

Zurich Watercraft insurance

Customer information and
General Conditions of Insurance (GCI)



We are here to answer
your questions.

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Table of Contents

Art.	Page	Art.	Page
Product overview	3	Accidental damage insurance	9
Customer information	4	201 Insured property	9
General Conditions of Insurance (GCI) Edition 11/2021	5	202 Insured events	9
Common Provisions	5	203 Insurance benefits	10
1 Contractual basis and applicable law	5	204 Deductible	11
2 Period of coverage	5	205 Premium based on loss experience	11
3 Territorial scope	6	206 Exclusions	12
4 Payment of premiums and adjustment of contract	6	Accident insurance	13
5 Responsibilities at the stationary location and in the case of transports with respect to accidental damage insurance	6	301 Persons insured	13
6 Obligations in the event of a claim	7	302 Insured accidents	13
7 Consequences of breach of contract	7	303 Insurance benefits	13
8 Termination in the event of a loss	7	304 Exclusions	14
9 Assignment of claims	7	305 Over-occupied watercraft	14
10 Place of Jurisdiction	7	306 Offsetting liability claims	14
11 Economic, trade and financial sanctions	7	Glossary	15
Third party liability insurance	8		
101 Scope of insurance	8		
102 Insured persons	8		
103 Insurance benefits	8		
104 Exclusions	8		
105 Recovery	9		

Product overview

Benefits			
Third party liability insurance			
Third party liability			
Coverage for gross negligence liability			
Accidental damage insurance			
Forcible damage (collision)	Comprehensive cover	—	
Coverage for gross negligence collision		—	
Theft		Partial casco	
Fire			
Glass			
Natural hazards on land		●	
• in case of lying idle on water			
• on water		—	
Accident insurance			
Death, disability, daily allowance, hospital allowance, medical expenses		●	●

● Optional coverage modules — Not insurable

Customer information

The following customer information provides an overview of the insurance company and the main content of the insurance contract. The rights and obligations of the contracting parties are derived definitively from the contract documents (application/offer, policy, insurance conditions), and the applicable laws, particularly the Swiss Federal Law on Insurance Contracts (ICA).

After acceptance of the proposal/offer the Policyholder will be issued with a policy, the contents of which will reflect the proposal/offer.

Who is the insurer?

Zurich Insurance Company Ltd, which has its main office at Mythenquai 2 in 8002 Zurich (Zurich), and is supervised by FINMA, the Swiss Financial Market Supervisory Authority (Laupenstrasse 27, 3003 Bern).

Which risks are insured and what is the scope of the insurance coverage?

The insured risks and the scope of the insurance coverage follow from the contractual documents and are restricted by the exclusions listed there.

The following insurances essentially protect against the following risks or include the following benefits (in each case within the scope of the agreed sums insured):

- **Third party liability insurance:** Provides coverage if third parties assert claims against the insured person for personal injury or property damage arising from the use of the insured watercraft and these claims are based on statutory liability provisions. Pays justified claims and defends against unjustified claims.
- **Accidental damage insurance:** Pays for damage to the insured watercraft that occurs against the policyholder's will, e.g. due to theft, fire, glass and natural hazards on land (partial casco) or – if additionally agreed – for damage caused by sudden, violent external influences, e.g. as a result of an accident caused by you (collision). Collision damage and partial casco damage together make up a comprehensive insurance.
- **Accident insurance:** Provides the agreed compensation (sum insured, daily allowance, reimbursement of medical expenses) in the event of accidents that the policyholder has while using the insured watercraft or during the provision of assistance to persons in other watercrafts.

Important exclusions include damages:

- to the insured watercraft due to wear and tear and similar damages (operational damages);
- if, at the time of the accident, the driver has a blood alcohol level of 1.6‰ or more or is unfit to drive;
- in connection with the intentional or attempted commission of criminal offences and misdemeanors;

- arising from warlike events, violations of neutrality, revolution, rebellion, or damages in the event of civil unrest (acts of violence at riotous assemblies, riots or disturbances);
- in the event of earthquakes, volcanic eruptions or damages resulting from nuclear stations or devices;
- if, journeys are not permitted by law or not allowed by the authorities.

Is the insurance on a fixed-sum/indemnity basis?

In principle, this insurance provides insurance on an indemnity basis. The loss that arose out of the insured event is decisive for justifying and determining the amount of the insurance benefits. Accident insurance makes an exception, as the coverage modules such as death, disability, daily allowance, hospital allowance provide insurance on a fixed-sum basis; the loss that arose out of the insured event is not decisive for the remittance and amount of the insurance benefits. The benefits can be provided in addition to other benefits.

Which premium is due?

The premium amount due depends on the insured risks and the desired level of insurance coverage. The contractual documents include all information about premiums and any applicable fees (e.g., taxes or payment in installments). The premium must be paid at the beginning of the insurance period, unless the contractual documents stipulate another term or the premium invoice specifies a later due date.

