

Written Conditions to the Racing Car Policy for Porsche GT 3 R/RS/RSR Racing Cars within North American Racing Car Series - Season 2005

0. Conditions of coverage

- German General Rules of marine insurance (ADS), Special conditions for cargo (ADS Cargo 1973 Edit. 1984)
- Written Conditions to the Racing Car Policy for Porsche GT3 Cup / GT 3 R / RS / RSR Racing Cars within North American Racing Car Series - Season 2005.
- German Act on Insurance Contracts (VVG), except for Section 186, which does not apply.
- Special instruction papers "What to do in case of loss or damage", "Claims documentation".

1. Insured object

Insurance coverage is granted for the Porsche car named in the cover note. This car has been built by Porsche and bears the original chassis No.

2. Races insured / Geographical insurance limits

Insurance coverage is granted for races listed in the cover note. Coverage is granted within the USA and Canada.

3. Scope of coverage

3.1 Basic Coverage

3.1.1 Insured perils, loss or damage

Insurance coverage is granted for physical loss or damage to the car insured during insured races according to ADS cargo 1973/1984, form of coverage: **full coverage**.

3.1.2 Excluded perils, loss or damage and car parts

Excluded are:

- Loss or damage to tyres and wheels, brake discs and pads, engine (Porsche part no. 996.100.096.9A, 996.111.101.9B/102.9B) and gearbox.
- Loss or damage caused while driving in public traffic.
- Loss or damage on the car while being worked upon (e.g., but not limited to maintenance, service or repair work).
- Loss or damage resulting from faulty workmanship.
- Loss or damage caused by
 - the use of parts which have not been authorized by Porsche,
 - faulty material errors and mistakes in construction or production,
 - natural wear and tear,
- Loss or damage covered under a Porsche warranty.
- Cost of freight and shipping.
- Liability of any kind to third parties and / or punitive or exemplary damages

3.2 Additional Coverages

3.2.1 loss or damage to parts engine block, gear box, rims and tyres

Deviating from Par. 4.1 *Excluded perils, loss or damage and car parts*, loss or damage to the following parts of engine (crankshaft housing, crankshaft, cylinderhousing, cylinderhead, camshaft housing, camshaft, chainhousing, waterpump, -housing, vibration damper, wire harness engine, sparkplug with ignition coil, oilpump (for camshaft housing), oiltank, generator, manifold) and gearbox (differential case and front cover) due to an accident of the car are insured.

Loss or damage to parts of the gear box will be reimbursed up to 50 % of the actual cash value of the insured parts.

In case of loss or damage to new wheel rims (up to max. 10 races) insurers will reimburse repair resp. replacement of rims base or the replacement of the rim up to 50 % of the original

value of a new wheel rim. In case of replacement, wheel rim has to be given to insurers.

In case of insured loss or damage to other parts of the car, insurers will also reimburse loss or damage to tyres up to max. 25 % of their original value.

3.2.2 painting

Deviating from Par. 7 *Loss adjustment*, wages (labor costs) for painting (excluding special effect painting or advertisement) are covered.

3.2.3 shipments / home storage

Insurance coverage is granted, **if applied for and scheduled in the cover note**,

- for any shipment to / from insured races, and / or
 - for storage at home base of the insured before, between, after insured races.
- Storage inside a locked garage, building or container is set as a precondition.

Generally US \$ 2,500.00 per occurrence will be deducted with the exception of occurrences covered under ADS Cargo 1973/1984, form of coverage: **stranding coverage**.

4. Deductible

A deductible as scheduled in the cover note will apply on each loss or damage.

5. Sum insured

The sum insured set in the cover note is based on "first risk", meaning the insurer will not invoke co-insurance.

6. Loss adjustment

In case of **total loss** or damage to the insured object, the sum insured will be indemnified.

In case of **damage to the engine** the insurer pays the cost of necessary repair after deduction of "new for old" (in proportion of the time of use since last overhaul to the overhaul intervals recommended by Porsche).

In case of **repair** insurer will only reimburse costs, if it is proved that all costs had to be borne for the done repair of the vehicle. Any discount or favour given by producers or suppliers will be deducted from reimbursement. All costs for spare parts and costs of third parties have to be proved by invoices.

The indemnification for wages (labor costs) is limited as scheduled in the cover note.

V.A.T. or sales taxes are not insured.

In case of repair necessitated outside North America, the insurer will not indemnify more than the cost of a comparable repair within North America.

The cost of transportation for repair to another country will be indemnified only if and when repair cannot be effected in the country where the damage occurred.

