



**Your
Pleasure Boat
Insurance Policy**

insurance
people[®]

...Yacht or speed boat?

Some decisions in life are hard.
Insurance People is the easy choice.

0800 50 90 90

Money back guarantee

If you are not completely satisfied with this Pleasure Boat Policy, simply return it to Insurance People within 30 days of the commencement date. Your entire premium will be refunded if no claims have been made and we will both regard this policy as never commencing.

Welcome to Insurance People Pleasure Boat Policy

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Congratulations on choosing to insure your boat with Insurance People. As a valued client it is our aim to provide you with efficient service and prompt claim settlement.

This booklet contains important information on the details and benefits of your Insurance People Pleasure Boat Insurance Policy so we recommend that you read it carefully. When you have finished reading this booklet, store it in a safe place with your other important documents.

If you have any questions about this policy or any aspect of Insurance People, please call Insurance People toll free on 0800 50 90 90.



Renewing your policy

Annual policies

Before your policy expires we will invite you to renew it. Before renewing, it is very important that you check all the information on the renewal invitation to confirm that your insurance details are still correct.

The invitation to renew your policy assumes that there has been no change in the circumstances of your insurance in the past year. If your circumstances have changed, you must inform us of any such changes and any other matters that may affect your policy.

Monthly policies

Monthly policies do not have an annual renewal date. Monthly policies expire every month on the same day that you took out your policy. To maintain cover on your asset you need to make sure that you continue to make monthly premium payments otherwise you will be without cover. You should review your cover once a year to make sure that it still meets your requirements and to do this you should telephone Insurance People toll free on 0800 50 90 90.

It is important you notify Insurance People toll free on 0800 50 90 90 any time that there has been a change in the circumstances of your insurance. If your circumstances have changed, you must inform us of any such changes and any other matters that may affect your policy.

Changing your policy

From time to time you may want to alter your policy, perhaps to change your address or increase the amount of cover. If so, you will need to contact Insurance People. Once the changes have been made Insurance People will confirm them by sending you a replacement Certificate of Insurance showing the updated details of your policy.

If you need to make a claim

If you want to make a claim under your policy, see the section "General Conditions Applicable To Whole Policy", f) Claims.

Changing your boat

If you sell your boat during the time you are covered by this policy, the policy will automatically apply to your new boat as long as:

1. You provide Insurance People with details of your new boat and, if required, complete any written proposal or application form within 7 days of purchasing it.
2. You pay Insurance People any extra premium that may be required for the new boat.
3. The total sum insured does not exceed \$75,000.

General information

Renewing your policy

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Changing your boat

General information

Hints for pleasure boat owners

Hints for pleasure boat owners

General:

- check your boat and its equipment to see that all is in good order and the boat is seaworthy;
- never overload the boat;
- always carry an efficient anchor and chain and good anchor line (about 50 metres) also see that You have spare oars, rowlocks and a bailer;
- have an approved life jacket for each person on board and ensure they are worn at all times;
- keep a good lookout at all times, and slow down when approaching other boats, jetties, swimmers or divers;
- learn the "Rules of the Road" and prevent accidents; alcohol and boating don't mix, leave the alcohol at home;
- check the weather, if in doubt, don't go out.

Fire extinguishers

- always carry stowed in its bracket in the correct manner at least one efficient and approved extinguisher (check it or have it checked at regular intervals).

Fire prevention - inspect and check that:

- spare fuel is in proper containers;
- there is no leakage from fuel lines or joints;
- electrical wiring is in good condition;
- gas cylinders are correctly installed;
- terminals are covered and battery is in secure position.

Taking on fuel - many fires start while taking on fuel. Make sure you:

- send passengers ashore;
- turn off gas cylinders;
- put out cigarettes, etc.;
- keep contact between hose nozzle and filler pipe to prevent moving petrol generating static sparks;
- remove and thoroughly clean up any spilt fuel;
- open hatches, doors etc., and ventilate right down to the bilges.

General information continued

Our agreement

In return for you paying or agreeing to pay the premium, we will provide the insurance cover described in this policy for the period stated in the Certificate of Insurance on the terms and conditions set out in this booklet.

The proposal

The proposal which you have completed, along with all other statements made by you or anyone acting on your behalf, are the basis of this contract and shall be considered as incorporated into it. In all cases we treat information provided to us in support of your application for this insurance as provided by you. You must tell us anything that might affect our decision to accept your proposal or that might affect the premium charged or excess amounts.