Zurich can adjust the premium and the insurance conditions for a new insurance year. In this case, the policyholder has a right to terminate the insurance policy according to the insurance conditions.

Which other obligations does the Policyholder have?

The insurance conditions and the ICA determine the obligations. Important obligations are, for example:

- Reporting if a declared fact has changed;
- Reporting an insured event (notification of claim) to Zurich immediately by telephone at 0800 80 80 80 or +41446289898 when calling from outside Switzerland or in writing;
- Collaboration during clarifications (in the event of a loss, in the event of changes in risk, etc.);
- Looking after insured property and protecting it through suitable measures;
- Making sure to minimize the damage and not recognize any claims.

When does insurance coverage begin and when does it end?

The insurance begins on the day stated in the proposal/offer or in the policy itself. The insurance coverage applies to damage that are caused after the beginning of the insurance and before the end of the contract.

If an insurance certificate has been issued, Zurich will provide provisional insurance coverage in accordance with applicable law or the terms of contract until the policy is issued.

The contract is generally terminated by way of ordinary termination. This form of termination is possible until no later than 3 months before the expiration of the contract or, if so agreed or legally stipulated, the insurance year. If the contract is not terminated, it shall be automatically extended for an additional year. Limited-period contracts without a renewal clause end automatically on the day specified in the application/offer or policy.

The insurance conditions and the ICA contain other possible termination options.

Can the contract be revoked?

The policyholder may revoke their application to conclude the contract or the declaration to accept it in writing or in another form that makes it possible to provide proof in text form (e. g., by sending an email) within 14 days. The policyholder shall have complied with the deadline if they give notice of cancellation to Zurich on the last day of the cancellation period or post the notice of cancellation on this day.

How does Zurich handle personal data?

Zurich processes data relating to natural persons (personal data) in connection with the conclusion and the performance of contracts and for other purposes. More information on this processing (inter alia the purposes, the data recipients, the storage and the rights of the data subjects) can be found in the privacy policies of Zurich. This privacy policy can be accessed at www.zurich.ch/data-protection or obtained by contacting Zurich Insurance Company Ltd, Data Protection, PO box, 8085 Zurich, datenschutz@zurich.ch.

Does the broker receive remuneration?

In the event that a third party, such as an independent broker, represents the interests of the policyholder in relation to the conclusion of or advice about this insurance contract, Zurich may remunerate this third party in consideration of their activities on the basis of an agreement. The policyholder may request any specific information in this regard from the third party, if so desired.

Prompt assistance and advice is also available by calling us toll-free at 0800 80 80 80 (or +4144 628 98 98 when calling from outside Switzerland) – worldwide and around the clock.

To ensure optimal service, we record all customer service center calls.

In the event of differences the original German version of these General Conditions and Terms of Insurance shall prevail.

General Conditions of Insurance (GCI) Edition 11/2021

Common Provisions

Art. 1

Contractual basis and applicable law

The rights and obligations of the parties to the contract and the scope of the insurance are stipulated in the policy, the General Conditions of Insurance (GCI) and any special conditions. A full product overview can be found on Page 3.

This contract shall be governed by Swiss law, including particularly the provisions of the Swiss Federal Law on Insurance Contracts (ICA) and the provisions of the Federal Inland Waterways Act (BSG and regulations) shall apply.

For Policyholder with residence or registration in the Principality of Liechtenstein, the mandatory provisions of Liechtenstein Law shall take precedence in the event of deviations.

The following types of use are only insured if this has been expressly agreed and is specified in the policy:

- Commercial transport of passengers or goods,
- Commercial rental.

Art. 2

Period of coverage

The insurance shall commence on the day which is specified in the policy and applies to damage caused during the term of the contract.

If an insurance certificate has been issued, Zurich shall provide provisional insurance coverage, until receipt of the policy:

- For liability claims in accordance with the legal minimum insurance amount,

- In the accidental damage insurance and accident insurance in accordance with the signed application received by Zurich for a maximum duration of four weeks after the registration date. However, indemnity shall be limited to CHF 100,000.

If an application is rejected, the provisional insurance coverage shall expire three days after the notification of rejection has been sent to the policyholder. Until the insurance coverage expires the premium is owed on a pro rata basis.

If a period of insurance of more than three years has been agreed, the contract may be terminated at the end of the third or each subsequent year by giving three months' notice in writing or in another form that makes it possible to provide proof in text form (e. g., by sending an email). If notice of termination of contract is not served, then it shall be renewed automatically for one year. Notice of termination shall be deemed to have been served in good time if the other party to the contract receives the notice not later than the last day before the three month period begins. Termination applies to all insurance cover provided under the policy unless specified otherwise. Where an insurance period of less than one year has been agreed, the contract ends on the date specified in the policy.

