



**PEOPLE'S INSURANCE PLC**  
**(Company No. PB 3754PQ)**  
No 07, Havelock Road, Colombo 05.  
Tel : (011) 2126126 Fax : (011) 2126042

## **FISHING BOAT INSURANCE POLICY**

Whereas the Insured named in the Schedule hereto by proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to People's Insurance PLC (hereinafter called the Company) for the Insurance hereinafter contained.

In consideration of the Insured paying to the Company the premium mentioned in the Schedule, Subject to the Terms, Exceptions, Conditions, Limitations, Definitions and Warranties contained herein or endorsed or otherwise the Company agrees to indemnify in respect of Total Loss (Actual or Constructive) to the Boat (both Hull and/or Engine) expressed hereon described in the Schedule, whilst at Sea or in Port or whilst in Docks (the cover provided for engine is restricted only whilst at Sea) arising from or as a result of ;

1. Heavy weather as declared by the Meteorological Department or any such government body.
2. Storms
3. Lightning
4. Stranding
5. Theft (Forcible and violent means)
6. Tsunami
7. Fire (excluding Fire as a result of a malicious act)
8. Earthquake
9. Explosion
10. Volcanic Eruption
11. Contact with any land conveyance dock, harbor equipment, installation or craft.

PROVIDED that the covered Boat having been used for fishing and allied operations or any other purposes described in the Schedule only, with leave to go on trial trips and to assist and to tow vessels or craft in distress, or as is customary but it is warranted that the Boat shall not be towed except as is customary or when in need of assistance or undertake towage or salvage services under a contract previously arranged by owners, Masters, Managers or Charterers.

Provided that such loss or damage has not resulted from want of due diligence by the Insured.

### **SALVAGE, SUE AND LABOUR**

In case of any loss or misfortune it is the duty of the Insured and/or their servants and/or their agents to take such measures as may be reasonable for the purpose of averting or minimizing a loss which would be recoverable under this insurance. The Company will contribute to charges properly and reasonably incurred by the insured for such measures. Measures taken by the Insured or the Underwriters with the object of saving, protecting or recovering the subject-matter insured shall not be considered as a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

When expenses are incurred pursuant to this Clause the liability under this insurance shall not exceed the proportion of such expenses that the amount insured bears to the value of the vessel as stated herein.

Where a claim for Total Loss of the Boat is admitted under this policy and expenses have been reasonably incurred in salving or attempting to save the Boat and there are no proceeds, or the expenses exceed the proceeds, then this policy shall pay the expenses or of the expenses in excess of the proceeds as the case may be but if the Boat be insured for less than its sound value at the time of the occurrence giving rise to the expenditure, the amount recoverable under this clause shall be reduced in proportion to the under insurance.

## EXCLUSIONS

1. This insurance excludes Total Loss arising from capture, seizure, arrest, restraint or detainment, and the consequences thereof or of any attempt thereat; also from the consequences of hostilities or warlike operations, whether there be a declaration of war or not; but this warranty shall not exclude collision, contact with any fixed or floating object (other than a mine or torpedo), stranding heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the Boat concerned or, In the case of a collision, any other Boat involved therein, is performing) by a hostile act by or against a belligerent power and for the purpose of this warranty "power" includes any authority maintaining naval, military or air forces in association with a power.

Further this insurance excludes Total Loss arising from the consequences of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom or piracy or any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force the Government *de jure or do facto* or to the influencing of it by terrorism or violence.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of these exclusions any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

2. Total Loss arising from or attributed to the following are also not recoverable under this Insurance.
  - (i) Requisition or pre-emption: the Boat being used in military service on demand.
  - (ii) Malicious Acts.
  - (iii) Capture, seizure, arrest, restraint, detainment or confiscation by the Democratic Socialist Republic of Sri Lanka
  - (iv) Arrest, restraint or detainment under quarantine regulations or by reason of infringement of any customs regulations;
  - (v) or based upon loss of or frustration of, the insured voyage or adventure caused by arrests, restraints, or detainments of kings, princess, people, usurpers or persons attempting to usurp power.
3. The Company shall not be liable for any consequential loss whatsoever.
4. This insurance, excludes any claim for any sum recoverable under any other insurance on the Boat or which would be recoverable under such Insurance boat for the existence of this insurance.
5. Excluding loss or damage to fixed Equipment and Fishing Gear unless these items are specifically described in the schedule.
6. Excluding losses resulting due to latent/ or inherent defect of engine or hull.

