



Marine

PLEASURECRAFT

POLICY WORDING

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INTRODUCTION

ABOUT THIS POLICY

Your policy consists of:

1. this policy document, and
2. the **schedule**, and
3. the information **you** have provided in the **application**.

YOUR DUTY OF DISCLOSURE

When **you** apply for insurance **you** have a legal duty of disclosure. This means **you** must tell **us** everything **you** know (or could be reasonably expected to know) that a prudent insurer would want to take into account in deciding:

1. to accept or decline **your** insurance, or
2. the cost or terms of the insurance, including the **excess**.

You also have this duty every time **your** insurance renews and when **you** make any changes to it. If **you** breach this duty **your** policy will be cancelled as if it had never existed.

Please ask **us** if **you** are not sure whether **you** need to tell **us** about something.

CHANGING YOUR MIND

If **you** are not happy with this policy, **you** can change **your** mind, provided **you** tell **us** within 15 days of the date **your** policy started. **We** will cancel **your** policy as if it had never existed and refund in full any premium **you** have paid.

This does not apply if a claim has been made.

EXAMPLES

We have sometimes used examples and comments to make the parts of this policy document easier to understand. These examples and comments, *which are printed in italics*, do not affect or limit the meaning of the section they refer to.

HEADINGS

The headings in this policy are for reference only and do not form part of it. They are not to be used when interpreting the policy.

DEFINED WORDS

If a word is shown in **bold**, it has a special meaning. There is a list of these words and what they mean at the back of this policy in the section 'Definitions'.

INSURANCE AGREEMENT

OUR AGREEMENT

You agree to pay **us** the premium. In exchange, **we** agree to insure **you** as set out in this policy document.

SECTION ONE – COVER FOR YOUR CRAFT

WHAT YOU ARE INSURED FOR:

ACCIDENTAL LOSS

You are insured for sudden **accidental loss** to **your craft** during the **period of insurance** occurring in **New Zealand**.

SECTION ONE – ADDITIONAL BENEFITS

The following automatic additional benefits also apply at no additional cost

These benefits are subject to the terms of the policy, except where they are varied in the benefit.

ACCIDENTAL DEATH

We will pay \$10,000 to **you** or **your partner's** legal representative if **you** or **your partner** dies as a direct result of an **injury** suffered during the **period of insurance** that occurs in connection with the use of **your craft**.

We will not pay for death resulting from suicide.

The most **we** will pay, in total, during the **annual period** is \$10,000, unless any higher amount is shown in the **schedule**.

This is in addition to the 'Maximum payment' under 'What we will pay' below.

The **excess** does not apply to this Additional Benefit.

ADDITIONAL EXPENSES

We will pay expenses incurred by **you, your partner** or **family** member of up to \$250 per day to attend any:

1. court proceedings, or
 2. any other statutory enquiry,
- in connection with **loss to your craft** that is insured by this policy.

The most **we** will pay, in total, during the **annual period** is \$10,000, unless any higher amount is shown in the **schedule**.

This is in addition to the 'Maximum payment' under 'What we will pay' below.

The **excess** does not apply to this Additional Benefit.

ADDITIONS

We will insure any additional property **you** purchase, during the **period of insurance**, in connection with or for use on **your craft**, provided:

1. that the most **we** will pay is the lesser of:
 - (a) 25% of the **sum insured**, and
 - (b) \$25,000 in total, and
2. **you** can provide **us** with receipts and invoices.

You must tell **us** of any additions prior to **your** next renewal date.

Any adjustments to premium or sum insured will be completed upon renewal.

EMERGENCY TOWING

We will pay the reasonable costs incurred by **you** to remove **your craft** from anywhere in **New Zealand**, to the nearest place of repair, following the mechanical or electrical breakdown of **your craft** while afloat, during the **period of insurance**.

The most **we** will pay for any **event** is \$2,000, unless any higher amount is shown in the **schedule**.

The most **we** will pay in total in any **annual period** is \$4,000, unless any higher amount is shown in the **schedule**.