Art. 3 **Territorial scope**

The geographic scope includes all European countries with the exception of Belarus, Moldavia, Ukraine, the Russian Federation, Georgia, Armenia, Azerbaijan and Kazakhstan.

The insurance is valid on land and inland waters while the watercraft is in motion, standing still or being transported.

If also agreed in the policy, the insurance shall cover the coastal waters of the countries in the scope for up to 12 nautical miles from the coastal section.

The insurance shall lapse if the owner gives up his/her residence in Switzerland or the Principality of Liechtenstein and takes up residence in another country (with the exception of the Principality of Liechtenstein); such lapse shall take effect as soon as the insured watercraft is registered abroad or the owner obtains a flag certificate there, but not later than at the end of the year of insurance in which the move takes place.

Art. 4 **Payment of premiums and adjustment of contract**

4.1 Premium basics

The premium is based on the stipulated scope of insurance and the facts (material facts) given by the policyholder with regard to the insured persons and the watercraft. If one of these material facts should change, Zurich must be notified immediately in writing or in another form that makes it possible to provide proof in text form (e. g., by sending an email). In the event of a change in risk,

Zurich shall consider adjusting the contract to the changed circumstances.

4.2 Balances

The parties waive their right to call in balances of less than CHF 5 from premium invoices.

4.3 Contract amendments by Zurich

Zurich is entitled to amend the contract (e. g. increase premiums, change terms and conditions of insurance, sums insured or deductible regulations) with effect from the following insurance year.

Zurich shall inform the policyholder of the new premiums or contract conditions no later than 25 days prior to the expiration of the insurance year. The policyholder then has the right to cancel the insurance contract in its entirety or the part affected by the change until the end of the current insurance year. The cancellation letter must be received by Zurich – in writing or in another form that makes it possible to provide proof in text form (e. g., by sending an email) – at the latest on the last day of the current insurance year. If he/she does not cancel the contract, the changes to the insurance contract shall be deemed to have been accepted.

The following are not considered grounds for termination:

- Introduction or change of statutory charges (Swiss federal stamp tax),
- Legally or officially decreed contract amendments.

4.4 Consequences of default

If the policyholder is unable to meet their payment obligations, a payment request shall be issued and the policyholder shall be liable for the dunning costs and interest in arrears.

4.5 Premium reimbursement

If the contract is cancelled prematurely, Zurich shall reimburse the premium for the non-expired insurance term.

However, the premium shall remain owed for the whole insurance year:

- If the contract is cancelled in the event of total loss for which Zurich has provided compensation,
- If the policyholder terminates the contract in the first insurance year in the case of a partial loss.

4.6 Billing

Zurich may offset its outstanding claims against the policyholder's claims for insurance benefits or reimbursement of premiums.

Art. 5 **Responsibilities at the stationary location and in the case of transports with respect to accidental damage insurance**

The watercraft and all moveables must be properly secured for the respective stationary location (boathouse, dry berth, public or private parking space, water), and variable water levels and authoritative statutory and regulatory requirements and instructions must be complied with.

In the case of transport, the watercraft and the moveables must be loaded, secured or packed properly.

Art. 6 **Obligations in the event of a claim**

6.1 Obligation to notify

The insured person is obliged to report the occurrence of loss to Zurich immediately by telephone or in writing and to support all investigations, in particular to issue the necessary powers of attorney and to hand over all the relevant documents. Zurich may, if necessary, request a written notification of claim.

The police must be notified in the following cases:

- Accidents involving bodily injury,
- Theft.

In all other cases Zurich may in the particular case request a police report.

Zurich may demand that the insured file criminal charges or criminal complaint.

6.2 Liability insurance

Zurich shall conduct negotiations with the injured party. In the case of accidents abroad Zurich is authorized to entrust third parties with claims handling. The settlement of the claims of injured parties by Zurich shall in all cases be binding on the insured persons.

The insured may not recognize the claims of the injured party or make payments. Responsibility for conducting civil actions rests with Zurich.

6.3 Accidental damage insurance

Zurich shall be given the opportunity to inspect the damaged watercraft before and after the repairs. Otherwise, the benefit may be reduced or not paid at all.

Art. 7 **Consequences of breach of contract**

Zurich may reduce or refuse payment of insurance benefits in case of breach of obligations by an insured person. This disadvantage shall not apply if the insured person can prove not being at fault for the breach of obligations in consideration of the circumstances or the breach had no effect on the occurrence of the event and the scope of benefits. Missed premium payments due to the premium payer's insolvency shall not be covered by this provision, e.g. they will not be considered a non-culpable act or omission.