7. Excluding losses resulting due to engine failure in the mid sea.
8. Excluding cost in connection with salvage operation.
9. Excluding drifting of vessel beyond Sri Lankan territorial waters (man or unman).
10. Excluding towing or being towed unless in distress.
11. Excluding losses which occur in International waters without carrying a valid license.
12. Disengagement of outboard engine from the hull whilst in operation at sea is excluded other than due to collision with any other craft or fixed and floating object.

## **CONDITIONS**

### **1. Compliance with policy terms**

The due observance and fulfillment of the terms, conditions and endorsements of this Policy is so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the proposal shall be conditions precedent to any liability of the Company to make any payment under this policy.

### **2. Condition of Average**

It is hereby declared and agreed that, if the Boat(s) hereby insured shall at the time of loss or damage covered by the policy, be of greater market value than the value declared by the insured thereon, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Even boat, if more than one, shall be separately subject to this condition. It is further understood and agreed that the market value of the boat means the value of a boat of equal age make, model and of similar condition.

### **3. Subrogation Clause**

The insured shall, at the request and at the expense of the Company, do and concur in doing and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss or damage under this policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

### **4. Contribution Clause**

If at the time of any loss or damage happening to any boat hereby insured there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons, covering the same boat, the Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damages. If any other insurance is expressed to cover any boat but is subject to any provision whereby it is excluded from ranking concurrently with this policy either in whole or in part or from contributing rateably to the loss, the liability of the Company shall be limited to the proportion which the limit mentioned in the Schedule in respect of the boat bears to the total value of the Insurances in force on the boat.

## **5. Fraud**

If a claim be made by or on behalf of the insured which be in any respect unfounded or fraudulent or intentionally exaggerated or if any false declaration or statement be made in support thereof no claim shall be recoverable hereunder or if the loss or damage be occasioned by willful act or with the connivance of the insured and/or his servants all benefits under this policy shall be forfeited.

## **6. Arbitration Clause**

If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an arbitrator, to be appointed in writing by the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator, and in case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively and in the event of the death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be at the discretion of the arbitrator arbitrators or umpire making the award. It is hereby expressly stipulated and declared that it shall be a Condition precedent to any right or action or suit upon this policy that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.

## **7. Continuation Clause**

Should the Boat at the expiration of this Policy be at sea or in distress or at a Port or place of refuge or of call, the Boat shall be held covered at a premium to be arranged to her destination provided prompt notice to be given to the company.

## **8. Cancellation Clause**

This Insurance may be terminated at any time at the request of the Insured in which case subject to there being no claims paid the Company will retain the customary short period rate for the time the policy has been in force. This Insurance may also at any time be terminated at the option of the Company on notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a retable proportion of the premium for the unexpired term from the date of the cancellation.

## **9. Premium Payment Warranty**

**9.1** Notwithstanding anything herein contained but subject to clause 10.2 and 10.3 hereof, it is hereby agreed and declared that the full premium due and payable in respect of this insurance is required to be settled to the Company on or before the premium due date specified in the Schedule of this Policy, Renewal Certificate, Endorsement or Cover Note (which shall be a date not exceeding Sixty (60) days from the date of Inception of the Policy) and in the absence of any such premium due date, the full settlement of the premium is required to be made or effected on or before the expiry of the Sixtieth (60th) day from the date of inception of this Policy, Renewal Certificate, Endorsement or Cover Note (hereinafter referred to as the "due date"). For the purpose of this warranty the "due date" shall be recognized from the date of inception or commencement of the coverage.