7. Duration of coverage

Deviating from section 5 ADS Cargo 1973/1984 the car is covered during any stay (competition, related practising, pit) of on race courses within the scheduled and insured races.

Coverage during testing rounds will only be provided after previous reporting of such testing by the insured team / driver to

the insurer (see Par.No. 11, Announcement). A respective additional premium will be charged to the insured team / driver (see Par.No.12, Premium).

If agreed (see Par. 4.2 additional coverages), coverage is also granted during shipments to / from insured races and / or during stay at the home base.

8. Contractual duties

Any loss or damage occurring during a competition or related practising are to be diligently reported by the insured team / driver to Organising Committee of the competition and engineers of Porsche Motorsport of North America. The insured team / driver will not object to inquiries of the insurer or his expert (loss adjuster) with public authorities, the Organising Committee of the competition and Porsche Motorsport of North America.

Any loss or damage capable to exceed the deductible has to be declared by the insured team / driver to "**ontrak risk management inc.**" without any delay, using the special instruction papers "*What to do in case of loss or damage*" and "*claims documentation*". Possible disadvantages due to late reporting of a claim are to be borne by the insured team / driver.

The insured team / driver is obliged to avoid or minimize loss or damage wherever possible. Should third parties be responsible for any loss or damage (e.g. repair shops, forwarding agents, carriers, warehouses etc.), the insured team / driver has claim liability without delay. The insured team / driver has to continuously proof the technical standard of his car. This includes any replaced parts and maintenance conducted by him or Porsche Motorsport of North America..

9. Claims handling

The „*claims documentation*“, relevant photographs and invoices (even preliminary) have to be send to "**ontrak risk management inc.**". Upon receipt of the „*claims documentation*“, relevant photographs and invoices (even preliminary) of the necessary repair insurers will settle the claim.

The insurer may authorize an expert (loss adjuster) to survey the loss or damage. The insurer bears the cost of survey or survey report to the extent the claim is indemnifiable and to the extent it exceeds the deductible.

10. Announcement

Testing rounds are only covered after previous announcement and payment of additional premium by the insured team / driver.

11. Premium

The premium expressed in the cover note. The premium is payable immediately after receipt of the cover note to "**ontrak risk management inc.**". If premium payment is not effected immediately there is no insurance coverage granted!

Local insurance tax, if applicable, has to be borne and paid directly by the insured team / driver.

In case of delay in premium payment sections 38 and 39 VVG (=German Act on Insurance Contracts) will apply.

In case the insured exposure ceases during the term of a policy year and the contract is therefore cancelled, 25 % of the annual (season) premium are payable per competition if not more than 4 competitions have been participated in. A possible balance to the annual (season) premium will be reimbursed.

In case the risk ceases due to a loss the full annual (season) premium is payable to the insurer.

If a loss reaches or exceeds 75 % of the sum insured, the annual (season) premium is deemed consumed. The policy can be reinstated by payment of the full annual premium.

12. Applicable law

This insurance contract, its application and interpretation is exclusively subject to the law of the Federal Republic of Germany. Unless otherwise expressly stipulated, the German Act on Insurance Contracts is applicable.

13. Jurisdiction, complaints

Claims based on the insurance contract may be brought against the insurer in the court which is locally competent for the place of business of the insurer (or his branch office) administrating this contract. In case an agent of the insurer has assisted in forming this contract, an action can be brought either in the court of the place of the agent's domicile at the time of the formation of the contract or, failing such, his personal domicile.

If the policy holder or the insured team / driver is not satisfied with the administration of his contract or in case of differences in opinions or in measures when relating to the contract, the policy holder or the insured team / driver may address at any time either the insurer, his agent or the Bundesaufsichtsamt für das Finanzwesen (Federal Supervisory Office for Financial Concerns), Ludwigkirchplatz 3-4, 10719 Berlin.

14. Expiration of Cover, Cancellation

This policy will expire on the date of expiration, as stipulated on the declaration page, without having to be cancelled by either the policy holder, the insured team / driver or the insurer.

In case of loss or damage covered under this policy, this policy may be cancelled by either the policy holder, the insured team / driver or the insurer. The cancellation must be in writing and has to be brought to the other party's attention no later than one month after negotiations about the settlement have come to a conclusion.

15. Policy Language

This is a translation of the original "Geschriebene Bedingungen zur Kasko-Versicherungspolice für Porsche GT 3 R / RS / RSR Rennfahrzeuge in nordamerikanischen Rennserien - Saison 2005". Should any dispute as to the interpretation of terms and conditions arise, the original German wording shall prevail.