The policy

The terms and conditions of this booklet and the Certificate of Insurance together form your Insurance People Pleasure Boat Policy.

The policy, Certificate of Insurance and variations to cover (if any) are to be read together and any word or expression which has been given a specific meaning shall have the same meaning whenever it appears. See the "Definitions" section for details.

Privacy Act and the Insurance Claims Register (ICR)

The ICR is a database of insurance claims to which participant insurers have access. The purpose of the ICR is to prevent insurance fraud. The ICR is operated by Insurance Claims Register Limited (ICR Ltd), P O Box 474 Wellington.

This policy is issued to you on the condition that you authorise us to place details of any claims made against this policy on the database of ICR Ltd, where they will be retained and be available for other insurance companies to inspect. You also authorise us to obtain from ICR Ltd personal information about you that is (in our view) relevant to this policy or any claim made against it. You have certain rights of access to and correction of this information, subject to the provisions of the Privacy Act 1993.

Definitions

General information continued	
Our agreement	
The proposal	
The policy	
Privacy Act and the Insurance Claims Register	
Definitions	
You, your, the insured	
Certificate of insurance	
Territorial limits	
Excess	
We, us, our, company	

When any of these words appear in this document this is what they mean:

You, your, the insured

The person(s), company, firm or other entity named in the Certificate of Insurance. If more than one, this policy insures all those named jointly.

Certificate of Insurance

The latest Certificate which was issued to you which shows important details of your cover and your policy number.

Territorial limits

New Zealand coastal waters within a seaward limit of 75 nautical miles and anywhere within New Zealand whilst ashore or in transit (providing that the vessel is specifically designed for road transit) or on Inland waters or as otherwise stated in the schedule.

Excess

The first amount of any claim which you must pay. The amount will be specified in the Certificate of Insurance.

We, us, our, company

Vero Insurance New Zealand Limited.



Loss or damage to your boat

Section 1:

What is covered

The boat specified in the Certificate of Insurance, sails, masts, spars, standing and running rigging, machinery, boat(s) gear and equipment such as would normally be sold with the boat if it changed hands, trailer, launching trolley and cradle, and shall include anchors, oars, paddles, motor covers, seat cushions, life rafts, lifebuoys, life jackets, fire extinguishers, extra fuel containers, lights, storage batteries, safety equipment, horns, bilge pumps, refrigerators, freezers, stoves, fixed heaters, extra propellers, ropes, detachable canopies, ship's radios (excluding portable transistor radios), fixed tape decks, fixed television sets, echo/depth sounder, direction finders, radar, auto pilot, radio telephone and fuel.

Any other property specified in the Certificate of Insurance.

You are covered for

Loss of or damage to the property insured from any cause which is not excluded arising out of events occurring within the stated territorial limits during any period of insurance for which we accept a premium provided always that the maximum amount payable shall not exceed the sum insured specified in the Certificate of Insurance.

Basis of settlement of claims

At our option we can choose to settle your claim by payment, repair or replacement of your boat.

We will also pay:

- a) Salvage charges;
- b) Any sum or sums for which you shall become liable arising out of such loss or damage in respect of any attempted or actual raising, removal or destruction of the property insured or its' cargo or any neglect or failure to raise, remove or destroy the same and any other costs incurred following such loss or damage to salvage the property insured;
- c) Wreck or debris disposal expenses for which you shall become liable following loss or damage;
- d) Reasonable costs and charges where the insured boat is or was in imminent peril (for which provision has not already been made above) incurred in preventing or in attempting to prevent or reduce loss or damage.

Provided the costs or expenses incurred in a), b), or c) follow an accident for which there is a valid claim under this policy.

