfilled.
14. Damage caused by gross negligence, to be determined with due consideration for the degree of fault and the circumstances as to the scope of the cover.

F What cannot be insured on standard terms?

Insurance of boats on extended terms must always be approved individually by First A/S.

For types 1-5, a boat inspection report on the condition and seaworthiness of the boat must be prepared by an expert with experience in the type of boat to be assessed.

1. Boats more than 40 years old made of fibre glass
2. Boats more than 25 years old made of steel
3. Boats more than 20 years old made of wood
4. Rebuilt fishing boats and ferro-cement boats
5. Home-built boats.

For extension of standard terms for types 6-7, a description of the size and use of the boat must be prepared.

6. Boats which are rented out
7. Boats used partly or entirely for commercial purposes

G Minimum age of boat operator

Boats:

- a. of more than 25 gross register tonnes or 15 metres
- b. with a maximum speed of more than 10 knots
- c. with a motor output of 10 HP or more
- d. with a length of 8 metres must not be operated by a person under the age of 16 unless he/she is monitored by an older experienced seaman on board.

H Extraordinary costs

If the boat is uninhabitable after damage covered by insurance and the boat is more than 80 km from the home port, the insurance will cover necessary costs of board and lodging and transport back to the home port for the owner and crew. Expenses are covered up to DKK 5,000 per claim and maximum DKK 10,000 for each policy annually. These expenses must be approved in advance. If the repair takes more than 3 days, First Marine A/S may cover the expenses for transport of the boat to the home port according to its assessment.

6. Coverage table

| = covered ▨ = extended cover ■ = not covered

A The insurance policy comprises	The insurance covers direct damage resulting from		
<p>Boats up to DKK 3 million or 50 feet. Stated in the policy are covered according to standard terms.</p> <p>Objects mentioned in item C of clause 1.</p>	<p>Fire</p> <ol style="list-style-type: none"> Lightning strike directly in the boat. Explosion. Sudden sooting from an installation for space heating. It is a condition that the installation is set up according to the applicable regulations. Electrical damage. 	<p>Theft and vandalism</p> <ol style="list-style-type: none"> Theft of the entire boat. Theft of objects removed by means of force or tools. Vandalism caused intentionally in and on the boat. The boat remains all year on a locked trailer or trailer with anti-theft protection when the winter and summer addresses are approved by First. 	<p>Sailing damage</p> <ol style="list-style-type: none"> The boat sinks or capsizes. Grounding or beaching. Collision. Cover during sailing period stated in the policy. Damage resulting from boat races arranged by a sailing club if the race takes place according to the rules of Dansk Sejlunion (Danish Sailing Association), cf. clause 12 A.
<p>B. The insurance policy does not cover:</p>	<p>The insurance does not cover: (General exceptions appear are given in clause 5 D)</p>		
<ol style="list-style-type: none"> Objects which are normally not found on board during sailing, including spare mast, winter tarpaulin, winter rack, trestles, permanent mooring lines and mooring buoys. Dinghy trailer and boat trailer. Consumables such as oil, petrol, supplies, including beverages, tobacco and medicine. Money and special valuables. Storage media for sound, pictures or data, mobile telephone, camera and PC. 	<p>Damage resulting from smouldering, scorching or melting.</p> <p>Heating blower without supervision.</p> <p>Inflammable liquids near open fire.</p>	<p>Theft of boats with outboard motor or with outboard drive on trailer remaining or being left in public parking area, port area or the like or if the trailer is not properly locked.</p>	<ol style="list-style-type: none"> Unmanned boats with open or partly open cockpit without proper covering with tarpaulin. When mooring lines and anchor equipment are not safe and when mooring or anchoring has not been carried out in a responsible manner. Damage resulting from slow penetration of water. Damage to the boat when the boat has been towed unless this was necessary due to sea damage. Damage resulting from the motor boat participating in a motor race, motor boat race or other form of sailing for the purpose of winning.
<p>C. Hull, rudder and keel</p>			
<p>D. Machinery</p>	<ol style="list-style-type: none"> Covers only if the outboard motor is attached to the boat with a proper lock or kept in a properly locked building. 		
<p>E. Mast and boom with running and standing rigging Maximum 30% of the total sum insured.</p>	<p>No cover for damage to mast, boom and spinnaker pole during sailing resulting from the rigging not being in proper condition and properly set.</p>		
<p>F. Sails, canopy and tarpaulin Maximum 30% of the total sum insured.</p>	<p>No cover for sails, canopy or tarpaulin blowing to pieces solely because of wind pressure irrespective of wind strength.</p>		
<p>G. Permanent fixtures and usual equipment Objects which are necessary to sail the boat and which belong in the boat permanently.</p>	<p>Loose objects are only covered when they are in a properly locked space in the boat during the sailing period or in a properly locked building. Outside the sailing period they are only covered if they are in a properly locked building.</p>		
<p>H. Personal effects Only covered during the sailing period and only if they are not covered by another insurance policy. Covered up to 10% of the sum insured and maximum DKK 30,000. Cover is in addition to the sum insured. Necessary tools are covered to maximum DKK 2,000 and binoculars to maximum DKK 2,000. The amounts will not be indexed.</p>	<p>Only from properly locked space in the boat or from properly locked building.</p>		
<p>I. Dinghy and rubber boat with or without outboard motor</p>	<p>Only covered if stated in the policy and for more than 10 HP or if the value exceeds DKK 50,000 and has been added to the total sum insured.</p>		
<p>J. Trailer</p>	<p>With blue certificate, replacement boat abroad (EU). Damage to own boat in the EU during holiday is covered to maximum DKK 15,000 for rental of replacement boat during the holiday. Documentation for ordered holiday and rental certificate must be presented. Rental of replacement boat must be proportionate to own damaged boat.</p>		