Art. 8 **Termination in the event of a loss**

Both the policyholder and Zurich may terminate the contract after each event of a loss for which insurance benefits are payable. The policyholder may terminate the contract in writing or in another form that makes it possible to provide proof in text form (e.g., by sending an email), no later than 14 days after he/she has received notification of payment. Zurich must issue notice of termination the latest at the same time as payment of a claim is made.

Unless specified otherwise in the termination notice issued by either party, termination shall apply to all insurance cover provided under the policy. Insurance coverage ends 14 days after the respective counterparty receives notice of termination.

Art. 9 **Assignment of claims**

Before they have definitely been ascertained, the rights to the insured benefits may neither be assigned nor pledged without Zurich's explicit agreement.

Art. 10 **Place of Jurisdiction**

In the event of disputes, the policyholder or beneficiary may elect one of the following as the place of jurisdiction:

- Zurich,
- The place of residence/domicile of the policyholder or entitled claimant in Switzerland or the Principality of Liechtenstein.

Art. 11 **Economic, trade and financial sanctions**

Zurich does not provide coverage and is not obliged to make payments or provide benefits or services if applicable economic, trade and financial sanctions would be violated.

Third party liability insurance

Art.101

Scope of insurance

101.1 Insured third-party liability and damage

The insurance covers claims for damages which are made against an insured person by virtue of the statutory liability provisions in respect of:

- Death of or injury to persons (bodily injury),
- Death of or injury to animals and destruction of or damage to property (property damage).

Causes of damage

The insurance covers also damage caused:

- By persons drawn by the watercraft insured,
- By objects drawn or pushed by the watercraft insured,
- By the dinghy insured if a separate ship registration is not required for the dinghy,
- By the means of transport for the watercraft or dinghy if it is not subject to Swiss Road Traffic Act (RTA),
- By buoys (together with gear),
- In the case of providing aid after accidents involving these watercrafts,
- In the case of embarking and disembarking from the watercraft.

101.2 Loss prevention costs

If, because of an unforeseen event, the occurrence of an insured loss is immediately imminent, the coverage shall also cover those costs which the insured person incurs in taking appropriate measures to prevent this loss.

101.3 Gross negligence coverage

Zurich shall dispense with exercising its right of recovery against the insured if the occurrence of loss is caused as a result of gross negligence. However, Zurich shall exercise its right of recovery against the insured if the damage:

- Is caused when in a state of inebriation or when unfit to drive or
- Due to particularly flagrant disregard of the speed limit.

When exercising its right of recovery the severity of the negligence will be taken into account.

Art.102

Insured persons

The insurance covers:

- The policyholder, the owner, the keeper, the boat driver of the watercraft and the users,
- The crew and assistants,
- The persons drawn by the watercraft.

Art.103

Insurance benefits

Zurich shall pay justified claims and protect the insured against unjustified claims. The injured party has the right to assert its claims directly against Zurich.

The benefits are limited to the sum insured as stated in the policy, interest on the loss or damage, lawyers' fees and court costs.

Art.104

Exclusions

No insurance coverage is provided for:

104.1 Property damage and owner's and keeper's claims

Claims due to bodily injury and property damage suffered by the owner and keeper of the watercraft insured, damage to the insured watercraft or means of transport, as well as damage to items attached to this watercraft or to animals and items conveyed, drawn or pushed by in this watercraft. This coverage also includes damage to items which other persons carry with them, in particular luggage and similar effects;

104.2 Bodily injury to drawn persons

Claims asserted against the insured party by drawn persons (e.g. water skiers) due to bodily injury, if not agreed additionally;

104.3 Races and similar rides

Claims arising from accidents at races or regattas for which there is separate liability insurance;

104.4 Unlawful trips

The third-party liability of the boat driver who does not hold the legally required driver's license or of persons who surrender the insured watercraft to the driver, although they should have been able to detect these deficiencies;

104.5 Unauthorized trips

The third-party liability in connection with trips that have not been legally or officially authorized and the third-party liability of persons who have used the watercraft entrusted to them for trips for which they were not authorized to undertake;

104.6 Joy rides

The third-party liability of persons who have misappropriated the insured watercraft and the liability of the boat driver who knew or could have known that the watercraft had been misappropriated;

104.7 Criminal offences

Claims arising from accidents in connection with the intentional or attempted commission of criminal offences and misdemeanors;

104.8 Nuclear energy

Claims arising out of damage for which liability is subject to the legislation on nuclear energy.

Art. 105 Recovery

The legal provisions give the injured party the right to make his/her claims directly against Zurich. For this reason, the exclusions under

- Art. 104.4 Unlawful trips,
- Art. 104.5 Unauthorized trips,
- Art. 104.6 Joy rides,
- Art. 104.7 Criminal offences

cannot be held against the injured party.

Accidental damage insurance

Art. 201 Insured property

The insurance covers damage to the declared watercraft, to the permanently attached accessories, installed motor and the statutorily or officially prescribed equipment where such occurs against the will of the policyholder and the boat driver.