Loss or damage to your boat – Section 1

What is covered

You are covered for

Basis of settlement of claims

We will also pay

Additional benefits

Additional benefits

- a) Sighting the Bottom: We will also cover the expense of sighting the bottom of the insured boat after an accidental stranding, if reasonably incurred specially for that purpose, even if no damage is found.
- b) Automatic Reinstatement of Cover: The cover provided by this policy will not be reduced by the amount of any claim but we may at our option charge an appropriate extra premium, following a claim.
- c) Continuation of Cover: If the boat specified in the Certificate of Insurance is still at sea or in distress or at a port or place of refuge or of call at the expiration of this insurance we agree to maintain cover under all sections of this policy until the boat is safely anchored or moored at the next port of call. Provided always that reasonably prompt notice is given to us on arrival and any pro-rata additional premium required by us for the additional time this insurance is in force is paid by you.
- d) Sisterships: Should the boat specified in the Certificate of Insurance come into collision with or receive salvage services from another boat belonging wholly or in part to you, you shall have the same rights under this policy as you would have were the other boat entirely the property of owners not interested in the boat specified in the Certificate of Insurance; but in such cases the liability for the collision shall be referred to a sole arbitrator to be agreed upon between you and us.
- e) Pollution Hazard: We will cover loss of or damage to the property insured directly caused by any authority acting under the powers vested in them to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the property insured for which you are liable under this policy subject to the maximum amount payable not exceeding the Sum Insured stated on the Certificate of Insurance.

Loss or damage to your boat

Section 1: continued

Additional special benefits

(Applicable only when the benefit is shown on the Certificate of Insurance, and an additional premium has been charged.)

1) Racing risk extension (sailing craft only)

Notwithstanding the provision "You are not insured for" (a) of Section 1, this policy includes cover for loss of or damage to sails, masts, spars or standing and running rigging whilst the boat is racing.

This Endorsement does not extend to cover ocean racing.

You are not covered for

- a) Loss of or damage to sails, masts, spars or standing and running rigging whilst the insured boat is racing, unless such loss or damage is caused by the insured boat being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water, unless Endorsement No 2 is indicated on the Certificate of Insurance;
- b) The cost of rectifying wear and tear, depreciation, gradual deterioration; and loss or damage caused by vermin;
- c) The cost of rectifying mechanical breakdowns, electrical breakdowns or failures due solely to internal stress or fault not being caused by an event external to the affected property;
- d) Loss of use or consequential loss of any kind not otherwise covered by this policy.
- e) The cost of rectifying fault, defect, or error or omission in design or specification.



Legal liability

Section 2:

Loss or damage to your boat –

Section 1 continued

Additional special benefits

You are not covered for

Legal liability – Section 2

Additional benefits

You are covered for the amounts you legally have to pay as a result of any of the following:

- a) Accidental death or bodily injury including illness of any person other than you and payments made for life salvage;
- b) Accidental loss of or damage to the property of others.
- c) Costs and expenses legally recoverable from you by any claimant and also for any legal costs and expenses incurred with our permission and arising from an event for which cover is provided by this policy.
- d) Costs incurred for representation at any Coroner's Inquest or fatal accident enquiry providing your attendance is required as the result of your ownership or use of the property insured under Sections 1 & 3.

Additional benefits

Subject to the terms, limitations and exclusions of this section and provided such persons are not otherwise covered, we will also cover:

- a) Any person who is navigating or in charge or control of the property insured under Sections 1 & 3 with your permission and any member of the crew of the boat as specified in the Certificate of Insurance.
- b) Any person engaged in water-skiing, aquaplaning or similar sport whilst being towed by the boat specified in the Certificate of Insurance and any person on board acting as the observer when the boat is being used for such activities.

- c) You (if you are a private individual), whilst using a substitute boat for private pleasure purposes.

Provided that:

- i) Cover will only apply if cover is not available under any other policy of insurance;
- ii) You are using the substitute boat with the owner's permission;
- iii) You do not own or share ownership in the substitute boat;
- iv) The indemnity provided does not apply to loss of or damage to such substitute boat or equipment for which you are held legally liable whilst such boat is in your physical control;
- v) This cover applies to only one substitute boat at any one time.

Legal liability

Section 2: continued

You are not covered for

- a) i) Liability arising from any Worker's Compensation Act, Employers Liability Act or similar Act or ordinance or for any other statutory obligation to persons employed by you;
- ii) Liability in respect to which you are entitled to any indemnity under statutory insurance effected under the Accident Compensation Act 1972 and its' amendments.
- b) Liability which you have accepted or assumed contractually without our written authority unless that liability would have existed otherwise.
- c) Claims directly or indirectly, in consequence of, or with respect to, the actual or potential discharge, emission, spillage or leakage upon or into the seas, water, land or air, of oil petroleum products, chemicals, or other substances of any kind or nature whatsoever.
- d) Liability directly arising out of the ownership possession or use by or on your behalf of any mechanically propelled vehicle other than the property insured under Sections 1 & 3 unless noted in this policy.
- e) Liability arising from any business, profession or occupation.