This is in addition to the 'Maximum payment' under 'What we will pay' below.

The **excess** does not apply to this Additional Benefit.

MEDICAL EXPENSES

We will pay the reasonable medical expenses, including surgical, ambulance, hospital and other associated services that arise as a result of **bodily injury** to any person when on board, or boarding or leaving **your craft**.

The most **we** will pay is \$5,000 for any **event** regardless of the number of persons who suffer **bodily injury** arising from the **event**.

The **excess** does not apply to this Additional Benefit.

PERSONAL EFFECTS

This policy is extended to insure **your** personal effects for sudden **accidental loss** while on **your craft**.

For the purpose of this Additional Benefit, personal effects include any articles of wearing apparel, watches, cameras, binoculars and possessions that would normally be used on a boat. Personal effects do not include any money, travellers' cheques, papers and documents, jewellery or fashion accessories.

We will pay the **present value** or the **sum insured**, whichever is the lesser.

The most **we** will pay for personal effects is \$10,000 for any **event**, unless any higher amount is shown in the **schedule**.

PREVENTION OF LOSS TO YOUR CRAFT

We will pay:

1. the reasonable costs incurred by **you** in trying to prevent or minimise an imminent **loss** that is insured by this policy, and
2. the cost of having to replenish, refill or replace safety flares or fire extinguishers that were used in trying to prevent or minimise a **loss** that is insured by this policy.

The most **we** will pay for any **event** is 25% of the **sum insured**, unless any higher amount is shown in the **schedule**.

This is in addition to the 'Maximum Payment' under 'What We Will Pay' below.

The **excess** does not apply to this Additional Benefit.

REPLACEMENT CRAFT

When **you** buy a replacement craft of a similar type, **we** will automatically provide cover for 30 days for that replacement craft under this Pleasurecraft Policy from the date of purchase, provided that:

1. the replacement craft's purchase price will be the sum insured, and
2. the replacement craft costs no more than \$1,000,000 to replace, and
3. **you** pay any additional premium that is required, and
4. after the 30 day period **we** retain the right to accept or reject **your** application for cover and determine the terms upon which that cover is offered.

RESCUE COSTS

We will pay the reasonable costs for the rescue of **you**, **your** passengers or members of **your** crew from anywhere in **New Zealand** during the **period of insurance**.

The most **we** will pay is \$25,000 for any **event**, unless a higher amount is shown in the **schedule**.

This is in addition to the 'Maximum Payment' under 'What we will pay' below.

The **excess** does not apply to this Additional Benefit.

SALVAGE COSTS

We will pay the reasonable costs incurred by **you** to remove **your craft** from anywhere in **New Zealand**, to the nearest place of repair following a **loss** insured by this policy.

The most **we** will pay for any **event** is the **sum insured** for the **lost** item.

This is in addition to the 'Maximum payment' under 'What we will pay' below.

The **excess** does not apply to this Additional Benefit.

SOCIAL YACHT RACING

We will insure **you** for sudden **accidental loss** to **your craft** during the **period of insurance** while it is being used for **social yacht racing** in **New Zealand**.

TEMPORARY ACCOMMODATION

We will pay for reasonable costs of temporary accommodation that **you**, **your partner**, **your family** and domestic pets have incurred as a result of being unable to return to **your** usual place of residence following a **loss** to **your craft** that is insured by this policy.

The most **we** will pay is \$2,000.

The **excess** does not apply to this Additional Benefit.

TRANSPORTATION COSTS

We will pay for reasonable costs of transport for **you**, **your partner**, **your family** and domestic pets in **your craft**, from the place where the **loss** occurred to **your** home or to **your** nearest immediate destination at **our** option, if **your craft** can no longer be used following a **loss** insured by this policy.

The most **we** will pay per **event** is \$500 per person (or domestic pet) up to \$2,000, in total, unless any higher amount is shown in the **schedule**.

This is in addition to the 'Maximum payment' under 'What we will pay' below.

