



Marine

COMMERCIAL HULL

POLICY WORDING

Marine / COMMERCIAL HULL INSURANCE POLICY

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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 the **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.

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.

SALVAGE COSTS

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

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WRECKAGE REMOVAL

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

EMERGENCY TOWING

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

The most **we** will pay for any **event** is \$1,000, unless any higher amount is shown in the **schedule**.

The most **we** will pay in any **annual period** is \$2,000, 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 for reasonable medical expenses incurred if the Master or Crew onboard the **craft** suffer **injury** during the **period of insurance** that occurs as a direct result of a **loss to your craft** covered by this policy.

The most **we** will pay is \$1,500 per person up to \$10,000, 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.

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

ADDITIONAL EXPENSES

We will pay expenses incurred by the Master and Crew onboard the **craft** of up to \$100 per day to attend any:

1. court proceedings, or
2. any other statutory enquiry,

in connection with **loss to your craft** insured by this policy.

The most **we** will pay, in total, during the **period of insurance** is \$1,500, 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.

RETURN TO PORT

We will pay for reasonable costs incurred to return the **craft** to its home port or normal place of storage after completion of repairs that are required as a direct result of a **loss to your craft** covered by this policy.

The most **we** will pay for any **event** is \$1,000, unless any higher amount is shown in the **schedule**.

The most **we** will pay in any **annual period** is \$2,500, 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.

TRANSPORTATION COSTS

We will pay for reasonable costs of transport for the Master and Crew onboard the **craft**, from the place where the **loss** occurred to the place where the journey started, if the **craft** can no longer be used following a **loss** insured by this policy.

The most **we** will pay is \$250 per person up to \$5,000, 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.

ADDITIONS

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

1. that the most **we** will pay is:
 - (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.

PERSONAL EFFECTS

We will insure the personal effects of the Master and paid Crew onboard the insured **craft** for sudden **accidental loss** during the **period of insurance** while on the **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 \$5,000 for any **event**, unless any higher amount is shown in the **schedule**.

SECTION ONE OPTIONAL BENEFIT

The following optional additional benefit only applies where the benefit is shown in **your schedule**.

RACING RISK EXTENSION

You are insured for sudden **accidental loss** to the **craft's** sails, masts, spars, or rigging occurring while the **craft** is racing during the **period of insurance** and in **New Zealand**.

The racing risk **excess** specified in the **schedule** applies, except where the **loss** is caused by:

1. fire, swamping, stranding, sinking, collision, or
2. contact with an external object (ice included) other than water, not otherwise excluded by this policy, then the standard **excess** applies.

The most **we** will pay, in total, during the **period of insurance** is the **sum insured** for masts, spars, rigging and sails.

SECTION ONE COVER FOR YOUR CRAFT

WHAT YOU ARE NOT INSURED FOR:

CAUSES NOT INSURED

1. **You** are not insured for **loss** to the **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.
 2. **You** are not insured for **loss** to electrical or electronic equipment fuses, protective devices or lighting or heating elements caused by electrical current.
- However, exclusions 1 and 2 only apply to the part of the **craft** first affected. They do not apply to any resultant **accidental loss** to other parts of the **craft**.

LOSSES NOT INSURED

You are not insured for rot, corrosion, rust, mildew, delamination, electrolysis or fouling. However, this exclusion only applies to the part of the **craft** first affected. It does not apply to any resultant **accidental loss** to other parts of the **craft**.

THEFT OF UNSECURED PROPERTY

You are not insured for theft of **your** property, while the **craft** is unattended, that would otherwise be insured under this policy if the property:

1. is not locked securely within the **craft**, or
2. is not securely attached to the **craft**, or
3. is not removed from the **craft** and stored in a locked and secure vehicle or building.