Limit of liability

The maximum amount payable under this section for any one accident or series of accidents arising out of one event is \$100,000 or the sum insured stated in the Certificate of Insurance. In the event of any indemnity provided under this insurance being insufficient to indemnify both you and any other party indemnified herein it shall apply in priority to you.

Loss or damage to specified personal effects

Section 3:

Legal liability – Section 2 continued
You are not covered for
Limit of liability
Loss or damage to specified personal effects – Section 3
What is covered
Basis of settlement of claims
What we will pay
You are not covered for

What is covered

In addition to the specified property insured under Section 1, we will cover you against loss, damage or destruction of the following property insured from any cause not excluded.

- Binoculars, sextants, nautical books and navigational equipment;
- Oilskins, wet weather gear and sea boots;
- The insured boat's customary stores and provisions;
- Fishing tackle, rods and gear.

Provided that:

- The property is not insured under Section 1 of this policy;
- If at the time of any claim under this policy, there is any other valid insurance covering all or part of the same loss, this policy will apply only to the amount of any loss in excess of that recoverable under the other insurance.

Basis of settlement of claims

At our option we can choose to settle your claim by repair, replacement or payment.

What we will pay

The maximum amount payable shall not exceed \$1,000 in respect of any one item and in total shall not exceed \$3,000 in respect of any one event.

You are not covered for

- Loss or damage to the property insured under this section except whilst such property is on the water or in transit with the boat specified in the Certificate of Insurance or whilst in the boat ashore all within New Zealand.
- The cost of rectifying wear and tear, depreciation, gradual deterioration; and loss or damage caused by vermin;
- The cost of rectifying mechanical breakdowns, electrical breakdowns or failures;
- Loss of use or consequential loss of any kind not otherwise covered by this policy;
- Any loss which occurs outside the territorial limits;
- The cost of rectifying fault, defect, or error or omission in design or specification.

General exclusions applicable to the whole policy

We will not cover loss, damage, expense or any legal liability of whatsoever nature directly caused by or contributed to or arising:

- a) If the boat is participating at speeds greater than 5 knots in racing or speed tests, or any trials in connection therewith;
- b)
 - i) from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war;
 - ii) from mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power;
 - iii) from acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation;
For the purpose of this Exclusion "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear;
 - iv) from nuclear fuel, waste or material, nuclear reaction, nuclear radiation or radioactive contamination.
- c) From any loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority unless done to prevent loss or damage to the property insured or to prevent the spread of fire or other damage covered by this policy.
- d) Whilst the property insured or conveying or towing motor vehicle is being driven by or is in charge of any person not duly licensed (if such a license is required) under any Laws, By-Laws and/or Regulations or if such person is under the influence of intoxicating liquor or of any drug.
This Exclusion shall not apply where you or any other person indemnified herein proves consent was not given for the boat specified in the Certificate of Insurance or conveying or towing motor vehicle to be driven by or in charge of any person not duly licensed or who is under the influence of intoxicating liquor or of any drug.
- e) Whilst the boat specified in the Certificate of Insurance is used for any purpose other than private and pleasure unless such additional usage has been noted in the Certificate of Insurance.

General conditions applicable to the whole policy

General exclusions applicable to the whole policy

General conditions applicable to the whole policy

Duty of care

Competent person on board

Material alteration

Cancellation

Recoveries

Duty of care

- (i) You shall take all reasonable steps to maintain the property insured in a proper state of repair and seaworthiness, to follow all manufacturer's recommendations, and to safeguard it from loss or damage.
- (ii) You, or any other persons using the boat specified in the Certificate of Insurance with your permission shall exercise due diligence to comply with all statutory requirements (laws, by-laws and regulations) pertaining to the ownership, occupation and use of the property insured.

Competent person on board

When the boat specified in the Certificate of Insurance is under way, the insured named in the Certificate of Insurance or other competent person(s) shall be on board and in control of the boat.

Material alteration

You shall, as soon as is reasonably possible, give notice in writing to us of any material change of the facts or circumstances which existed at the commencement of this policy.

Cancellation

At any time you may cancel this policy by notifying us in writing. At any time we may cancel this policy by sending you notice in writing of the date from which cancellation is to take effect. Notification is to be delivered personally or posted to you at the address last notified to us. Cancellation will be effective on delivery of such notice or if posted from 4pm on the 14th day after the date of the letter of notification.

