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*I tell myself the world won't stop if I take time out, and I'll be better off for it*



## Boat Insurance Policy

Subject to you paying the premium, we will indemnify you for the term of this policy in accordance with the cover, exclusions and conditions set out in this policy and your schedule.

**Note:** All words in italics are defined words. Their meaning is set out in the Definitions section of this policy (at page 7).

## Section 1: Cover for your boat

### What you are covered for

We will cover any sudden, unintended and unforeseen *loss* to the boat while it is:

- a) On land, in transit or being operated on inland or coastal waters anywhere within New Zealand and up to 50km off shore.

**Note:** If the *boat* is leaving New Zealand, we will not cover it from the time it has (or should have) cleared customs. If the *boat* is arriving in New Zealand, we will not cover it until it has cleared customs or, if no clearance is obtained, until it first arrives at a recognised port of call in New Zealand.

- b) On a mooring, provided such mooring (including mooring weights):
  - i) is suited to the size of the boat;
  - ii) holds a current mooring permit, if required; and
  - iii) is lifted out of the water, inspected and maintained in accordance with any applicable *regulations*, or where none apply, is lifted out of the water, inspected, and worn parts renewed at least once every two years.

- c) At its usual marina berth as notified to *us* or any marina berth operated by a Local Authority, Harbour Authority or Marina Trust.

### Additional cover

In addition to the cover set out above, we will cover the following:

#### Personal property cover

We will cover *personal property* owned by *you* or members of *your family* normally residing with *you* or any passenger which:

- a) is not otherwise insured; and
- b) has been lost or damaged in the course of an accident involving the *boat* (not being theft or malicious damage) which results in *us* paying a claim under this Section 1.

Under this cover, we will pay up to:

- a) \$200 for any one article of *personal property*; and
- b) \$1,000 in total for any one event.

If *your policy schedule* indicates *you* are entitled to Goldshield benefits we will pay up to:

- a) \$500 for any one article of *personal property*; and
- b) \$2,500 in total for any one event.

#### Costs and expenses

We will cover the reasonable costs and expenses of:

- a) safeguarding the *boat* from clear and imminent *loss* which is (or would have been) covered under this policy, if such expenses minimise or prevent any *loss*;
- b) salvaging the *boat*;
- c) removing the wreck of the *boat*; and
- d) returning the *boat* to the place it was stolen from (or any other place *we* agree to) if the boat is stolen and then found.

Under this cover, we will pay up to 25% of the total sum insured on the *schedule*.

### Equipment temporarily removed from the boat

We will cover any boat equipment while it is temporarily removed from the boat for storage, maintenance or repair.

**Note:** While equipment is temporarily removed from the *boat*, the amount of cover on the *boat* will be reduced by the value of the removed equipment.

### Locks and keys

We will cover the cost of replacing locks and keys for the boat where there are reasonable grounds to believe they have been stolen or duplicated without *your* consent.

Under this cover, we will pay up to the value of \$500.

If *your* policy *schedule* indicates *you* are entitled to Goldshield benefits we will pay up to the value of \$1,000.

### Fire fighting equipment

We will cover the cost of replacing fire fighting equipment used to protect the boat from *loss*.

Under this cover, we will pay up to \$500.

If *your* policy *schedule* indicates *you* are entitled to Goldshield benefits we will pay up to \$1,000.

### Rewards

We will cover rewards if:

- a) we consented to the reward being offered; and
- b) the offering of the reward leads to the recovery of the boat.

Under this cover, we will pay up to \$2,500 in aggregate for all rewards, during any one *term*.

If *your* policy *schedule* indicates *you* are entitled to Goldshield benefits we will pay up to \$5,000 in aggregate for all rewards, during any one *term*.

### Temporary cover for replacement boat

If *you* replace the boat during the period of insurance and the replacement boat is not capable of a speed exceeding 45 knots, we will automatically cover the replacement boat for up to 14 days after the date of purchase, on the same terms and conditions that applied to the boat.

Under this cover, we will pay up to the purchase price of the replacement boat for any *loss*.