6. Coverage table - continued

= covered
 = extended cover
 = not covered

A The insurance policy comprises	The insurance covers direct damage resulting from		
The boat stated in the policy. Objects mentioned in item C of clause 1.	Storm When the boat overturns or collides with another boat or object during a storm. When the boat is on land.	Hauling, launching and land transport in the geographical area Also covers ferry transport in connection with land transport.	Other sudden damage In case of other sudden damage, the damage must be immediate and unexpected. The damage must have occurred at a specific point in time and not over a period of time. The insurance covers only damage that has not been stated as covered or not covered in clauses 15D, 16.1, 16.2, 16.3, 16.4 or 18.5.
B. The insurance policy does not cover:	The insurance does not cover: (General exceptions are given in section 5D)		
1. Objects which are normally not found on board during sailing, including spare mast, winter tarpaulin, winter rack, trestles, permanent mooring lines and mooring buoys. 2. Dinghy trailer and boat trailer. 3. Consumables such as oil, petrol, supplies, including beverages, tobacco and medicine. 4. Money and special valuables. 5. Storage media for sound, pictures or data, mobile telephone, camera and PC.	1. Damage resulting from the boat not being properly supported or not being on firm ground. 2. Damage to sailing boats with mounted mast that are not placed in a proper steel rack or the like to withstand wind pressure. 3. Dinghies and rubber boats that are not properly fastened so that they may be moved by the wind. 4. When the boat has been hauled on to land, is on a boat lift or the like and is taken out of the water.	Damage resulting from the boat not being properly supported or fastened during transport.	1. Damage due to wear, age, rot, corrosion, osmosis, animals or fungi. 2. Damage to objects resulting from ordinary use, the effects of the weather, scratches or smudging, for example through the air.
C. Hull, rudder and keel			
D. Machinery			
E. Mast and boom with running and standing rigging Maximum 30% of the total sum insured.			
F. Sails, canopy and tarpaulin Maximum 30% of the total sum insured.	No cover for sails, canopy or tarpaulin blowing to pieces solely because of wind pressure.		
G. Permanent fixtures and usual equipment Objects which are necessary to sail the boat and which belong in the boat permanently.			
H. Personal effects Only covered during the sailing period and only if they are not covered by another insurance policy. Covered up to 10% of the sum insured and maximum DKK 30,000. Cover is in addition to the sum insured. Necessary tools are covered to maximum DKK 2,000 and binoculars to maximum DKK 2,000. The amounts will not be indexed.			
I. Dinghy and rubber boat with or without outboard motor			
J. Trailer			

Extended hull coverage:**7. Permanently valued sum insured**

If the insurance has been taken out with a permanently valued sum insured (new in replacement of used) there is no depreciation of the value of the boat: cf. clause 12 G. In the event of total loss, the entire sum insured less excess will be paid. In the event of partial loss, the damage is compensated without deduction for depreciation but less excess.