WRECKAGE REMOVAL

We will pay the reasonable costs incurred by **you** to remove **your craft** from any place **you** own or occupy in **New Zealand**, to a landfill or similar disposal site, following a **loss** insured by this policy, provided **your craft** is **uneconomic to repair**.

The most **we** will pay for any **event** is 10% of the **sum insured**, unless any higher amount is shown in the **schedule**.

This is in addition to the 'Maximum payment' under 'What we will pay' below.

The **excess** does not apply to this Additional Benefit.

SECTION ONE – OPTIONAL BENEFITS

WHAT YOU ARE NOT INSURED FOR:

CAUSES NOT INSURED

1. **You** are not insured for **loss** to **your craft** caused by any of the following:
 - (a) Faulty:
 - (i) design or manufacture, or
 - (ii) construction or assembly.
 - (b) Latent defect.
 - (c) Wear and tear, osmosis, gradual deterioration, marine and non-marine infestations or weathering.

	<p>2. You are not insured for loss to electrical or electronic equipment fuses, protective devices or lighting or heating elements caused by electrical current.</p> <p>However, exclusions 1 and 2 only apply to the part of your craft first affected. They do not apply to any resultant accidental loss to other parts of your craft.</p>
LOSSES NOT INSURED	<p>You are not insured for rot, corrosion, rust, mildew, delamination, electrolysis or fouling. However, this exclusion only applies to the part of your craft first affected. It does not apply to any resultant accidental loss to other parts of your craft.</p>
THEFT OF UNSECURED PROPERTY	<p>You are not insured for loss to your craft caused by theft of your property, while your craft is unattended, that would otherwise be insured under this policy if the property:</p> <ol style="list-style-type: none">1. is not locked securely within your craft, or2. is not securely attached to your craft, or3. is not removed from your craft and stored in a locked and secure vehicle or building.
BREAKDOWN OR FAILURE NOT INSURED	<p>You are not insured for mechanical and/or electrical breakdown or failure. However, we will pay for any loss which breakdown or failure causes to any other part of your craft or if the breakdown or failure is a direct result of the following:</p> <ol style="list-style-type: none">1. fire, collision or impact to your craft, or2. malicious act. <p>You are not insured for loss to the motors or electrical equipment of personal watercraft caused by water ingestion.</p>
SAILS, MASTS, SPARS AND RIGGING	<p>You are not insured for loss to sails, masts, spars or rigging occurring while your craft is racing unless the loss is caused by:</p> <ol style="list-style-type: none">1. fire, swamping, stranding, sinking, collision, or2. contact with an external object (ice included) other than water, or3. malicious acts, <p>not otherwise excluded by this policy.</p> <p>This clause does not apply to social yacht racing.</p>
RECREATIONAL GEAR IN USE	<p>You are not insured for loss to fishing, diving, water skiing gear or other personal effects while in use.</p>

IMPORTANT: Please also read the section below, titled 'Policy exclusions that apply to all parts of this policy'.

WHAT WE WILL PAY:

REPAIRABLE DAMAGE	<p>If we consider your craft is economic to repair, we will at our option:</p> <ol style="list-style-type: none">1. arrange to repair your craft to substantially the same condition as it was in before the loss occurred, or2. pay you the cost of repairs as estimated by our assessor.
TOTAL LOSS	<p>If we consider your craft is uneconomic to repair, we will:</p> <ol style="list-style-type: none">1. pay you the sum insured, or2. replace your craft with a new craft of the same model and specification, provided that:<ol style="list-style-type: none">(a) the loss occurred within 3 years of you purchasing your craft new, and(b) it is available in New Zealand, and(c) it is not a 'one-off' or custom build craft, and(d) your craft costs no more than \$1,000,000 to replace.
SAILS, OUTBOARD MOTORS AND PROTECTIVE COVERS	<p>The most we will pay for loss to:</p> <ol style="list-style-type: none">1. sails, or2. outboard motors, or3. protective covers, <p>over 3 years of age is present value.</p>

RECREATIONAL GEAR

The most **we** will pay for **loss** to:

1. fishing equipment, or
 2. diving equipment, or
 3. water skiing equipment,
- is the **sum insured** for that item.

