

# Changes to our Commercial Hull policies



Last year the Government made some changes to the Sentencing Act, resulting in the Sentencing Amendment Act 2014, which affects some of our policies.

The changes mean the courts can now order an offender to pay reparation to victims of crime that includes paying for loss of income or treatment costs not covered by ACC.

## **In practical terms it works like this:**

Before, if you caused an accident like a collision with another watercraft by operating your craft carelessly, the courts could only order you to pay for the property damage and emotional harm you caused. Now, the courts can also order you to pay for loss of income and treatment costs not covered by ACC. This doesn't replace ACC, but means that anyone injured can get a 'top up' if the court orders it.

To support this, we've made a number of changes to our Commercial Hull policies to ensure they provide the required cover. The key updates include:

- Extending the legal liability cover to specifically include liability for reparation ordered to pay to a victim who suffers accidental bodily injury or loss of or damage to property in connection with your use of the craft.

The reparation cover is extended to other persons operating the craft with your permission.

This reparation cover is payable within your existing sum insured/limit for legal liability cover.

- New specific claims conditions regarding reparation.
- A definition for reparation included – meaning an amount ordered under section 32 of the Sentencing Act 2002.

Speak to your broker about what these changes will mean for you and your business.