8. Coverage of 6 weeks' EU holiday

If the insurance policy has been extended by cover for sailing and transport for a maximum of 6 weeks in Europe and if a Blue certificate has been issued (copy of policy letter in English).

Replacement boat abroad (Europe)

In the event of damage to own boat during holiday abroad a maximum of DKK 15,000 may be paid for rental of replacement boat upon presentation of documentation for ordered holiday and rental document. However, rental of replacement boat must be proportionate to own damaged boat. First Marine A/S must always be contacted in such cases. If not, the right to compensation may lapse.

9. 12 months' Blue Water cover

The insurance may be extended to cover Blue Water sailing in a specified area for one year at a time and if a Blue certificate has been issued (copy of policy letter in English). See separate insurance terms for Blue Water cover **and subject to Underwriters terms and conditions to be agreed.**

10. Trailer coverage

If the insurance is extended to cover boat trailer, such trailer for the boat is covered up to DKK 60,000 in addition to the sum insured under the hull insurance stated in the policy.

11. Trolling equipment

If the insurance is extended to cover trolling equipment, such equipment is co-insured up to DKK 60,000 in addition to the sum insured under the hull insurance stated in the policy.

12. How do we compensate for damage?**A Repair**

First pays the costs of having the boat and its parts returned to the condition before the damage occurred at the nearest qualified and recognised repairer within normal working hours. First has the right to assign a repairer. Compensation for damage resulting from a boat race under Dansk Sejlunion's rules is paid at 2/3 of the costs of the damage.

B Paint, varnish and gelcoat

First grants compensation for varnishing and painting of the damaged area. There may be a colour difference after the repair since the original colour has been impacted by wind and weather.

C Value deterioration

First does not pay compensation for any imperfections or value deterioration.

D Legalisation

Expenses for legalisation of the boat may be deducted from repair expenses.

E Compensation for individual parts

In the event of partial damage, compensation for the repair expenses is paid in full within the limit. See depreciation table for new and used boats in clause 12 G. First may elect to pay cash compensation instead of repair when the expenses for proper repair of individual parts exceed the market value.

F Cash compensation in the event of total loss

1. If the repair work is so comprehensive that the cost of the damage exceeds the market value of the boat, First will declare the boat a total loss and First will pay cash compensation corresponding to the market value of the boat.
2. If the boat has to be salvaged and the cost of this exceeds the market value of the boat, First may elect to pay cash compensation corresponding to the market value of the boat.
3. If the object has not been found within 30 days of receipt by First and the policy of a report of theft of the object, First will pay compensation corresponding to the market value of the object.
4. The cash compensation cannot exceed the sum insured.
5. If the boat is not in compliance with statutory regulations, First A/S may deduct the costs of legalisation in the compensation.
6. In the event of total loss, First A/S will only pay compensation for the salvage costs incurred before the insured was notified that the damage will be regarded as a total loss.
7. Damage valuation and insurance value are determined by estimate if requested by the insured or First A/S. The provisions on estimates in the General terms will then apply.

G Special compensation rules for total loss

If the boat, i.e. hull, motor, fittings and movable property, has been destroyed, become wrecked or will be too expensive to salvage or has become so severely damaged that according to First A/S's assessment repair will not be worthwhile, the damage will be assessed at the market value of the boat or the individual objects less any residual value. Compensation cannot exceed the sum insured as stated in the policy.

Special depreciation rules apply to the following objects if they were not damaged before the damage occurred. We grant compensation for sails, canopies and tarpaulins at the following percentage of the replacement value of a similar new object:

Age	Compensation	Age	Compensation
0 - 1 year	100%	5 - 6 years	50%
1 - 2 years	90%	6 - 7 years	40%
2 - 3 years	80%	7 - 8 years	30%
3 - 4 years	70%	Thereafter	30%
4 - 5 years	60%		

We grant compensation for outboard motors at the following percentage of the replacement value of the equivalent new motor:

Age	Compensation	Age	Compensation	Age	Compensation
0 - 2 years	100%	5 - 6 years	80%	9 - 10 years	40%
2 - 3 years	95%	6 - 7 years	70%	10 - 11 years	30%
3 - 4 years	90%	7 - 8 years	60%	Hereafter	30%
4 - 5 years	85%	8 - 9 years	50%		

H Documentation

To receive compensation you must document or render it probable that you have owned the damaged or stolen objects. You must also be able to document when the objects were purchased and the purchase price. Such documentation may be in the form of receipts, invoices or purchase contracts. If the objects were purchased privately, you must obtain a dated transfer document with indication of what was purchased and at what price. The transfer document must include the name and address of the buyer as well as the seller. If you cannot document or render your claim for compensation probable, we may reject the claim or fix the compensation based on an estimate. In your own interest, you should therefore save receipts for purchases of all new objects.

I Repayment of compensation

If First Marine A/S has had to make an insurance payment which is not compensated by First A/S under the insurance terms, the insured is under an obligation to repay the compensation.

13. Salvage money

The hull insurance provides cover during the sailing period of salvage money or necessary towing in emergency situations without deduction of excess. For expenses in excess of the sum insured, see clauses 12 F2 and F6.

14. Removal of wreck

The hull insurance covers reasonable expenses for clean-up, salvage and removal of wreck and wreckage. For expenses in excess of the sum insured, see clause 12 F2 and F6.

15. Transport costs

If transport is required due to damage covered under the insurance, the hull insurance will cover expenses for normal transport to the nearest qualified and recognised repairer. However, we do not cover expenses for transport of boats on an auto-trailer.

16. Necessary overnight accommodation abroad

If you cannot live and spend the night on the boat due to damage, the insurance will cover alternative overnight accommodation during a holiday abroad. The holiday must have a duration of at least 3 days.

The insurance covers reasonable expenses for alternative overnight accommodation for the persons on board up to maximum 6 persons. The compensation cannot exceed a total of DKK 10,000 corresponding to 3 overnight stays.

17. Underinsurance

The sum insured stated in the policy must always correspond to the market value of a similar boat of the same type, age and condition with similar equipment. If, in the event of damage, it is found that the market value exceeds the sum insured, there is a situation of underinsurance. This means that in connection with any claim, you will only be entitled to compensation proportionate to these amounts.

Sailing accident

18. About sailing accident

The insurance covers a sailing accident for 6 persons on board, cf. separate insurance terms for Sejlerulykke "Ulykkesforsikring, Lystfartøj" on first.dk/sejlerulykke.

19. Emergency psychological assistance

The insurance covers emergency psychological assistance if you or other persons on board the boat have been directly involved in an incident with the boat which has triggered an immediate psychological crisis caused by damage covered by the boat insurance, and

- a. which has resulted in loss of life
- b. where there has been an immediate risk to human life.

The insurance covers up to 10 hours with a psychologist for the persons on board up to a maximum of 6 persons. Since this is an acute psychological crisis, the insurance only provides cover if we are notified of the need not later than 3 months after the damage on the boat.

Liability insurance

20. When are you liable

1. In accordance with applicable law, you are legally liable when you are the cause of the damage due to fault or negligence. In other words, you are responsible when "it's your fault". If you are without blame for the damage, it may have been an accident or others may be to blame. In these situations you are not liable in damages and therefore the injured party must bear the loss.
2. In the event of damage, you must always leave it to First to decide whether you or other insured parties are liable in damages for such damage. If you or other insured parties acknowledge the

liability or the claim, you may have to pay compensation and any costs yourselves since this kind of acknowledgement is not binding on First.

21. What kind of liability is covered?

The insurance grants compensation for damage or injury to persons, objects and animals caused in tort by the insured as private individuals with the boat of the insured, and for which they have become liable according to case law while the insurance policy was effective.

The insurance only covers liability for damage from water sports:

- When the equipment has been professionally manufactured and the safety regulations are observed.
- When not more than 2 persons are pulled at the same time.
- When only one tool for water sports is used at a time.
- When the master is over the age of 21 and as a minimum has a speedboat certificate.

22. What kind of liability is not covered?

The insurance does not cover liability for damage occurring:

- A during participation in a motor boat race or other form of sailing with motor driven boats for the purpose of winning.
- B when the guidelines for water sports in clause 14 have not been followed.
- C when the boat is being used for an illegal purpose.
- D when the boat is rented out or used for commercial purposes.