THEFT OF AN UNSECURED CRAFT TRAILER

Where the **loss** arises from theft of **your craft** trailer and:

1. **your craft** trailer is not contained within a locked and secure building, or
2. **your craft** trailer is:
 - (a) not fitted with a suitable anti-theft device, or
 - (b) not physically attended by **you**,

then an additional \$2,000 **excess** applies.

This additional **excess** does not apply where the theft is accompanied by violence or threat of violence to **you**.

SPECIFIED ITEMS

The most **we** will pay for any **event** for a specified item is its specified sum insured.

MAXIMUM PAYMENT

The most **we** will pay, in total, for any **event** is the **sum insured**.

(Unless the total loss new craft replacement provision above applies).

SECTION TWO – YOUR LEGAL LIABILITY

WHAT YOU ARE INSURED FOR:

YOUR LEGAL LIABILITY

You are insured for **your** legal liability and necessary and reasonable defence costs, for:

1. **accidental loss** to anyone else's property, or
 2. **bodily injury** to any person,
- occurring during the **period of insurance**, arising in connection with **your** use of **your craft**, in **New Zealand**.

REPARATION

You are insured for **your** legal liability to pay **reparation** to a victim who has suffered **accidental loss** of property or **bodily injury** as a result of **your** committing an offence during the **period of insurance** in connection with **your** use in **New Zealand** of **your craft**, or another craft used for pleasure purposes, provided that **you** had the owner's permission to use their craft.

Provided that:

1. **you** or any other person entitled to cover under this benefit must tell **us** immediately if **you** or they are charged with an offence in connection with the use of **your craft** or another craft used for pleasure purposes, which resulted in **loss** of property or **bodily injury** to another person; and
2. **we** must give **our** written approval before any offer of **reparation** is made.

There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:

1. a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
2. the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
3. a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.

Nothing in this benefit should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.

Any reference to liability in Section Two - Your Legal Liability - 'What You are Not Insured For', and in Policy Exclusions That Apply To All Parts of This Policy, includes liability to pay **reparation**.

OTHER PERSON'S LIABILITY

We will insure the legal liability and necessary and reasonable defence costs, and legal liability to pay **reparation**, of any other person arising in connection with their use of **your craft** in **New Zealand**, or engaged in water skiing or any other similar water sport involving being towed by **your craft** in **New Zealand**, in the same manner as **we** cover **you**, for:

1. **accidental loss** to anyone else's property, or
2. **bodily injury** to any person, occurring during the **period of insurance**, provided:
 - (a) such use of **your craft** has **your** permission, and
 - (b) their liability is not insured by any other insurance, and
 - (c) the person using **your craft** meets all the same terms of this policy that **you** must meet.

SECTION TWO – ADDITIONAL BENEFITS

The following automatic additional benefits also apply at no additional cost

These benefits are subject to the terms of the policy, except where they are varied in the benefit.

MANSLAUGHTER DEFENCE COSTS **We** will pay the legal defence costs necessarily and reasonably incurred to defend a charge of manslaughter resulting from:

1. **you** or **your partner** using **your craft**, and
2. any member of **your family** using **your craft** with **your** permission, and
3. **you** or **your partner** using any other craft that **you** or **your partner** do not own and are not purchasing, provided that **you** or **your partner** have the owner's permission to use the craft, in **New Zealand** during the **period of insurance**.

Section Two 'What you are not insured for' – Clause 5 (offences) does not apply to this Additional Benefit.

The most **we** will pay in total during the **annual period** is \$10,000.

The **excess** does not apply to this Additional Benefit.

RAISING AND/OR REMOVING THE CRAFT **We** will pay the costs necessarily and reasonably incurred by **you** in raising and/or removing **your craft** during the **period of insurance** in **New Zealand**, where **you** are instructed to do so by a legally authorised statutory authority.