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BREAKDOWN OR FAILURE NOT INSURED

You are not insured for breakdown, failure, or breakage of any of the following parts or components of the **craft**:

1. engine and transmission system,
 2. any electrical or electronic system or equipment,
 3. any cooling or lubricating system,
 4. any other mechanically or hydraulically operated system or equipment,
- unless such breakdown, failure, or breakage is a direct result of:

- (a) fire, swamping, stranding, sinking, collision, or
- (b) contact with an external object (ice included) other than water, or
- (c) malicious acts,

not otherwise excluded by this policy.

You are not insured for **loss** to the motors or electrical equipment of personal watercraft caused by water ingestion.

SAILS, MASTS, SPARS AND RIGGING

You are not insured for **loss** to sails, masts, spars or rigging occurring while the **craft** is racing unless the **loss** is caused by:

1. fire, swamping, stranding, sinking, collision, or
2. contact with an external object (ice included) other than water, or
3. malicious acts,

not otherwise excluded by this policy.

However, if **your schedule** shows that the racing risk extension applies (*refer optional additional benefit*), this exclusion is deleted.

RECREATIONAL GEAR IN USE

You are not insured for **loss** to fishing, diving, water skiing gear or other personal effects while in use.

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

WHAT WE WILL PAY:

REPAIRABLE DAMAGE

If **we** consider the **craft** is economic to repair, **we** will at **our** option:

1. arrange to repair the **craft** to substantially the same condition as it was in before the **loss** occurred, or
2. pay **you** the cost of repairs as estimated by **our** assessor.

TOTAL LOSS

If **we** consider the **craft** is **uneconomic to repair**, **we** will:

1. for personal watercraft, pay **you** the **market value** or the **sum insured**, whichever is the lesser, and
2. for all other craft, pay **you**:
 - (a) the **sum insured**, or
 - (b) replace the **craft** with a new craft of the same model and specification, provided that:
 - (i) the **loss** occurred within 3 years of **you** purchasing the **craft** new, and
 - (ii) it is available in New Zealand, and
 - (iii) it is not a 'one-off' or custom build craft, and
 - (iv) the **craft** costs no more than \$1,000,000 to replace.

SAILS, OUTBOARD MOTORS AND PROTECTIVE COVERS

The most **we** will pay for any **event** for any:

1. sails, or
 2. outboard motors, or
 3. protective covers,
- over 3 years of age is **present value**.

RECREATIONAL GEAR

The most **we** will pay for any **event** for any:

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

THEFT OF AN UNSECURED CRAFT TRAILER

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

1. the **craft** trailer is not contained within a locked and secure building, or
 2. the **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.

THEFT OF PERSONAL WATERCRAFT

Where the **loss** arises from theft of a personal watercraft and:

1. the personal watercraft is not contained within a locked and secure building, or
 2. the personal watercraft is:
 - (a) not secured by a suitable anti-theft device to a trailer, motor vehicle, secure pole or similar structure, 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).*

EXCESS

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

SECTION TWO YOUR LEGAL LIABILITY

WHAT YOU ARE INSURED FOR:

YOUR LEGAL LIABILITY

You are insured for:

1. **your** legal liability and defence costs, for **accidental**:
 - (a) **loss** to anyone else's property, or
 - (b) **bodily injury** to any person,
 occurring during the **period of insurance**, arising in connection with **your** use of the **craft**, in **New Zealand**, and
2. **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 of the **craft**, in **New Zealand**,

Provided that:

- (a) **you** must tell **us** immediately if **you** or any other person entitled to cover under this benefit is charged with any offence in connection with the use of the **craft** or any craft, which resulted in **loss** of property or **bodily injury** to another person; and
 - (b) **we** must give **our** written approval before any offer of **reparation** is made.
- There is no cover for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:
- (i) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,
 - (ii) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,
 - (iii) 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 PERSONS LEGAL LIABILITY	<p>We will insure the legal liability and defence costs, and legal liability to pay reparation, of any other person arising in connection with their use of the craft, or engaged in water skiing or any other similar water sport involving being towed by the craft, in the same manner as we cover you, for:</p> <ol style="list-style-type: none">1. accidental loss of property, or2. bodily injury, <p>occurring during the period of insurance, provided:</p> <ol style="list-style-type: none">(a) such use of the 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.
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SECTION TWO ADDITIONAL BENEFITS

The following automatic additional benefits also apply at no additional cost.

