

Pleasure Craft

Please read your Policy and Schedule carefully to ensure it meets your needs. If there is any error please contact us immediately.

This Policy and Schedule explains

- who is insured
- when the insurance begins and ends
- the conditions of the insurance
- what is insured
- the amounts that can be claimed
- what is not insured

This insurance is arranged on the basis of the information provided by you. It is essential that all information is truthful and correct. If there is any information which we have not been given or any change in circumstances during the Period of Insurance you must tell us.

Failure to tell us may affect the outcome of any claim you make.

Please keep this Policy in a safe place, you will find it useful in the event of a claim.

The Insurance

State, a business division of IAG New Zealand Limited (we/us/our) provides the Insured (you/your) with insurance as set out in this Policy during the Period of Insurance and any further period for which the Policy is renewed. All amounts shown in this Policy and Schedule include GST.

Definitions

- 1 You/your shall also include any other person either on board your Vessel or in charge of your Vessel with your permission.
- 2 Your Vessel is the vessel described in the Schedule, including its auxiliary dinghy, trailer or any other equipment or accessories which are either attached to or permanently kept on board your Vessel.
This also includes your fishing, diving or water skiing gear or equipment, or any other personal effects provided that they are not otherwise insured.
- 3 New Zealand includes the area of sea not more than 50 nautical miles from the coastline of New Zealand.
- 4 The Annual Period is the period of insurance. However, if:
(a) you pay the premium fortnightly, monthly or quarterly, or
(b) 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.

Section 1 – Loss of or Damage to Your Vessel

You Are Insured For

Accidental and sudden loss of or damage to your Vessel anywhere in New Zealand.

The Amount We Will Pay

This insurance will pay the amount of the loss or damage or the cost of restoring your Vessel as nearly as possible to the same condition it was in immediately before the loss or damage happened.

The maximum amount you can claim is \$1,125 for any outboard motor or auxiliary dinghy unless it is shown in the Schedule with a Specified Sum Insured which then becomes the maximum amount you can claim for that item.

We will also pay, in the event of your Vessel being stranded or running aground, the reasonable costs of having the hull of your Vessel inspected.

If other interested parties are named in the Schedule, any payment under the Policy may be made to them.

The maximum amount payable for any one event shall not exceed the Current Sum Insured on your Vessel.

You Are Not Insured For

- 1 Faulty design, manufacture, construction or assembly.
- 2 Wear and tear, rot, corrosion, rust, mildew, fouling or gradual deterioration.
- 3 The breakdown, failure or wearing out of any part of any mechanical or electrical machinery, gear or equipment unless burning out occurs.
- 4 Damage caused by electrical current to fuses, protective devices or lighting or heating elements.
- 5 Loss or damage by order of any Government or Local Body unless that order was for the purpose of preventing or reducing pollution arising from loss or damage which is insured by Section 1.
- 6 Loss of or damage to
 - (a) sails, or protective covers which are blown away or damaged by the wind;
 - (b) sails, masts, spars or rigging happening while the Vessel is racing;unless that loss or damage is caused by fire or by the Vessel being stranded, sunk, or in a collision.
- 7 Loss of or damage to your fishing, diving or water skiing gear or equipment whilst in use.
- 8 The amount of the Excess shown in the Schedule which will be deducted from every claim.

Section 2 – Liability

You Are Insured For

- 1 Your legal liability as the owner or as the person in charge of your Vessel in respect of
 - (a) accidental loss of or damage to anyone else's property;
 - (b) accidental bodily injury to any person (bodily injury shall be deemed to include death, sickness, disease, disability, shock, fright, mental anguish or mental injury);occurring anywhere in New Zealand.
- 2 All legal costs and expenses
 - (a) recovered by any claimant against you;
 - (b) incurred with our written consent;
 - (c) incurred for representation at a coroner's inquest or fatal accident enquiry;in connection with any claims which may be payable under this Section.

This Section also insures any person engaged in water skiing or similar sport while being towed by your Vessel.

The Amount We Will Pay

This insurance will pay up to \$1,000,000 for any one accident inclusive of all costs charged to you with our approval or awarded against you by a Court.