SECTION TWO – YOUR LEGAL LIABILITY

WHAT YOU ARE NOT INSURED FOR:

- LIABILITY AND COSTS NOT COVERED**
1. **You** are not insured for legal liability or defence costs for **loss** to any property:
 - (a) owned by **you** or anyone **we** insure and who claims under this policy, or
 - (b) in **your** care or in the care of anyone **we** insure under this policy other than for:
 - (i) a craft being towed without charge by **your craft**, or
 - (ii) clothing, personal effects and luggage being carried by and belonging to any passenger on **your craft**,
 - (c) being carried by or loaded into or unloaded from **your craft** or any dinghy or similar craft attached to **your craft** other than specified under (b)ii above.
 2. **You** are not insured for legal liability or defence costs:
 - (a) arising while **your craft** is in transit by road while it is attached to a car or vehicle, or
 - (b) arising out of a contract or agreement, unless **you** would have been liable even without such contract or agreement.
 3. **You** are not insured for legal liability or defence costs for **bodily injury** to:
 - (a) **you**, **your partner** or **family**, or
 - (b) any other person or persons **we** insure under this policy.
 4. **You** are not insured for any fine or penalty.
 5. **You** are not covered for any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.
 6. **You** are not insured for legal liability or defence costs in any way connected with any seepage, pollution or contamination (including the cost of removing, nullifying or cleaning up), unless the seepage, pollution or contamination happens during the **period of insurance** and is caused by a sudden **accidental event** that happens during the **period of insurance**.

IMPORTANT: Please also read the section below, titled 'Policy exclusions that apply to all parts of this policy'.

WHAT WE WILL PAY:

AMOUNT PAYABLE

The most **we** will pay is the **sum insured** in the **schedule** for any **event**.

PUNITIVE OR EXEMPLARY DAMAGES

The most **we** will pay for punitive or exemplary damages is \$250,000 for any **event**.

SETTLEMENT OF ANY CLAIM

We may pay the **sum insured** under this Section of the policy, or any lesser amount that the legal liability can be settled for plus defence costs to date, and this will meet all **our** obligations under this Section of the policy.

POLICY EXCLUSIONS THAT APPLY TO ALL PARTS OF THIS POLICY

CONFISCATION

You are not insured for **loss** or legal liability connected in any way with confiscation, acquisition, loss or damage by order of government, public or local authority, unless that order was for the purpose of preventing or reducing pollution arising from **loss to your craft** insured by this policy.

EXCESS

For each **event**, the **excess** will be deducted from the amount of **your** claim unless stated otherwise under an Additional Benefit.

Where an **event** occurs that results in a claim under more than one section or benefit (or sub-section of a benefit) of this policy, **we** will apply only the highest applicable **excess**.

INTENTIONAL OR RECKLESS ACTS

You are not insured for any **loss** or legal liability arising from any intentional or reckless act or omission.

LOSS OF ELECTRONIC DATA

You are not insured for **loss** or legal liability in any way connected with loss of or damage to **electronic data** and any liability arising from this, directly or indirectly caused by, or in connection with a **computer virus**. This includes loss of use, reduction in functionality or any other associated loss or expense in connection with the **electronic data**.

LOSSES NOT INSURED

You are not insured for **loss** or legal liability:

1. arising while **your craft** is on hire or charter or is being used, other than for private pleasure purposes, unless used for search and rescue work, by or on behalf of the Police, Coastguard or other authority, or
2. caused by **your craft** being in an unsafe or unseaworthy condition, where **you** were aware, or with any reasonable diligence ought to have been aware, of **your craft** being in that condition, or
3. arising while **your craft** (unless it is a yacht) is engaged in any race or speed test (at a speed in excess of 30 kilometres per hour), or is being tested for any race or speed test, or
4. arising when:
 - (a) **you**, while **you** are operating or are in charge of **your craft**, or
 - (b) any other person, while they are operating or are in charge of **your craft** with **your** permission, are under the influence of alcohol or other intoxicating substance, or
5. arising if at the time of any **event** giving rise to a claim, **your craft** is attached to a motor vehicle that is being driven by or is in the charge of any person who:
 - (a) is driving with an excess breath alcohol or blood alcohol concentration in terms of New Zealand Land Transport Law, whether or not a conviction is entered against that person, or
 - (b) fails or refuses to permit a breath test or specimen of blood to be taken after having been lawfully required to do so, or
 - (c) is under the influence of drugs or other intoxicating substances, or
 - (d) fails or refuses to stop, or remain at the scene, following an **accident** (as required by law),
 Clauses 4 and 5 do not apply if the person in charge of **your craft** has stolen or converted **your craft** within the terms of New Zealand criminal law, or
6. arising while **your craft**, if it is a jet-boat, is being used in water not normally navigable by conventional propeller driven craft and is constructed of material other than steel or aluminium, or

7. arising when inboard petrol engine powered **craft**, excluding sailing yachts or **personal watercraft**, do not have an operating bilge blower or gas detector, or
8. arising when **your craft** is being operated at a speed in excess of 100 kilometres per hour.

NUCLEAR AND WAR RISKS

You are not insured for **loss** or legal liability connected in any way with:

1. any operations employing the process of nuclear fission or fusion, or handling of radioactive material. This includes, but is not limited to:
 - (a) the use of nuclear reactors such as atomic piles, particle accelerators or generators or similar devices, or
 - (b) the use, handling or transportation of any radioactive material, or
 - (c) the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion, or
2. war, invasion, act of foreign enemy, hostilities or war like operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, or
3. civil commotion assuming the proportions of or amounting to an uprising, insurrection, military or usurped power, or
4. any chemical, biological, bio-chemical, or electromagnetic weapon.

TERRORISM

You are not insured for loss, damage, death, injury, illness, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

1. an **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, death, injury, illness, liability, cost or expense.
2. any action taken in controlling, preventing, suppressing or in any way relating to an **act of terrorism**.

HOW TO CLAIM

WHAT YOU MUST DO

If anything happens that may lead to a claim under this policy, **you** must:

1. do what **you** can to take care of **your craft** and to prevent any further **loss** or liability, and
2. tell **us** as soon as possible, and
3. notify the Police as soon as possible if **you** think any **loss** was caused by an illegal act, and
4. allow **us** to examine **your craft** before any repairs are completed, and
5. send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
6. give **us** any information or help that **we** ask for, and
7. consent to **your** personal information in connection with the claim being:
 - (a) disclosed to **us**, and
 - (b) transferred to Insurance Claims Register Limited, and
8. tell **us** immediately if **you** are charged with any offence in connection with the use of **your craft** or another craft used for pleasure purposes which resulted in **loss** of property or **bodily injury** to another person.

WHAT YOU MUST OBTAIN OUR AGREEMENT TO DO

You must obtain **our** agreement before **you**:

1. incur any expenses in connection with any claim under this policy, or
2. negotiate, pay, settle, admit or deny any claim, or
3. negotiate, offer to pay or pay any **reparation**, including but not limited to, offers made as part of any case management conference or sentencing hearing, or
4. do anything that may prejudice **our** rights of recovery.

ACTIONS WE MAY TAKE

At **our** expense **we** may take action in **your** name:

1. to negotiate, defend or settle any claim insured by this policy, and
2. to make a recovery from any other person for anything insured by this policy, and **you** must cooperate with **us**.

SALVAGE

You must not abandon **your craft** to **us**. However after **your craft** is declared **uneconomic to repair**, **we** may keep **your craft** and retain the salvage.

FRAUD

If **your** claim is dishonest or fraudulent in any way, **we** may:

1. decline **your** claim either in whole or in part, and/or
2. declare either this policy or all insurance **you** have with **us** to be unenforceable from the date of the dishonest or fraudulent act.

This is at **our** sole discretion.