MANSLAUGHTER DEFENCE COSTS	<p>We will pay the legal defence costs necessarily and reasonably incurred to defend a charge of manslaughter resulting from:</p> <ol style="list-style-type: none">1. you, your partner or your employees using the craft, or2. any member of your family using the craft with your permission, or3. 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, during the period of insurance. <p>The most we will pay during the period of insurance is \$10,000.</p> <p>The excess does not apply to this Additional Benefit.</p> <p>Section Two 'What you are not insured for' – Clause 6 (offences) does not apply to this Additional Benefit.</p>
RAISING AND/OR REMOVING THE CRAFT	<p>We will pay the costs necessarily and reasonably incurred by you in raising or removing the craft where you are instructed by a statutory authority exercising their power of jurisdiction granted by legislation.</p>
TEMPORARY CRAFT	<p>We will pay your legal liability and defence costs, and legal liability to pay reparation, for accidental:</p> <ol style="list-style-type: none">1. loss to anyone else's property, or2. bodily injury to any person, <p>occurring during the period of insurance, arising in connection with your use of a temporary craft, in New Zealand, in the same manner as we cover you in connection with your use of the craft, provided:</p> <ol style="list-style-type: none">(a) you were using the temporary craft to continue your usual business following a loss to your craft covered by this policy, and(b) your craft is:<ol style="list-style-type: none">(i) being repaired, or(ii) not fit for use, or(iii) missing after being stolen. <p>The excess applies to this additional benefit.</p>

SECTION TWO YOUR LEGAL LIABILITY

WHAT YOU ARE NOT INSURED FOR:

LIABILITY & COSTS NOT COVERED

- You** are not insured for liability or defence costs for **loss** to any property:
 - owned by **you** or anyone **we** insure and who claims under this policy, or
 - in **your** care or in the care of anyone **we** insure under this policy other than for:
 - a craft being towed without charge by **your craft**, or
 - clothing, personal effects and luggage being carried by and belonging to any passenger on the **craft**,
 - being carried by or loaded into or unloaded from the **craft** or any dinghy or similar craft attached to **your craft** other than specified under (b)ii above.
- You** are not insured for liability or defence costs:
 - arising while in transit by road while attached to a car or vehicle, or
 - arising out of a contract or agreement, unless **you** would have been liable even without such contract or agreement.
- You** are not insured for liability or defence costs for **bodily injury** to:
 - you, your partner or family**, or
 - any other person or persons **we** insure under this policy.
- You** are not insured for any fine or penalty.
- You** are not insured for 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**.
- You** are not insured 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.

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 amount specified 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 full amount under this part of this policy, or any lesser amount that the liability can be settled for plus defence costs incurred, and this will meet all **our** obligations under this part of this policy.

POLICY EXCLUSIONS THAT APPLY TO ALL PARTS OF THIS POLICY

NUCLEAR & WAR RISKS

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

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

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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**.

CONFISCATION

You are not insured for **loss** 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 the **craft** insured by this policy.

INTENTIONAL OR RECKLESS ACTS

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

LOSS OF ELECTRONIC DATA

You are not covered for **loss** of **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 liability:

1. arising while the **craft** is being used for any purpose not described in the **schedule**, 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 the **craft** being in an unsafe or unseaworthy condition, where **you** were aware, or with any reasonable diligence ought to have been aware, of the **craft** being in that condition, or
3. arising while the **craft** (provided it is motorised) 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 the **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, the **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).

This clause does not apply if the person in charge of the **craft** has stolen or converted the **craft** within the terms of New Zealand criminal law, or
6. arising while the **craft**, if it is a jet boat, is being used in water not normally navigable by conventional propeller driven craft, 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 the **craft** is being operated at a speed in excess of 100 kilometres per hour.