**9.2** It is also declared and agreed that the settlement of the full premium on or before the due date shall operate as a condition precedent to the Company's liability or an obligation to settle a claim under this Policy, Renewal Certificate, Endorsement or Cover Note. In the event of any claim arises between date of commencement of this

insurance and the “due date” for the settlement of premium, the Company may defer any decision on liability or postpone the settlement of any such claim until full settlement of the premium is effected on before the “due date”.

**9.3** It is also declared and agreed that where the full premium payable hereunder remains outstanding as at the closure of business of the insurer on the “due date” then the cover under this insurance and obligations assumed or imputed under this insurance shall stand to be cancelled, ceased and revoked immediately.

## **10. Warranties**

Non-compliance with any warranty, whether it increases the risk or not, shall be a bar to any claim.

- Warranted Boat engine oars and sails covered in this policy certified seaworthy and such conditions of seaworthiness maintained for the duration of the Policy. It is further warranted that the Skipper/Navigator/Navigators and Crew of the Boat is/are sufficiently well acquainted with the customary course of navigation of the voyage/area of operation insured hereby and to be able to navigate/conduct/operate the Boat in safety through its ordinary perils. Further, the Boat should be manned with a crew adequate for such safe navigation/conduct operation
- Warranted that the Boat shall not be deployed during adverse weather conditions notified by the Meteorological Department or by any government authority and when not in use should be safely anchored, or moored or secured with proper watch and ward.
- The Insured shall take all reasonable precautions to safeguard from loss or damage and to maintain in efficient condition the Boat engine oars and sails insured herein.
- Warranted that the vessel engines be serviced on due dates and records pertaining to maintenance to be kept.
- Warranted that the vessel should have navigation and communication devices all the time.

## **11. Assignment**

No assignment of or interest in this policy or in any moneys which may be or become due or payable there under is to be binding on or recognized by the Company unless a written notice of such assignment or interest signed by the Insured, and by the assignor in the case of subsequent assignment, is endorsed on this Policy and the Policy with such endorsement is produced before payment of any claim or return of premium thereunder; but nothing in this Clause is to have effect as an agreement by the Underwriters to a sale or transfer.

Should the Boat be sold or transferred to new ownership then unless the Company agree in writing to continue the insurance, this Policy shall become cancelled from the time of sale or transfer and a pro rata return of premium be made, subject to there being no claims.

These conditions shall prevail notwithstanding any provision whether written, typed or printed in the Policy inconsistent herewith.

## DEFINITIONS

- Boat: Boat means the Boat herself, her machinery, gear and equipment such as would normally be sold with the Boat if she changed hands. Outboard motor, sails and oars and fishing gear are also included within this term.
- Hull: Hull means the body of the boat /craft, most of which goes under the water.
- Engine: Engine means a machine that uses the energy from liquid fuel or steam to produce movement.
- Fixed equipment: Fixed equipment means electronic and electrical Equipment properly fixed to the Boat (other than Portable Equipment/devices and fishing Gear)
- Fishing Gear: Fishing Gear means an equipment or gear which is used for fishing. Examples: Hand lines, Sinkers, Hooks, nets etc.
- Actual Total loss: an actual total loss under this policy arises where the Boat is wholly destroyed or where the insured is irretrievably deprived wholly thereof and not otherwise.
- Constructive Total Loss: A constructive total loss arises where the boat is reasonable abandoned on account of the actual total loss as defined in (a) appearing to be unavoidable or where it could not be preserved from such actual total loss without an expenditure which, if incurred, would exceed the agreed Value.