In a separate agreement it is possible to insure:

- An uninstalled motor (outboard motor),
- Sail,
- Tarp,
- Dinghy,
- Means of transport (trailer),
- Loose accessories and personal belongings.

Art. 202 Insured events

If agreed, the insurance coverage shall include a:

- Comprehensive insurance (partial casco and forcible damage) or
- Partial casco insurance.

202.1 Forcible damage (collision)

The insurance covers damage caused by sudden and violent external means, in particular by impact, collision, stranding and running aground. The insurance also covers damage due to wind pressure (gusts), capsizing, sinking, swamping, even if such damage is the consequence of damage due to the operation of the watercraft, breakage or wear and tear; damage due to willful acts (except for cosmetic errors related to painting and polishing) by persons other than the legitimate users.

If legal or contractual reasons limit the insurance coverage (e.g. trips in a state of inebriation) or annul the insurance coverage (e.g. trips without the legally required driver's license), Zurich may demand the return of part or all of the costs it has incurred from the insured. Likewise, Zurich may demand the return of the costs it has incurred if it has to render benefits although the insurance has already expired.

Coverage for gross negligence

If the collision damage is caused due to gross negligence, Zurich will not reduce the benefits. However, if the damage is caused:

- When in a state of inebriation or when unfit to drive, without this being a case of the type described in Art. 206.7, or
- Due to particularly flagrant disregard of the speed limit,

the benefits shall be reduced depending on the gravity of the fault.

202.2 Partial casco

a) Theft

The insurance covers the loss, destruction of or damage to the property insured as a result of theft, use without permission or robbery in terms of criminal law. This list is exhaustive and conclusive.

The insurance also covers damage due to attempted theft, attempted use without permission or attempted robbery.

Use without permission by persons living in the same household as the policyholder is not considered to be loss or damage resulting from theft.

Theft of fuel is not insured.

b) Fire

The insurance covers damage caused by fire, explosion, lightning, short circuits and fire extinguishing activities.

Singeing damage, however, is not insured.

Damage to electronic and electrical appliances and components is only insured if it has not been caused by an internal defect.

During the period of warranty fire damage is only insured if no claims can be made under the warranty.

c) Glass

The insurance covers loss or damage to breakage of parts of insured objects made of glass or materials used as glass substitutes.

d) Natural hazards

The insurance covers loss or damage as a direct consequence of:

- Storm (= wind of a velocity of at least 75 km/h), hail,
- Rockslides or falling stones, landslides,
- High water, floods,
- Avalanches, snow slides, falling ice, snow pressure.

All other loss or damage caused by natural hazards is excluded.

The insurance also covers loss or damage caused by falling aircraft such as airplanes, spacecraft or parts thereof.

The partial casco insurance covers damage caused by natural hazards only on land. If agreed additionally in the policy, damage caused by natural hazards is also insured when the watercraft is stationary in water.

If comprehensive insurance has been agreed, the insurance coverage for damage caused by natural hazards shall extend both to the land and water.

202.3 Loose accessories and personal belongings

Damage to loose accessories and personal items of the passengers are co-insured if they are:

- Damaged at the same time as the watercraft,
- Stolen from the covered and tied-down watercraft, from the closed cabin or from the storage compartment secured against theft.

The following items are not insured: Cash; bank and postal debit cards, store cards, and credit cards; travel tickets and passes; securities; savings books; precious metals; items of jewelry; motor vehicles, as well as any hardcopy or electronically stored data files or records. The same applies to food and animals. Nor shall any indemnity be paid for items of sentimental value.

Insured Pets

If pets are injured on board of the insured watercraft or they are injured by being thrown out of the watercraft, Zurich shall pay the necessary expenses for veterinary treatment up to a maximum of CHF 5,000 per event.

Art. 203

Insurance benefits

203.1 Partial loss

If the insured property is damaged through an insured event, Zurich shall pay the reasonable costs of repair, taking into consideration the condition and age of the watercraft.

Policyholders may use the repair shop of their choice.

If Zurich cannot reach an agreement with the repair shop commissioned by the Policyholder concerning the proposed cost estimate, Zurich reserves the right to obtain an additional quote from a recognized and reputable repair shop and to pay the estimated costs to the Policyholder.

If lack of maintenance, wear and tear or preexisting damage, construction or fabrication error has substantially increased the costs of repair, or if the repair has substantially improved the condition of the watercraft, the Policyholder shall bear a reasonable portion of these costs.

Tires on the means of transport shall be indemnified on the basis of their degree of wear.

If the policyholder declares replacement prices at an amount which is too low, at the time of the conclusion of the contract, the insurance benefits shall be reduced proportionally.

If the claimant is entitled to pre-tax deductions, the value-added tax component shall be deducted.