After cancellation by you, we will retain or be entitled to the premium for the period during which this policy has been in force, based on our cancellation rates. After cancellation by us, you shall be entitled to a pro-rata refund of premium in respect to the unexpired period of the policy.

This policy becomes cancelled in the event of a payment for total loss from the date of the total loss and no refund of premium will be allowed.

Recoveries

Notwithstanding anything contained hereby to the contrary if you shall sustain any loss covered by this policy which exceeds the amounts stated on the current Certificate of Insurance, You shall be entitled to all recoveries (except for suretyship insurance, reinsurance security or indemnity taken by or for our benefit(s)) by whomsoever made on account of such loss until fully reimbursed and any remainder shall be applied to reimburse us.

General conditions applicable to the whole policy continued

Claims

- i) If you make any fraudulent or exaggerated claim or any false declaration or statement in support of any claim, or if any loss or damage is caused willfully by or with your connivance all benefit under this policy shall be forfeited;
- ii) Any other person entitled to cover under this policy is bound by the terms of this policy;
- iii) If you are entitled to make a claim for payment under another policy which covers you for the same event we will only pay our rateable proportion of the claim;
- iv) On the happening of any event likely to give rise to a claim under this policy you shall:
 - a) take all reasonable steps to prevent or minimise further loss, damage or liability;
 - b) take all practicable steps to recover lost, or stolen property, and apprehend any guilty persons;
 - c) immediately notify us and if property is lost, or if theft or malicious damage is suspected inform the police;
 - d) within 30 days of the event, give full written particulars of the claim to us;
 - e) not negotiate, pay, deny, or admit liability for any claim.
- v) We shall be entitled to decide the port to which the boat shall proceed for repair, the additional expense of the voyage arising from compliance with our requirements being refunded to you. We shall have the right of veto concerning the place of repair or repairing firm and we may also take tenders or we may require tenders to be taken for the repair of the boat.
- vi) If any part of the property insured is damaged or destroyed we may at our option reinstate or replace instead of paying the amount of the loss or damage in cash. If we elect to reinstate or replace, you shall, if possible, provide us when required with all such plans, specifications and information as may be deemed necessary or expedient for the purpose.
- vii) In ascertaining whether the boat is a constructive total loss the insured value shall be taken as the repaired value, and nothing in respect of the damage or break-up value of the vessel or wreck shall be taken into account. No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value.
- viii) In no case shall we be liable for unrepaired damage in addition to a subsequent total loss sustained during the period of insurance shown in the Certificate of Insurance.

General conditions applicable to the whole policy continued

Claims

Permanent mooring

Mooring

GST

Joint insureds

Jurisdiction

Permanent mooring

The boats permanent mooring must meet the minimum specifications recommended by the Harbour Authority or other appropriate authority that has control of or responsibility for the area in which the moorings are laid for a boat of the tonnage, size and dimensions of the boat insured by this policy. Moorings to be maintained in good order and all swing moorings to be lifted for inspection at least every three years.

Mooring

Notwithstanding anything contained in this policy to the contrary it is specifically understood and agreed that this insurance does not extend to cover the property insured while the boat is left unattended at anchor or at moorings (other than the boats permanent moorings which have been approved by us) for a period exceeding 12 consecutive hours.

GST

Provided that Goods and Services Tax (GST) is recoverable by us, the sum or sums insured by this policy are exclusive of GST to the extent that, in the event of a claim, we will pay a maximum of the sum insured plus additional GST, to a maximum of the current rate of GST applied to that sum insured. However, where any part of the policy specifies any of the following: excess; maximum payable for any one item or type of property; maximum payable for any type of loss; or sub-limit; the amount includes GST.

Joint insureds

Where this policy is issued in joint names, then this policy is a joint policy. This means that if one of you does or fails to do anything so that there is no cover, there will be no cover for any of you, not just the person responsible.

Jurisdiction

This policy is governed by New Zealand law and the New Zealand courts have exclusive jurisdiction over any legal proceedings about it.

Help service emergency assistance

If you are involved in an accident and need help, call us anytime for quick assistance on this number.

0800 800 786

With just one call you can sort out all the hassles which arise if you have an accident or disaster. Ringing Help costs you nothing. The advice is free, but you will have to pay if you ask for a tradesperson to call or for other services.

Where the services are covered by your policy, you can claim back any bills paid, subject to the policy excess.



0800 50 90 90