## INSTRUCTIONS IN CASE OF LOSS OR DAMAGE

**The insured shall all take all reasonable precautions for the safety of the Boat and it's machinery insured and immediately upon having knowledge of any event giving rise to a claim under this policy shall -**

Give immediate notice in writing (or to Company's Contact Center on: 011 2206 306) to the Company in the event of loss or damage. The Company shall under no circumstances indemnify in respect of any event unless notice thereof be given to the Company within 24 hours of the occurrence of the loss.

Take necessary actions to avoid further damages and/or minimize the loss/damage with the consent of the Company, but no alternation or repair work should be commenced before the survey has been conducted by an Independent Surveyor nominated by the Company or a representative from the company.

In the case of theft or loss, give notice to the police and render all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing and recovering the property.

Provide all the necessary documents and details that required by the Company based on the circumstances and extend your co-operation in the Surveys by providing access to relevant information and/or people, to make the claim process smooth as possible.

The Company may at its own option repair, reinstate or replace any Boat described in the Schedule(s) or any part thereof and/or its accessories or spare parts, or may pay in cash the amount of the loss or damage, and the liability of the Company shall not exceed the actual value of the parts damaged or lost plus the reasonable cost of fitting, and shall in no case exceed the Insured's estimate of the value of such Boat (including accessories and spare parts) at the time of the loss or damage, whichever is the less.

Basic documents required in the event of a claim are;

1. Duly completed Claim Form.
2. Fisheries Inspector's Report.
3. Copy of the Police Statement.
4. Repair estimates or Quotation for replacement of the damage hull and/or engine.
5. Written statement from the captain of the boat describing the incident.
6. Copy of the Boat Registration Book.
7. Copy of the declaration of Survey.
8. Copy of the Boat Departure Form.
9. We may require additional documents/details depending on the information needed to process the claim.

## **12.Additional Clauses**

**10/11/2003**

### **INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

**This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith**

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
  - 1.1 ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purpose
  - 1.5 any chemical, biological, bio- chemical, or electromagnetic weapon.

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### **INSTITUTE CYBER ATTACK EXCLUSION CLAUSE**

1. Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

2. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 2.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

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### **13.Complaints Procedure**

We are committed to serve you with passion and willing to receive your feedback. If you are not satisfied with our services, you can lodge a complaint by below methods;

- By telephone - Customer Care Officer - 011 2126136
- By email - [pilassist@peoplesinsurance.lk](mailto:pilassist@peoplesinsurance.lk)
- By WhatsApp - 0716230048
- By fax - 011 2126109
- By post - Customer Care Officer, People's Insurance PLC, No. 07, Havelock Road, Colombo 05
- Via online - Complaint Submission Form is available on our website [www.peoplesinsurance.lk](http://www.peoplesinsurance.lk) → Please click on the "Complaints" tab

By visiting

- Below information to be provided when lodging a complaint;
- Complaint in brief
- Your name and contact details
- References: Policy No. / Vehicle No. / Claim No.
- Any supporting documents

The Trilingual Complaints Handling Procedure can be downloaded from our website - [www.peoplesinsurance.lk](http://www.peoplesinsurance.lk) → Please click on the "Complaints" tab

### **14.Dispute Resolution**

If you are not satisfied with the resolution given by us for a complaint lodged, you have the option to use following Alternative Dispute Resolution (ADR) mechanisms.

I. Address your concerns to: Insurance Ombudsman of Sri Lanka

No. 143A, Vajira Road, Colombo 05

[info@insuranceombudsman.lk](mailto:info@insuranceombudsman.lk)

011 2505542 / 011 250 5041



## II. Arbitration

As per the Arbitration Clause in the Policy Wording

### III. Address your concerns to: Director Investigations

Insurance Regulatory Commission of Sri Lanka

Level 11, East Tower, World Trade Centre

Colombo 01

011 2396184-9 / 011 2335167

[investigation@ircsl.gov.lk](mailto:investigation@ircsl.gov.lk) / [info@ircsl.gov.lk](mailto:info@ircsl.gov.lk)