Additionally, the insurance does not cover liability for damage or injury:

- F caused intentionally. However, the insurance provides cover if the damage or injury is caused by persons under the age of 14 or persons who do not have the ability to act in a sensible manner due to their mental state. Insured persons who do not have the ability to act in a sensible manner due to their mental state must be able to document this by a declaration from a medical specialist.
- G caused during self-inflicted intoxication, self-inflicted influence of other narcotics or similar toxins or self-inflicted influence of other recreational drugs. This provision applies irrespective of the mental state of the person causing the damage.
- H caused by pollution of or through air, water or soil. However, the insurance will provide cover if the damage or injury occurred in connection with an isolated incident and the insured has complied with public regulations.
- I to animals and objects belonging to the insured.
- J to animals and objects borrowed or rented by the insured or for other reason in the custody of the insured. In these terms, custody means that the insured has an independent right of use of the object, even if it is only for a short period of time.
- K Liability arising during transport of the insured objects.
- L Liability to the owner's/user's/operator's family. In these terms, family means spouse, parents, siblings, children and children's spouses. First A/S does not provide cover for liability to co-owner for damage to objects owned jointly or to companies controlled by the insured or owned by the insured or his/her family.

23. If the injured person has insurance

Under the provisions of the Danish Liability in Damages Act, the insurance company which has issued a motor car insurance, homeowner's insurance, household furniture insurance or accident insurance for the injured party must process the claim under the insurance policy of the insured party. This provision also applies if one of the insured persons is liable for the damage.

24. Sum insured

1. The insurance provides cover of up to DKK 10 million for personal injury and up to DKK 5 million for damage or injury to animals and objects arising in connection with the same insurance incident.
2. The insurance will also pay the costs of the decision on the compensation issue if this has been agreed with First even if the sums insured have been exceeded. This also applies to interest on the compensation amount covered by the insurance.

3. The insurance will also provide cover for legal costs in the event of an unwarranted claim for compensation against the insured.

25. Legal expenses insurance

The hull insurance for the boat also includes legal expenses cover.

A What does the insurance cover?

The legal expenses insurance covers your expenses for proceedings that may reasonably settle certain private legal disputes. You must be involved in the case as a private individual and the dispute must not be associated with your profession. A company cannot obtain cover for its legal costs.

The courts must be able to pronounce a decision in your case. If an approved complaints board such as the Consumer Complaints Board is competent to hearing the case, you are under an obligation to try this option first.

B Notification of claim

If you need the insurance, you must contact a lawyer to take the case. The lawyer will notify the case to First.

You must notify the claim to us yourself if the case is handled under the small claims procedure. This is an especially simplified form of procedure for hearing cases involving claims of maximum DKK 50,000. We do not cover legal assistance during the pre-trial stage but only during the trial itself.

C Terms

Terms of the legal expenses insurance may be obtained from our legal expenses department, which will be happy to advise you.

D Amounts and excess

Stated in the current terms of the legal expenses cover, available on the website of Forsikring & Pension: www.forsikringogpension.dk. or first.dk/FogP

Common terms

26. Payment for the insurance

A Price and taxes

The price is fixed based on our current rates. Together with the amount, we will also collect government taxes under the current legislation.

B Collection expenses

The insured will pay all expenses in connection with the collection.

C Payment address

The invoice will be sent to the stated payment address. If the payment address is changed, First must be informed as soon as possible.

D Date of timely payment

The amount will be collected with indication of the last date of timely payment.

E Late payment

If the amount is not paid when due, we will send a reminder. If the amount is not paid within the deadline stated in the reminder, the insured will lose the right to compensation. We will collect a fee for each reminder we send. The fee is stated in the price list on First.dk. First will also inform you of the amount upon request. We are entitled to add interest to the amount due according to the Danish Interest Act and to transfer the amount to debt recovery.

27. Fee

Fees for services

First is entitled to increase existing fees or introduce new fees, for example to cover increased costs of services such as collections, customer transactions and other services in connection with the processing of policies and claims.

One month's notice must be given before increases of existing fees with effect on the first day of a month. Three months' notice must be given before the introduction of new fees with effect on the first day of a month.