**Note:** This is intended to be temporary cover only. *You* must obtain permanent cover for the replacement boat within the 14 day period. This policy will not cover two boats at the same time. If *you* purchase any additional boat and *you* require cover then *you* must make separate insurance arrangements.

### Temporary cover for new or replacement equipment

If *you* purchase any new or replacement equipment for the boat which is valued in excess of \$2,500 and which needs to be specified (for a list of equipment that needs to be specified, see definition of boat) during the period of insurance, we will automatically cover the new or replacement equipment for up to 14 days after the date of purchase, on the same terms and conditions that apply to equipment *you* had at the beginning of this policy.

**Note:** This is intended to be temporary cover only. *You* must notify *us* of the new or replacement equipment within the 14 day period so that it can be specified on *your* policy (if required). We may charge an additional *premium* for the new or replacement equipment.

### Additional Goldshield cover

If *your* policy *schedule* indicates *you* are entitled to Goldshield benefits, in addition to the cover already set out, we will cover the following:

#### Emergency assistance

If the boat is disabled we will cover the reasonable costs of obtaining emergency assistance to return the boat to its mooring or usual marina berth or the nearest available port for the purposes of carrying out repairs.

Under this cover, we will pay up to \$1,000 in aggregate during the *term* of this policy for such costs.

**Note:** This additional cover does not include the cost of repairs to the *boat*.

#### Accidental death

If *you* die as a result, and within 90 days, of an event for which a claim is payable elsewhere under Section 1 of this policy, we will pay \$20,000 to *your* estate.

**Note:** We will only make total payment of \$20,000 for accidental death during the *term* of this policy:

- If there is a Goldshield Accidental Death benefit in more than one of the policies *you* have with *us*, we will only be liable to pay the Goldshield Accidental Death benefit under one policy (we have absolute discretion as to which policy).
- If more than one insured dies as a result of the same claim, and is within the terms of this benefit, we will divide the \$20,000 equally between all insureds estates.

### What we will pay

1. At *our* option, we may either:
  - a) repair the boat to substantially the same condition it was in immediately prior to the *loss*; or
  - b) give *you* a purchase voucher; or
  - c) pay *you*:
    - i) an amount equivalent to the value of the estimated repair costs; or
    - ii) the market value of the boat immediately prior to the *loss*; or
    - iii) the amount of insurance set out in the *schedule*, whichever is the least amount.
2. If we believe the *boat* is a total loss and:
  - a) *you* purchased the *boat* new; and
  - b) the *boat* is less than one year old (or, if *your* policy *schedule* indicates *you* are entitled to Goldshield benefits, less than two years old);

we will replace the *boat* with a new boat, provided that:

- c) the same make, model and series is readily available; and
- d) any interested person shown on the *schedule* agrees to the replacement boat.

Otherwise, we will satisfy *your* claim in accordance with paragraph 1 above.

## Exclusions to Section 1

Under Section 1, *you* are not covered for:

1. Loss to the boat caused by:
  - a) depreciation, deterioration, normal wear and tear, natural decay, rot, corrosion or any other gradually operating cause;
  - b) vermin or marine borers;
  - c) defective workmanship, materials or design; or
  - d) an inherent:
    - i) defect; or
    - ii) fault

with the *boat*, but only if *you* had notice of that defect or fault prior to the *loss* occurring.

2. Loss of sails or protective covers if split by the wind, or blown away while set, or damaged as a result of contact with water, unless caused by the boat stranding, sinking, burning or being in a collision.
3. Loss connected in any way with:
  - a) breakdown, breakage or failure of any part or component of:
    - i) the engine or gearbox;
    - ii) any mechanical or hydraulic system;
    - iii) any electrical or electronic system or device;due to their own failure or any *loss* which their failure may cause to the rest of those systems; or
- b) lack of, inadequate or incompatible fuel, lubricant or coolant.

**Note:** This exclusion does not apply to:

- *loss* caused by any accidental, external and visible means; or
- subsequent *loss* caused to any other part of the *boat*.

