

Commercial hull

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.

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 fowling.

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.

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 **your** legal liability and defence costs, for **accidental**:

1. **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 the **craft**, in **New Zealand**.

Other persons legal liability

We will insure the legal liability and defence costs 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**, for accidental:

1. **loss** to anyone else's property, or
2. **bodily injury** to any person,

occurring during the **period of insurance**, provided:

- (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.

Section two: additional benefits

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

Manslaughter defence costs

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

1. **you**, **your partner** or **your** employees using the **craft**, or
2. any member of **your family** using the **craft** with **your** permission, or
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**,

during the **period of insurance**.

The most **we** will pay during the **period of insurance** 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 or removing the **craft** where **you** are instructed by a statutory authority exercising their power of jurisdiction granted by legislation.

Temporary craft

We will pay **your** legal liability and defence costs, for **accidental**:

1. **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 a temporary **craft**, provided:

- (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:
 - (i) being repaired, or
 - (ii) not fit for use, or
 - (iii) missing after being stolen.

The **excess** applies to this additional benefit.

Section two: your legal liability

▶ What you are not insured for

Liability & costs not covered

1. **You** are not insured for 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 the **craft**,
 - (c) 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.
2. **You** are not insured for liability or defence costs:
 - (a) arising while in transit by road while 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 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 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**.

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 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:

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.
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**.

▶ 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.

▶ 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

- 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
- arising when:
 - you**, while **you** are operating or are in charge of the **craft**, or
 - 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
- arising while the **craft**, if it is a jet-boat, is being used in water not normally navigable by conventional propeller driven craft, or
- arising when inboard petrol engine powered **craft**, excluding sailing yachts or personal watercraft, do not have an operating bilge blower or gas detector, or
- arising when the **craft** is being operated at a speed in excess of 100 kilometres per hour.

▶ Sanctions 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:

- do what **you** can to take care of the **craft** and to prevent any further **loss** or liability, and
- tell **us** as soon as possible, and
- notify the Police as soon as possible if **you** think any **loss** was caused by an illegal act, and
- allow **us** to examine the **craft** before any repairs are completed, and
- send to **us** as soon as possible anything **you** receive from anyone about a claim or possible claim against **you**, and
- give **us** any information or help that **we** ask for, and
- consent to **your** personal information in connection with the claim being:
 - disclosed to **us**, and
 - transferred to Insurance Claims Register Limited.

▶ What you must obtain our agreement to do

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

- incur any expenses in connection with any claim under this policy, or
- negotiate, pay, settle, admit or deny any claim, or
- do anything that may prejudice **our** rights of recovery.

▶ Actions we may take

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

- to negotiate, defend or settle any claim insured by this policy, and
- 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 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:

- decline **your** claim either in whole or in part, and/or
- 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:

- you**, or
- any other person **we** insure under this policy, or
- anyone acting on **your** behalf

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

- decline **your** claim either in whole or in part, and/or
- 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**:

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

▶ Reasonable care

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

- to protect the **craft** and maintain it in a safe and seaworthy condition, and
- 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.

▶ 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**.

▶ Law and Jurisdiction

The Law of New Zealand applies to disputes about 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

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 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

the reasonable cost to buy, immediately before the **loss** and on the retail market, a personal watercraft of the same:

- > year,
 - > make, model and specification,
 - > mileage/hours,
 - > general condition,
- as the personal watercraft damaged, including the value of any insure fitted equipment.

modification

any change to **your craft** that is different to the manufacturer's original specification or recommendations.

Examples include: changes to the engine, steering, performance of the **craft**.

New Zealand

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:

- > 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,

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.

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**.

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.

schedule

the latest version of the schedule **we** issued to **you** for this policy.

sum insured

the sum insured shown in the **schedule**.

uneconomic to repair

a total **loss** because the **craft** is:

- > uneconomic or unsafe to repair, or
- > stolen and not recovered.

we

State, a business division of IAG New Zealand Limited.

you

the person(s) shown as the insured in the **schedule**.

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