Fees are stated on First.dk. First will also inform you of the amounts upon request.

28. Indexation

A Price adjustment

The price is index-linked on the first collection in the calendar year.

B Which index?

The indexation follows the development in the salary index for the private sector from Danmarks Statistik (Statistics Denmark). If this index is no longer published, First may use another index from Danmarks Statistik.

29. Excess

A Payment of excess

The excess is stated in the policy, the invoice or under the individual cover in the insurance terms. The insured pays the first part of the claim with the amount of the excess after determination of the compensation. First collects the excess from the insured.

B The excess:

- under the hull insurance up to DKK 1 million is DKK 5,000 per claim.
- under the hull insurance up to DKK 2 million is DKK 10,000 per claim.
- under the hull insurance over DKK 2 million is 0.5% of the sum insured per claim.
- under the hull insurance for multihull boats, sailing boats with fin keel and motor boats with stiff axle without keel or V bottom with keel is DKK 10,000 in the event of grounding, but only if the axle, propeller or bottom are damaged.
- for personal effects is 10% of the claim, but minimum DKK 750.
- under the liability insurance is DKK 2,500 per claim.
- in the event of theft of a boat with active tracking system (see clause 4), the excess is eliminated.

Minor damage and small claims

1. The insured will handle and pay claims which do not exceed the amount of the excess.
2. The insurance does not cover costs and interest in respect of claims which do not exceed the amount of the excess.
3. The excess is doubled for winter sailing (December, January and February).

C If more than one insurance policy is affected by the same claim

If the insured has taken out several insurance policies at First and these are affected by the same claim, only the highest excess of the policies affected by the claim will apply.

30. Duration, termination and change

A How long will the insurance remain effective?

1. The insurance will be effective for one year at a time (insurance period).
2. The insurance will remain effective if it is not terminated by the insured or First on at least 1 month's written notice with effect on the expiry of the insurance period (main expiry).
3. However, the insured may terminate the insurance on notice of current month + 30 days with effect on the first day of a month against payment of a fee.

B Termination or change in connection with claim

After any claim, the insured and First Marine may terminate the insurance on 30 days' notice until 14 days after payment or rejection of the claim. Termination of the policy after damage claim payment is the right to remaining premium void.

C Change of terms and price

1. First may change the terms and the price with effect from any date of expiry. The change must be made in writing on at least one month's notice.
2. If First A/S changes the terms or the price, the insured is entitled to terminate the insurance with effect on the date of expiry. The right to terminate the insurance does not apply for indexation alone.

31. Right of inspection

A First is entitled to inspect the insured's boat in order to make a risk assessment.

B If, during the inspection, we identify risk-increasing, dangerous or illegal conditions, we may fix a deadline for remedy of such conditions. On 14 days' notice, we may also:

1. terminate the insurance
2. increase the price
3. change the insurance terms, for example limit cover, introduce excess, increase an existing excess or request better protection.

32. Change in risk and sale**A When must First be notified?**

With respect to the price and the insurance terms, First must be notified in the event of changes in the information stated in the policy, including changes in:

1. sun insured (must correspond to the market value)
2. construction material (for example wood coated with fibreglass)
3. motor or outboard motor (changes in motor type, make or HP)
4. the permanent berth of the boat
5. sailing period

B When First has received notification

When we have been notified of the change, we will decide whether and on which terms the insurance may continue.

C If First is not notified

If we are not notified of the change, the insured risks losing the right to compensation in whole or in part.

D If the boat is sold

If the boat is sold, First must be notified in writing and the insurance will be cancelled. The new owner is covered under this insurance for 14 days after the change of ownership if no new insurance policy has been taken out.

E Incorrect information

The premium is based on the information provided to First Marine A/S on the boat, age, speed, owner and the waters in which it is used. If such information is incorrect, the right to compensation may lapse or be reduced.

33. In the event of damage**A You must give First notification of the damage as soon as possible**

In the event of damage, we must be notified as soon as possible. You must notify the claim on www.first.dk, by telephone or on a form which can be obtained from First.

When you notify a claim, the general provisions on time limitation in the Danish Act on Insurance Contracts apply. You must notify the claim to First A/S within one year after you became aware of the damage.