4. Loss to any jet unit caused by the intake of stones or other damaging matter during the operation of the jet unit.
5. Theft of:
  - a) any outboard motor unless securely locked to the boat, stolen from a locked cabin or locked building or stolen with the boat;
  - b) loose gear and equipment unless stolen from a locked cabin or locked building or stolen with the boat;

- c) the boat if left unattended in any area open to access by the public, unless the boat's trailer is fitted with a suitable anti-theft device to prevent its removal while unattended.

6. Loss of use or enjoyment of use, of the boat.

## Section 2: Cover for your legal liability

### What you are covered for

We will cover *your* legal liability for:

- a) *loss* to the property of others; and
- b) accidental personal injury to others;

arising from the ownership of the boat and within the operating limits of this policy (What you are covered for) set out in the Cover for Your Boat section.

### Additional cover

In addition to the cover set out above, we will cover the following:

### Legal liability of others

We will cover the legal liability of persons:

- a) Using the boat with *your* consent and in accordance with the terms and conditions of the policy.
- b) Engaged in water skiing or similar sport whilst being towed by the boat.

### Legal fees

If we accept a claim under this Section 2 (or would have but for the *excess*), we will also cover the reasonable legal fees (including any costs award or settlement) in relation to the claim made against *you* or any other person entitled to cover under this Section 2.

### What we will pay

Under this Section 2, we will pay up to \$1,000,000 in aggregate during the *term* of this policy.

### Exclusions to Section 2

Under Section 2, *you* are not covered:

1. If *you* (or any person to whom this Section 2 applies) assume responsibility for legal liability by agreement where there would otherwise be no legal liability.
2. For any liability for *loss* to any boat being towed for reward by the *boat*.
3. For any liability arising from the use of the boat's trailer, if that liability is otherwise insured.
4. For any liability for *loss* to property in *your* custody or control.
5. For any fines, penalties or exemplary damages.
6. For any liability arising as a result of any judgment of any Court other than a New Zealand Court.

## General Exclusions

In addition to the specific exclusions set out in the different sections of this policy, the following general exclusions apply to all sections.

1. *You* are not covered for any *loss* or liability connected in any way with the boat being in the control of or being operated by any person:
  - a) under the influence of alcohol, drugs or other intoxicating substance; or
  - b) in breach of Rule 91.5 of the Maritime Rule: Part 91 — Navigation Safety Rules s 1997 (which specifies the minimum age for operating power driven vessels).
2. *You* are not covered for any *loss* or liability connected in any way with the boat being:
  - a) let out on hire or charter or used for other than private pleasure purposes;
  - b) being prepared or used for racing or speed tests;

**Note:** Exclusion 2(b) does not apply to yachts.

  - c) on its trailer, and attached to any motor vehicle being driven by or in the charge of any person who:
    - i) at the time of any event giving rise to a claim under this policy is driving with an excess breath alcohol or blood alcohol concentration in terms of New Zealand road traffic law irrespective of whether conviction is entered against that person;
    - ii) fails or refuses to permit a breath test or specimen of blood to be taken after having been lawfully required to do so; or
    - iii) is under the influence of any drug or other intoxicating substance; or
  - d) in an unsafe condition or being used in a damaged condition unless *you* or the person in charge can prove that:
    - i) *you/they* were unaware of such condition and had taken all reasonable steps to maintain the boat in a safe condition;
    - ii) *you/they* were attempting to mitigate *loss* suffered as a result of an insured event; or
    - iii) prove that such condition was neither the cause of nor contributed to the *loss*.
3. *You* are not covered for any *loss* or liability connected in any way with:
  - a) war, invasion, act of foreign enemy, hostilities, war-like operations (whether war be declared or not) or civil war;
  - b) mutiny, civil commotion (amounting to a popular rising), military rising, insurrection, rebellion, revolution, military or usurped power.
4. *You* are not covered for any *loss* or liability connected in any way with any:
  - a) radioactive material or its use;