If payment is made without any repairs being carried out, the calculated repair costs shall be reimbursed exclusive of VAT.

203.2 Total loss

Zurich shall pay benefits according to the compensation scales below if:

- The repair costs exceed the cash value of the insured property,
- The watercraft that has been used without permission is not recovered within 30 days of Zurich receiving notification of the theft.

The compensation for outboard motors, sails, tarps, dinghy and means of transport shall always be determined on the basis of scale A. This also applies in the case of partial damage, if such must be replaced by new ones.

The scale applying to the insured watercraft is entered in the policy.

Compensation scales

In % of declared replacement prices

Year of service	Scale A	Scale B
during the 1 st year	100%	100%
during the 2 nd year	100%–80%	100%
during the 3 rd year	80%–75%	100%
during the 4 th year	75%–65%	100%
during the 5 th year	65%–55%	100%–95%
during the 6 th year	55%–45%	95%–90%
during the 7 th year	from 7 th year cash value	90%–85%
during the 8 th year		85%–80%
during the 9 th year		80%–75%
during the 10 th year		75%–70%
during the 11 th year		70%–65%
during the 12 th year		65%–60%
during the 13 th year		60%–55%
during the 14 th year		55%–50%
during the 15 th year		50%–45%
from the 16 th year		cash value

The cash value is the actual value of the watercraft or the insured objects at the time of the occurrence of loss. If no agreement can be reached on the amount of the cash value, the compensation shall be specified by a jointly determined, independent expert.

If the cash value is higher than the indemnity resulting from the table, the cash value shall be compensated. In each case, however, the replacement price specified in the policy shall be the maximum liability.

Preexisting, but unrepaired damage shall be deducted from the indemnity.

The benefit shall always be reduced by the value of the unrepaired watercraft or the unrepaired property. If this amount is not deducted from the maximum liability, the wreck shall become the property of Zurich when payment is made.

If the claimant is entitled to deduct input tax, the value-added tax component shall be deducted.

203.3 Costs

In the case of an insured occurrence of loss, Zurich shall also pay:

- The customs duty,
- Up to the amount of compensation for total damage, the costs required for the salvaging, towing and transporting of the watercraft to the next repair workshop or recycling center.

Zurich shall also pay the costs of the required measures for rescuing the watercraft up to CHF 2,000, even without an insured occurrence of loss.

203.4 Indemnity in the event of the theft of the watercraft

If a watercraft that has been taken without permission is recovered within 30 days of Zurich receiving notification of the theft, Zurich will bear the costs of any necessary repair, except in the case of a total loss.

203.5 Loose accessories and personal belongings as well as statutorily or officially prescribed equipment

Zurich shall pay the costs of repair, but no more than the amount necessary in order to purchase an item of equivalent value at the time of the occurrence of loss. The maximum liability shall be reduced by the residual value.

The insurance benefits shall be limited to the specified sum insured in the policy.

The stolen items shall become the property of Zurich once payment has been made.

If stolen items are subsequently recovered, the compensation, less a lump sum for a possible reduction in value, shall be repaid to Zurich, or the items shall be placed at Zurich's disposal.

203.6 Reduction of benefits

Zurich shall be entitled to reduce or refuse benefits, insofar as it is entitled to do so under the Swiss Federal Law on Insurance Contracts (ICA).

If the insured event has been caused through gross negligence or intent by someone living in the same household as the Policyholder or claimant, Zurich reserves the right to refuse or reduce benefits to the amount that would be payable if the damage had been caused by the Policyholder or the claimant.

Art. 204 Deductible

The policyholder must cover the agreed deductible in the case of forcible damage.

Art. 205 Premium based on loss experience

The comprehensive insurance shall fall under system F or Z, depending on the agreement, while the partial casco insurance falls under system Z.

	Premium rate	% of the basic premium
System F	1	50%
	2	60%
	3	70%
	4	80%
	5	90%
	6	100%
System Z	The premium shall always amount to 100% irrespective of the loss experience.	

The system, the annual base premium and the premium rate at the beginning of the contract are listed in the policy. System F is based on the following rules:

If no event of a loss leading to compensation or a provision occurs during an observation period of 12 months, which ends three months prior to the due date for the annual premium, the premium for the following insurance year shall be calculated according to the next-lower premium rate until the lowest rate on the scale has been achieved.

On the other hand, each claim resulting in an indemnity or a reserve shall entail an upward adjustment by 3 premium rates in the scale in the following year of insurance, at most, however, up to the highest premium rate 6.

If the insurance comes into force less than 6 months prior to the expiry of the current period of observation, the premium rate for the next year of insurance shall remain unchanged if no event of a loss is reported.

Accidents which occur during the period from the date of the application to the inception of the insurance shall be taken into account by subsequent adjustment of the premium rate.