If you have not instituted legal proceedings or requested that the case be heard by a board within 6 months from the date on which you received written notification from First A/S that First A/S does not assume liability and at the same time reminded you of the deadline and the consequence of exceeding this, you will lose the right to your claim. Your claims will also be statute-barred according to the provisions of the Act.

B Theft and vandalism

Theft and vandalism must be reported to the police immediately. If the damage occurs abroad, you must also send a written confirmation to First from the local police. If, due to exceptional circumstances, it is not possible to contact the local police, another representative at the site, such as a harbour master, club chairman or the like, must prepare a confirmation. When giving notification of theft, you must render it probable that theft has occurred, since the insurance does not cover forgotten, lost or mislaid objects.

C You must prevent or limit damage

You are obligated to prevent or limit damage in so far as this is possible and to notify First as soon as possible.

First may initiate actions for the same purpose.

D Repair of damage - only according to agreement with First

Repair of damage or removal of the damaged objects may only take place by agreement with First. Preliminary repair may only be carried out if it is necessary to prevent serious consequences, and only by agreement with First. You must keep any replaced parts until the claim has been completed.

34. If the claim is also covered under another insurance policy

If the same risk is insured at another company and if this company has made the reservation that cover lapses or is reduced if the claim is also covered by another company, the same reservations will apply to this insurance policy. This provision only pertains to the mutual relationship between companies, which will then pay the compensation jointly.

35. War, natural disaster and nuclear energy

The insurance does not cover damage caused directly or indirectly by:

A War etc.

War, war-like acts, violation of neutrality, civil war, riots or civil unrest. However, the insurance provides cover under such conditions when the insured is sailing outside Denmark for up to 1 month from the start of the conflict. It is a condition that the insured does not:

1. participate in the acts
2. sail to a country which is in one of the aforementioned situations.

B Natural disasters

Earthquake or other natural disasters.

C Nuclear energy

The release of nuclear energy or radioactive forces.

36. Complaints board

A Right to complain

In the event of disagreement between the insured and First regarding the insurance and if a written inquiry to us has not produced a satisfactory result, the insured may file a complaint with

Ankenævnet for Forsikring (Insurance Complaints Board)

Anker Heegaards Gade 2
1572 København V
Tel: 33 15 89 00

Lloyd's Marketservice

One Lime Street
London EC3M 7HA
Tel: +44 20 7327 5693 / Fax: +44 20 7327 5225

between 10.00 a.m. and 1.00 p.m..

Mail: complaints@lloyds.com

B How to file a complaint

You may send the complaint to the Complaints Board on a special complaints form and pay a small fee. The fee will be fully refunded if you are fully or partly successful in your complaint. If the complaint is rejected or if you withdraw the complaint yourself, the fee will be refunded to you. You may obtain a complaints form and a giro transfer form from:

1. First
2. Ankenævnet for Forsikring (Insurance Complaints Board) www.ankeforsikring.dk

37. Arbitration

A Agreement on arbitration

In the event of a dispute between the insured and First regarding determination of a claim, the insured and First may agree that the damage will be determined by impartial valuers.

B The arbitration procedure

The insured and First each appoint a valuer. Before the inspection, the valuers appoint an umpire who will make a decision on the disputed issues in the event of disagreement between the valuers. If the valuers cannot agree on the appointment of an umpire, the Danish Maritime and Commercial Court will appoint the umpire.

C Role of the valuers

The valuers will prepare a statement of claim in strict accordance with the provisions of the policy and the insurance terms, and will explain this in writing. The result of this statement cannot be brought before the courts.

D The role of the arbitration tribunal

The arbitration tribunal determines and distributes the costs of valuers and umpire.

E Interest on compensation

The insured is entitled to interest in accordance with the provision in Act on Insurance Contracts.

F Consequences of fraud

Anyone who commits fraud against First A/S loses the right to any compensation claim against First A/S. First A/S may terminate any insurance contract with the insured under the Act on Insurance Contracts.

38. Legislation

This insurance contract is subject to Danish law, inter alia the Act on Insurance Contracts, Financial Business Act and the Danish Marine Insurance Convention of 2 April 1934.

Glossary

Manned

There must be the necessary crew on board to make the relevant sailing trip safe.