SANCTION LIMITATION AND EXCLUSION CLAUSE – THIS CLAUSE SHALL BE PARAMOUNT

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

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 the **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 the **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.
8. tell **us** immediately if **you** or anyone else entitled to cover under this policy are charged with any offence in connection with the use of the **craft** 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 co-operate with **us**.

SALVAGE

You must not abandon the **craft** to **us**. However after the **craft** is declared **uneconomic to repair**, **we** may keep the **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 the **craft** with **your** permission must take reasonable care:

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

OTHER INSURANCE

You must tell **us** if the **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 **loss** over and above the limit payable by the other insurance.

CHANGES IN CIRCUMSTANCES

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

1. **modifications** to the **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 fourteenth 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 fourteenth day after the date of the notice.

UNECONOMIC TO REPAIR

If **we** have paid **your** claim for a **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

Where GST is recoverable by **us** under the Goods and Services Tax Act 1985:

1. all sums insured exclude GST, and
2. all sub limits exclude GST, and
3. all **excesses** include GST, and
4. GST will be added, where applicable, to claim payments.

Marine / COMMERCIAL HULL INSURANCE POLICY

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 the **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

You must not leave the **craft**:

1. unattended at anchor, or
 2. on a temporary mooring
- for more than 24 consecutive hours.

OPERATING LIMITS

The **craft** must be operated within:

1. the geographical limits imposed by the **craft's** current certificate of survey, or
 2. the geographical limits imposed by the Master's qualifications,
- whichever is the lesser.

LEGISLATION COMPLIANCE

You are required to comply with all government rules, regulations and legislation relating to the construction, seaworthiness, surveying, outfitting and manning of the **craft**.

GOVERNING LAW AND JURISDICTION

The law of New Zealand applies to this policy and the New Zealand courts have exclusive jurisdiction.

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 the 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	<p>The period of insurance, but not more than 12 months. However, if:</p> <ul style="list-style-type: none">▶ you pay the premium by regular instalments, or▶ the period of insurance is for more than 12 months, <p>the annual period is any one 12-month period calculated from the date this policy first started, and consecutively thereafter.</p>
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 is normally kept on board the vessel, provided that it is 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.
market value	<p>The reasonable cost to buy, immediately before the loss and on the retail market, a personal watercraft of the same:</p> <ul style="list-style-type: none">▶ year,▶ make, model and specification,▶ mileage/hours,▶ general condition, <p>as the personal watercraft damaged, including the value of any insured fitted equipment.</p>

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modification	<p>Any change to your craft that is different to the manufacturer's original specification or recommendations.</p> <p>Examples include: changes to the engine, steering, performance of the craft.</p>
New Zealand	<p>Coastal and inland waterways within New Zealand and the area of sea not more than 200 nautical miles from the coastline of the North and South Islands of New Zealand, including:</p> <ul style="list-style-type: none">▶ while on land in New Zealand, excluding transit, and▶ while in transit in New Zealand, including transit by sea, provided that the transit is by a purpose built trailer, transporter, cradle or beach trolley that is designed for transit of such craft, and▶ during slipping, hauling out or re-launching, <p>but not 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	<p>Your husband or wife or person with whom you are living in the nature of a marriage.</p>
period of insurance	<p>The Period of Insurance shown in the schedule.</p>
present value	<p>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.</p>
schedule	<p>The latest version of the schedule we issued to you for this policy.</p>
reparation	<p>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.</p>
sum insured	<p>The Sum insured shown in the schedule.</p>
uneconomic to repair	<p>A total loss because the craft is:</p> <ul style="list-style-type: none">▶ uneconomic or unsafe to repair, or▶ stolen and not recovered.
we	<p>NZI, a business division of IAG New Zealand Limited.</p>
you	<p>The person(s) shown as the Insured in the schedule.</p>



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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