POLICY CONDITIONS

BREACH OF ANY CONDITION

If:

1. **you**, or
2. any other person **we** insure under this policy, or
3. anyone acting on **your** behalf

breaches any of the conditions of this policy, **we** may:

- (a) decline **your** claim either in whole or in part, and/or
- (b) declare either this policy or all insurance **you** have with **us** to be unenforceable.

This is at **our** sole discretion.

TRUE STATEMENTS AND ANSWERS

The **application** is the basis of this policy. True statements and answers must be given (whether by **you** or any other person) when **you**:

1. apply for this insurance, and/or
2. notify **us** regarding any change in circumstances, and/or
3. make any claim under this policy.

REASONABLE CARE

You and anyone using **your craft** with **your** permission must take reasonable care:

1. to protect **your craft** and maintain it in a safe and seaworthy condition, and
2. to prevent **loss** or liability.

OTHER INSURANCE

You must tell **us** if **your craft** is or becomes insured under any other insurance. If **you** can claim under any other insurance, **we** will only pay the amount of any claim over and above the limit payable by the other insurance.

This does not apply to the Accidental Death Additional Benefit (as described in Section one of this policy).

CHANGES IN CIRCUMSTANCES

You must tell **us** if there are any:

1. **modifications** to **your craft**, or
2. changes that might alter the nature of the risk or increase the chance of a claim under this policy.

CANCELLATION

BY YOU

You may cancel this policy at any time. If **you** do, **we** will refund any premium that is due to **you** based on the unused portion of the **period of insurance**.

BY US

We may cancel this policy by giving **you** notice in writing or by electronic means at **your** last known address. The policy will be cancelled from 4pm on the thirtieth day after the date of the notice. **We** will refund **you** any premium that is due to **you** based on the unused portion of the **period of insurance**.

CHANGE OF TERMS

We may change the terms of this policy (including the **excess**) by giving **you** notice in writing or by electronic means at **your** last known address. The policy will be changed from 4pm on the thirtieth day after the date of the notice.

UNECONOMIC TO REPAIR

If **we** have paid **your** claim for **your craft** that is **uneconomic to repair**:

1. this policy is automatically cancelled, and
2. **we** will not give any refund of premium, and
3. **your craft** will become **our** property.

This means that you will need to make new insurance arrangements on any replacement craft.

GOODS AND SERVICES TAX

All amounts shown in this policy include GST.

JOINT INSURANCE

If this policy insures more than one person, then all persons are jointly insured.
This means that a breach of the policy by any one person affects everyone's ability to claim under this policy.

OTHER PARTIES WITH A FINANCIAL INTEREST

If **we** know of any financial interest over **your craft**, **we** may pay part or all of any claim proceeds to the holder of that interest.
This payment will meet all obligations **we** have under this policy for the **loss**.
We are authorised by **you** to disclose personal information about **you** to any holder of a financial interest.
Any party, who is recorded as having a financial interest under this policy, is not insured by this policy and does not have rights to claim under this policy.

MOORING REQUIREMENTS

If **your craft** is normally moored, then the mooring must:

1. conform with all licensing and statutory regulations, and
2. be suitable for the size, displacement and the type of **craft**, and
3. be regularly maintained and in good order and condition, and
4. be visually inspected out of the water:
 - (a) in accordance with the regulations set down by the controlling authority, or
 - (b) at least every two years where no controlling authority applies.

CARE OF YOUR CRAFT

While **your craft** is:

1. unattended at anchor, or
2. on a temporary mooring to **you**,

you must go onboard to check the anchor and tackle and general safety of **your craft**, at least once every 24 hours.

DEFINITIONS

The definitions apply to the plural and any derivatives of the words.