You Are Not Insured For

- 1 Liability for loss of or damage to personal effects belonging to any member of your family who is living with you.
- 2 Liability arising out of a contract or agreement (except when you would have been liable even without a contract or agreement).
- 3 Liability arising while your Vessel is being carried or towed by any motor vehicle.
- 4 Fines, penalties, punitive or exemplary damages.
- 5 Liability to any
 - (a) employee;
 - (b) member of your family usually living with you.
- 6 Liability to any person for which there is indemnity under the Injury Prevention, Rehabilitation & Compensation Act 2001 or any amendment thereto.

Section 3 – Prevention of Loss or Damage to Your Vessel / Removal or Towing Costs

You Are Insured For

1. Reasonable costs incurred by you in trying to prevent or reduce loss or damage, including having to replenish, refill or replace safety flares or fire extinguishers used, which is insured by Section 1.
2. The cost of having to remove your Vessel from anywhere in New Zealand or to tow your Vessel to the nearest place of repair due to loss or damage to your Vessel which is insured by Section 1.
3. The cost of having to tow your Vessel to the nearest place of repair due to the mechanical or electrical breakdown of your Vessel.

The Amount We Will Pay

The maximum amount payable for 1 above in any event is 20% of the current Total Sum Insured on your Vessel.

The maximum amount payable for 2 above in any event is the current Total Sum Insured on your Vessel.

The maximum amount payable for 3 above in any one Annual Period is \$1000.

The amounts payable above are in addition to the current Total Sum Insured on your Vessel.

Section 4 – Personal Injury

You Are Insured For

Bodily injury suffered by you caused solely and directly by violent, accidental, external and visible means occurring whilst you are on board your Vessel and which is the sole and direct cause of

- (a) death;
- (b) the total and permanent loss of use of one limb;
- (c) the total and permanent loss of sight of an eye;
- (d) your total and incurable disablement from all further work.

The Amount We Will Pay

We will pay you, or in the event of your death your executors or administrators the amount of \$10,000.

The maximum amount payable in respect of any one event will not exceed \$10,000 and in the event of the death or bodily injury of more than one person this amount shall be divided equally between such persons or their executors or administrators.

You Are Not Insured For

Bodily injury consequent upon you committing or attempting to commit suicide, intentional self injury or any criminal act.

Section 5 – Additional Expenses

You Are Insured For

- 1 **Out of Pocket Costs**
Additional expenses incurred by you to attend any court proceedings or enquiry at our request.
- 2 **Transportation Costs**
Reasonable costs incurred following an event for which a claim is payable under Section 1 for returning from the place where the event occurred to your home in New Zealand if prevented from returning as a result of the event.

The Amount We Will Pay

The maximum amount payable for any one event shall not exceed

- 1 \$100 for each day, up to a maximum of 15 days for Out of Pocket Costs.
- 2 \$250 per person but not exceeding \$1,000 in the aggregate during any one Annual Period for Transportation Costs.

For All Events You Are Not Insured For

- 1 Loss, damage, liability or bodily injury
 - (a) arising while your Vessel 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;
 - (b) caused by your Vessel being in an unsafe or unseaworthy condition where you were aware or with any reasonable diligence ought to have been aware of your Vessel being in such a condition;
 - (c) arising while your Vessel (unless it is a yacht) is engaged in any race or speed test or is being tested for any race or speed test;
 - (d) arising whilst you are operating or in charge of your Vessel under the influence of alcohol to such an extent that it affects your ability to operate your Vessel;
 - (e) arising from
 - (i) nuclear weapons;
 - (ii) ionising radiation or contamination by radio-activity from nuclear fuel or from nuclear waste from the combustion of nuclear fuel;
 - (iii) war, invasion, act of foreign enemy, warlike operations (whether war be declared or not), military or usurped power, civil war, rebellion, revolution or insurrection.
- 2 Loss of or damage to any property insured under this Policy caused by the failure of any device or appliance to correctly recognise any date, whether occurring before, during or after the year 2000, but this insurance will pay for any resultant loss or damage to other property.
- 3 Any act of terrorism. Notwithstanding any provision to the contrary, this insurance excludes loss, damage, death, injury, illness, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with
 - (a) 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.
 - (b) any action taken in controlling, preventing, suppressing or in any way relating to an act of terrorism.An act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which 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.
4. You are not insured for loss or damage that occurs during the first 48-hours of this policy, caused by storm, flood or landslip. This only applies when you first take the policy out with us.
However, this exclusion does not apply where this policy started immediately following another policy that also insured the same property against the risks of storm, flood and landslip.