Fire

Fire means any fire that involves a widespread unrestrained flaming fire with the ability to spread by its own force. Thus, damage caused by spurts of flame where the objects do not catch fire independently is not covered. Damage from scorching or glowing or small holes without flames is not covered.

Explosion

A very rapid combustion or chemical process that releases intense heat and is usually accompanied by a bang or a flash.

Electrical damage

Electrical damage means damage to electrical conductors or components resulting from short-circuiting (an unintended connection in an electric circuit), induction (thunder) or overvoltage (fault in electricity supply).

Isolated incident

An isolated incident is damage occurring instantly and unexpectedly, which means that cause and effect must coincide.

Permanent fixtures and usual equipment

Permanent fixtures comprise objects necessary to sail the boat and belonging in the boat permanently, including heaters, cabin equipment, permanently installed equipment for sound and image, communication and navigation, ropes, anchors, anchor chains, pumps, lights, rescue equipment and fire extinguishers.

The insured

The insured means the person who has concluded the agreement with First.

Proper lock

A lock ([SSFN 014 class 4 lock \(Red\)](#)) which offers significant resistance to attempted theft and burglary and which cannot be detached without the use of special tools.

Properly supported

A rack which is adequately dimensioned to the size and type of the boat and which is able to withstand wind and weather impact without overturning, bending or breaking. The rack must be placed on firm ground so that it cannot sink into the ground due to rain, cloudburst, thaw or the like.

Properly locked

Properly locked means that, at a minimum, doors, hatches, scuttles and other entry openings are locked and that windows are closed and fastened when leaving the boat or building.

Mooring lines and anchor equipment

Mooring lines and anchor equipment must always have the right dimensions and length. The anchor must match the size and weight of the boat. When the boat is alongside a quay, at a jetty or at port, there must be an adequate number of fenders suspended even if there are no other boats nearby.

Market value

The purchase price against cash payment from a distributor for similar parts or boats of the same age, condition and with similar equipment.

Port

Port means a dock with breakwater protecting the boat against sea and wind all year round.

Contractual relationship

An oral or verbal agreement on purchase, sale, exchange or rental with or without payment.

Lightning strike

There is a lightning strike when the lightning directly strikes the insured object. It is a precondition that traces of spark and fire marks or other damage to the boat and its equipment can be found.

Emergency situation

There is an emergency situation when the crew and the boat are in danger.

Personal effects

Effects belonging to the insured and persons on board which are taken off the boat outside the sailing period, including clothes, sailing clothes, wetsuits, sea boots, shoes, fishing gear, binoculars, tools and portable electronic equipment.

Sudden sooting

Sooting must be instant and unexpected, which means that the cause of the sooting must have arisen at a specific time and not over a period of time.

Self-draining

When water may run freely out of the boat.

Storm

Storm is when the wind force is 8, corresponding to a wind speed of 17.2 m/sec.

Swinging at anchor

Outside a port at a jetty, pole, buoy or the like.

Seaworthy

The boat must be in such condition that it is suitable for taking to sea without danger to the boat or persons on board. In addition, the necessary crew must be on board to make the relevant sailing trip safe.

Special valuables

Special valuables mean objects which are not necessary and usual on board a boat, including electrical devices for photography, games and accessories for such, including antennas. Fur, leather, antiques, paintings, works of art and genuine oriental carpets. Tapes, memory boards, CDs, DVD's, films, cassettes and records. Coin and stamp collections, jewellery, precious stones, pearls and objects of gold, platinum or silver.

Consumables

Objects on board the boat that may be consumed, including fuel, oil, gas and paint.

Inadequate inspection

The boat must undergo an effective and regular inspection so that you may identify damage, defects or the like immediately and intervene in order to prevent or reduce the occurrence and scope of the damage. If you fail to do this, we call it an inadequate inspection.

Arbitration

Arbitration is a form of court with participation of professional experts and independent persons. Compared to the ordinary courts, the cases are often decided more quickly, but it is not possible to appeal the decision and have the case heard again.

Open or partly open cockpit

Boat with an open space or cockpit which can be filled with water and where the water cannot run out.

First. A/S • Nytorv 3 • 1450 København K
Telefon +45 70 70 24 70 • CVR-nr. 28 96 70 98
first.dk • E-mail: first@first.dk