For example, the definition of 'accident' also applies to the words 'accidentally', 'accidental' and 'accidents'.

accident

Unexpected and unintended by **you** and anyone using **your craft**.

act of terrorism

An act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s), whether acting alone or on behalf of or in connection with any organisation(s) or government(s) that from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

annual period

The **period of insurance**, but not more than 12 months. However, if:

- ▶ **you** pay the premium by regular instalments, or
- ▶ the **period of insurance** is for more than 12 months,

the annual period is any one 12 month period calculated from the date this policy first started, and consecutively thereafter.

application

The information provided by **you** to **us** when **you** purchased this insurance or requested a quotation for this insurance from **us**.

bodily injury

Accidental death of, or **accidental** bodily injury to, any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.

computer virus

A set of corrupting, harmful or otherwise unauthorised instructions or code, including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, which propagate themselves through a computer system or network of whatsoever nature. This includes but is not limited to Trojan Horses, Worms and Time or Logic Bombs.

craft

The vessel described in the **schedule**, including its: auxiliary, dinghy, trailer and any other equipment or accessories that are either attached to or permanently kept on board the vessel. This also includes **your** fishing, diving and water skiing equipment that are normally kept on board the vessel, provided that they are:

	<ul style="list-style-type: none"> ▶ not insured under any other insurance, and ▶ only when specified in the schedule.
electronic data	Facts, concepts and information converted to a form usable for communications interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. It includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
event	Any one event or series of events arising from one source or original cause.
excess	This is the amount of your loss that you must pay. The amount of the excess is shown in either the schedule or in this policy wording.
family	Any family member who permanently resides with you .
injury	A bodily injury caused solely and directly by violent, accidental , external and visible means.
loss	Physical loss or physical damage.
modification	Any change to your craft that is different to the manufacturer's original specification or recommendations. <i>Examples include: changes to the engine, steering, performance of the craft.</i>
New Zealand	<ol style="list-style-type: none"> 1. Afloat on the coastal or inland waterways of New Zealand, and 2. afloat on any area of sea that is not more than 200 nautical miles off the North and South Islands of New Zealand, and 3. during transit in New Zealand, including transit by sea, provided the transit is by a purpose built trailer, transporter, cradle or beach trolley that is designed for transit of your craft, and 4. on land in New Zealand however not in transit except during slipping, hauling out or re-launching. <p>Provided however 1. and 2. above do not apply during the time from when Customs clearance is gained or required to be gained, on departure from New Zealand, until Customs clearance is gained upon return to New Zealand.</p>
partner	Your husband or wife or person with whom you are living in the nature of a marriage.
period of insurance	The Period of Insurance shown in the schedule .
personal watercraft	A craft that is a jet-propelled water-craft that has a fully enclosed hull and does not take on water if capsized. It is designed to be operated by a person standing, sitting astride, or kneeling on it, but not seated within it and can carry up to 3 passengers in 'pillion passenger' style.
present value	The reasonable cost to repair or replace an item in New Zealand that is of equivalent age, quality and capability, and is in the same general condition.
reparation	An amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002, but subject to any limit of liability under the Maritime Transport Act 1994.
schedule	The latest version of the schedule we issued to you for this policy.
social yacht racing	Yacht racing where the use of a spinnaker and/or extras is not permitted and the race distance is no more than 25 nautical miles.
sum insured	The Sum Insured shown in the schedule for that Section or item.
uneconomic to repair	<p>A total loss because your craft is:</p> <ul style="list-style-type: none"> ▶ uneconomic or unsafe to repair, or ▶ stolen and not recovered.
we	NZI, a business division of IAG New Zealand Limited.
you	The person(s) shown as the Insured in the schedule .



NZI is a business division of IAG New Zealand Limited, a wholly owned subsidiary of Insurance Australia Group, Australasia's largest general insurer. Established in 1859, it is today one of the country's largest and longest-serving fire and general insurance brands, protecting tens of thousands of New Zealanders every year.

Through our broad range of commercial, personal, marine, professional risks and rural insurance products, we pride ourselves on helping people to achieve the best protection for their assets.

We partner with a network of skilled and experienced brokers and other insurance intermediaries who distribute our products. We pay remuneration to our brokers and intermediaries when they issue our policies, and when these policies are renewed or varied.

To find out more about the advantages of choosing NZI, talk to your broker or visit nzi.co.nz.

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