The Conditions of this Policy

Duty to Comply

- 1 We will not pay under this Policy if any provision of this Policy is breached by
 - (a) you;
 - (b) anyone acting on your behalf;
 - (c) any other person we insure under this Policy;or if any statements or answers in the proposal or any other document are false.

Care of your Vessel

- 2 (a) You must keep your Vessel in a safe and seaworthy condition.
 - (b) Reasonable care must be taken to protect your Vessel and to prevent loss or damage including theft of anything insured under this Policy.
 - (c) We will have free access to examine your Vessel at all times.

Claims

- 3 If anything happens which may give rise to a claim under this Policy you must
 - (a) do as much as you can to take care of your Vessel and to prevent further loss or damage;
 - (b) obtain our agreement before you incur any expense, negotiate, pay, accept payment, settle, admit or deny any claim or do anything which may in any way prejudice our rights;
 - (c) tell the Police immediately if any loss or damage was caused by burglary, theft, vandalism or malicious act(s);
 - (d) tell us as soon as possible by calling 0800 80 24 24;
 - (e) allow us to examine your Vessel before any repairs are completed;
 - (f) give us any information or assistance we ask for;
 - (g) send any letter or other document you receive from anyone else to us immediately.
- 4 We will have the right to refuse to pay for any claim if
 - (a) it is false;
 - (b) you or anyone acting on your behalf or anyone else we insure under this Policy gives any untrue information and knows that information is not true;
 - (c) the loss or damage is caused by your wilful act or with your connivance.
- 5 We will have the right to take action in your name
 - (a) in the defence or settlement of any claim;
 - (b) to make a recovery from any other person for anything insured by this Policy.
- 6 If agreement over a claim cannot be reached then
 - (a) the claim may be referred to arbitration but only if you and we both agree;
 - (b) we will not be liable under this Policy unless
 - (i) you commence Court Action, or
 - (ii) arbitration proceedings beginwithin 12 months from the date of the loss or damage.
- 7 We shall have the right to either restore or replace your Vessel or any part of it or to pay for any loss or damage.

Other Insurances

- 8 If anything insured under this Policy is also insured under any other policy then we will only pay the amount of any loss in excess of that recoverable under the other insurance.

Cancellation

- 9 To cancel this Policy
 - (a) you can tell us in writing.
 - (b) we can tell you in writing. We can either
 - (i) hand the notice to you in which case cancellation will take place at 4 p.m. seven days later, or
 - (ii) post the notice to you at your last known postal address in which case cancellation will take place at 4 p.m. on the seventh day after posting.We will give you a refund of any premium which is due to you but if you cancel this Policy we may keep a minimum premium appropriate for the time insured.

Marine Insurance Act

- 10 The Insurance set out in this Policy and the rights and duties of both you and us are subject to the provisions of the Marine Insurance Act 1908 except where those provisions have been expressly varied in this Policy.

Increased Risk

- 11 You must tell us if there are any changes which may increase the chance of a claim under this Policy.

Mooring Requirements

- 12 If your Vessel is normally moored then the mooring must
 - (a) conform with all licensing and statutory regulations;
 - (b) be suitable for the size, displacement and the type of your Vessel;
 - (c) be regularly maintained and in good order and condition;
 - (d) be visually inspected at no less than 24 month intervals.
- 13 You must not leave your Vessel
 - (a) unattended at anchor, or
 - (b) on a temporary mooring for more than 24 consecutive hours.

Other Conditions

- 14 If anything happens which may give rise to a claim under Section 4 of this Policy you must as soon as possible (except in the event of your death) seek medical advice from a duly registered Medical Practitioner and follow that advice.
- 15 Your accidental death shall not in any way be presumed by reason of your disappearance, except in the event of the total loss of your Vessel.
- 16 The laws of New Zealand shall apply to and the Courts of New Zealand will have exclusive jurisdiction in respect of any litigation arising out of this Policy. Any compensation awarded or costs or expenses of litigation outside New Zealand are not covered.