There will be no increase in the premium level as a result of:

- Partial casco damage,
- Events of a loss in which no payments are made or the policyholder reimburses the losses incurred within 30 days of learning about them, the premium level will be rectified,
- Forcible damage (collision) for which the insured person is not responsible in any way and for which the replacement value indemnity was covered 100% by the colliding party or his/her third party liability insurer.

Art. 206 Exclusions

The insurance does not cover:

206.1 Damage due to vehicle operation

- Loss or damage due to vehicle operation, breakage and wear and tear;
- Damage due to inappropriate handling and due to the use of inappropriate fuels or fluids;
- Damage due to lack of oil;
- Damage due to lack of or the freezing of coolant;
- Damage exclusively affecting the tires of the means of transport or the batteries;
- Damage due to swelling of wooden boats;
- Damage caused by loaded goods (except following an event insured due to collision);

206.2 Indirect damage

Indirect damage such as reduced usability, efficiency or racing performance, depreciation in value, costs for downtime, storing over winter, loss of usage;

206.3 Damage due to transport

Damage from scratching, pressure, polish or paintwork that occurs during transport if such damage is not due to an accident involving the means of transport, force majeure or theft;

206.4 Races and other events

Loss:

- In the case of participation in club-external sailboat regattas, if not agreed additionally;
- In the case of participation in motor race competitions and in official training;
- In the case of wild water trips or passing over weirs;

206.5 Illegal driving

Loss or damage caused while the watercraft is being driven by a person who is not in possession of the driver's license as required by law, provided that the insured person should have been aware that this was the case;

206.6 Unauthorized driving

Damage if, journeys are not permitted by law or not allowed by the authorities;

206.7 Unfit to drive

Damage if, at the time of the accident, the boat driver has a blood alcohol level of 1.6‰ (minimum value) or more or is unfit to drive due to the influence of medication with a narcotic effect or the influence of drugs. If an alcohol breath test has been performed, the same applies for a breath alcohol concentration of 0.80 mg/l or more;

206.8 Criminal offences

Damage in connection with the intentional or attempted commission of criminal offences and misdemeanors;

206.9 State of emergency

Loss due to:

- The impact of changes in temperature, particularly ice, earthquake, tsunami, volcanic eruptions or damages resulting from nuclear stations or devices, unless it can be proved that the loss or damage has no connection with these events;
- Military events independently of whether they have an impact on the territory of the warring countries or outside of them, breaches of neutrality, revolution, rebellion, uprising;
- Civil unrest (acts of violence against individuals or objects at riotous assemblies, riots or disturbances) unless it can be credibly shown that reasonable precautions were taken to prevent such damage;
- Events while requisitioned by the authorities.

Accident insurance

Art. 301

Persons insured

All persons on board of the insured watercraft and all drawn persons are insured.

The insurance covers individuals who render assistance to passengers at accidents or breakdowns of the insured watercraft. However, members of the police force, sea rescue service, paramedics or fire department are not insured.

Art. 302

Insured accidents

Accidents are deemed to be any bodily injury to persons insured within the meaning of the Swiss Federal Law on Accident Insurance (UVG):

- During usage of the insured watercraft and in the case of use of the dinghy, means of transport or buoys,
- During the provision of assistance to persons in other watercrafts in the case of accidents or breakdowns,
- While working on the watercraft under the condition that the watercraft is located in water,
- While entering or leaving the waters close to shore, including rigging up and derigging.

The following are deemed equivalent to accidents:

- The involuntary inhalation of gases, fumes or vapors,
- Frostbite, heat-stroke, sun-stroke, as well as damage to health through ultraviolet rays (with the exception of sunburn) or drowning.

Art. 303

Insurance benefits

Zurich shall pay the benefits listed in the policy as follows:

303.1 In the event of death

If an insured person dies as a result of an accident, Zurich shall pay the agreed sum insured to the following beneficiaries in the following order of entitlement:

1. The spouse or registered partner,
2. The children, in equal shares,
3. The parents, in equal shares,
4. The grandparents, in equal shares,
5. The siblings in equal shares.

If there are no entitled beneficiaries, only the funeral costs shall be paid in an amount of up to 30% of the lump-sum death benefit.

If an insured person dies as the result of an accident and leaves at least one child who is a minor the lump-sum death benefit shall be increased by 50%.

303.2 In the event of disability

If an insured person becomes disabled as a result of an accident, Zurich shall pay the agreed indemnity. This shall depend on the degree of disability and the provisions of the Swiss Federal Law on Accident Insurance (UVG). The degree of disability can never be more than 100%.

Temporary damage to health will lead to an appropriate reduction in the benefit once the degree of disability has been determined.

The degree of disability shall be determined on the conclusion of medical treatment but no later than 5 years after the date of the accident and shall be indemnified as follows:

Degree of disability	Benefit %	Degree of disability	Benefit %
100	225	62	111
99	222	61	108
98	219	60	105
97	216	59	102
96	213	58	99
95	210	57	96
94	207	56	93
93	204	55	90
92	201	54	87
91	198	53	84
90	195	52	81
89	192	51	78
88	189	50	75
87	186	49	73
86	183	48	71
85	180	47	69
84	177	46	67
83	174	45	65
82	171	44	63
81	168	43	61
80	165	42	59
79	162	41	57
78	159	40	55
77	156	39	53
76	153	38	51
75	150	37	49
74	147	36	47
73	144	35	45
72	141	34	43
71	138	33	41
70	135	32	39
69	132	31	37
68	129	30	35
67	126	29	33
66	123	28	31
65	120	27	29
64	117	26	27
63	114	25 and less ¹	

¹ Indemnity according to the degree of disability.

303.3 Daily allowance

Zurich shall pay the agreed daily allowance if the insured person is unable to work and this is confirmed by a medical certificate; the allowance shall also be paid on Sundays and public holidays. The daily allowance shall be reduced appropriately in the case of partial inability to work. The daily allowance shall be paid for a maximum of 730 days within 5 years of the accident date and/or only until disability payments begin.

303.4 Daily allowance in case of hospitalization

During any necessary stay at a hospital or health retreat prescribed by a physician, Zurich shall pay the agreed daily allowance, in addition to the other benefits for a maximum of 730 days within 5 years of the accident date.

303.5 Medical expenses

For a period of 5 years from the date of the accident Zurich shall indemnify the injured person for the necessary costs of:

- Treatment given or prescribed by a doctor or dentist,
- In-patient treatment in the private ward of a hospital,
- Sanatorium cures prescribed by a doctor,
- The daily deduction made under social security law for maintenance costs while staying at hospitals and clinics,
- Home nursing care prescribed by a doctor,
- Psychological treatment by a qualified physician or psychologist up to a maximum of CHF 2,000; furthermore medically prescribed driving lessons from a qualified driving instructor up to a maximum of CHF 1,000 insofar as such measures become necessary in connection with a crash or the sinking of the insured watercraft,
- The cost of renting mobility aids and appliances for patients,
- The initial purchase of prostheses, spectacles, hearing aids and orthopedic aids and appliances or the costs of their repair or replacement (replacement cost) if they are damaged or destroyed due to an event that results in medical treatment being needed,
- Transportation by aircraft, if this is absolutely essential for medical or technical reasons,
- Search operations up to a maximum of CHF 10,000 per insured person,
- Operations for the rescue of the insured persons or operations to recover bodies.

If the insured person is also entitled to benefits under a social security scheme, Zurich will only bear the costs that are not covered under such insurance.

Deductibles and franchises under social insurances are not covered.

Art. 304 Exclusions

The following are not insured:

- Accidents on journeys where the watercraft is being used without authorization (joyriding etc.) as well as
- Events in accordance with
 - Art. 206.4 Races and other events,
 - Art. 206.5 Illegal driving,
 - Art. 206.6 Unauthorized driving,
 - Art. 206.7 Unfit to drive, as the driver's claims are affected,
 - Art. 206.8 Criminal offences,
 - Art. 206.9 State of emergency.

Art. 305 Over-occupied watercraft

If, at the time of the accident, the number of passengers on board is greater than the number allowed by the authorities, the compensation shall be reduced proportionately, except in the case of medical expenses. Three children under the age of 12 are counted as two adults.

Art. 306 Offsetting liability claims

The benefits for death, disability, the daily allowance and the daily allowance for hospitalization shall be paid out in addition to benefits due under third party liability insurance.

These benefits, however, shall be offset against the indemnity for liability claims if the benefits in the event of liability can be partially or entirely recovered from the owner, keeper or the boat driver.

Glossary

Watercraft

Watercrafts are regarded as all types of boats or other watercraft or machines intended for moving forward on or under the surface of the water such as motorboats, yachts, sailboats, rowboats and waterborne machines.

Year of service

A year of service shall be the 12-month period calculated from the date on which the watercraft was first put on the road. The time which has elapsed within a year of service up to the time of occurrence of the loss shall be calculated on a pro rata basis.

Commercial nature

A watercraft shall be deemed to have a commercial nature if it is used to convey passengers or goods in exchange for money or if it generates a regular income through being hired out to third parties.

Gross negligence

Gross negligence shall be understood to mean a serious violation of the generally applicable obligation to observe due diligence that affects a loss event.

Replacement price

Price of a new, equivalent or similar watercraft with the same equipment as at the time of the conclusion of the contract.

Certificate of insurance

The certificate of insurance serves as confirmation of the existence of mandatory third party liability watercraft insurance and will be sent to the cantonal authorities (Shipping Offices) electronically.