- b) the existence or escape of any nuclear fuel material or waste; or
  - c) seizure or destruction by the order of government or other lawfully constituted authority.
5. *You* are not covered for any *loss* of income or any additional costs that *you* incur from not having the use of the boat.
  6. *You* are not covered for any *loss* or liability connected in any way with the boat being left unattended:
    - a) at anchor for more than 12 consecutive hours; or
    - b) on a mooring or marina berth not covered by Section 1, for more than twenty-four hours.
  7. *You* are not covered for any *loss* or liability connected in any way with any:
    - a) *terrorism* regardless of any other cause or event contributing concurrently or in any other sequence to the *loss*; or
    - b) action taken in controlling, preventing, suppressing or in any way relating to any *terrorism*, or to any anticipated or suspected *terrorism*.
  8. *You* are not covered for any *loss* or liability connected in any way with any:
    - a) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of *electronic data*;
    - b) error in creating, amending, entering, deleting or using *electronic data*; or
    - c) total or partial inability or failure to receive, send, access or use *electronic data* for any time or at all;

regardless of any other cause or event contributing concurrently or in any other sequence to the *loss*, whether the property of the insured or not.

**Note:** This exclusion does not apply to liability or *loss* if that liability or *loss* is caused by one or more of: fire, lightning, explosion; aircraft or vehicle impact; falling objects, wind storm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood; bursting overflowing or leaking of water tanks apparatus or pipes; or freeze or weight of snow.

## Conditions of this policy

*You* must comply with all conditions of this policy.

### About this policy

#### Disclosure

This policy is based upon the information *you* gave *us* in the application form. *You* must immediately notify *us*:

- a) if the information *you* gave *us* is incorrect or misleading;
- b) of any changes to the information *you* gave *us*; and
- c) of any new information that might be material to this policy.

We may decline any claim under this policy if:

- a) any information *you* have given *us* was incorrect or misleading; or
- b) *you* have not disclosed to *us* all information which might have been relevant to *our* decision to insure *you*, any changes to the information *you* have given *us*, or any new information that might be material to this policy.

Alternatively we may treat this policy as if it never existed.

### Satisfaction guaranteed

If *you* are not completely happy with *your* policy within 14 days of the commencement of cover and *you* have had no claims during this period, we will refund *your* paid *premium* in full and cancel *your* policy.

### Changes to this policy

*You* may alter this policy at any time as long as we agree in writing to such alterations before it takes effect. Should we wish to alter the terms and conditions of this policy we will write to *you* at *your* last known postal address and the alteration will take effect 14 days after we send the letter of advice.

### Cancellation of this policy

*You* may cancel this policy at any time. We will refund *you* the unused portion of the *premium*.

We may cancel this policy at any time by giving 14 days notice in writing to *you* at the address last known to *us*. The cancellation will be effective from 4 pm on the fourteenth day after sending the notice. We will refund *you* the unused portion of the *premium*.

**Note:** The refund is the *premium* *you* paid, less the *premium* for the time the policy has run and an administration charge. In the event of the *boat* being damaged beyond economic repair or stolen and not recovered, this policy is cancelled without a return of *premium*.

### Interested persons

Any interested person shown on the *schedule* is to be treated as a joint insured under this policy. We may make a claim payment directly to any interested person up to the limit of their interest in the boat. If we do so, that will satisfy *our* obligations to *you* under this policy.

### Joint insurance

If this policy is held jointly, any breach by one of *you* will be treated as a breach by all of *you*.

### Disputes

If any dispute arises between *you* and *us* under this policy, any action in Court taken by *you* (or on *your* behalf) must be started within twelve months from the date of *our* advice to *you* of the decision which gives rise to the dispute.

### Payment of premium

If *you* do not pay the *premium* or any *premium* instalment by the due date, or any extended date we give *you*, then we may decline any claim for an event that occurs or partly occurs in the period between the due date and payment of the *premium* or *premium* instalment.

### GST

Where we can recover GST under the Goods and Services Tax Act 1985 amounts insured include GST (unless otherwise stated on the *schedule*).

### Currency

All amounts referred to in this policy are in New Zealand dollars.

### Legislation

A reference to an Act of Parliament includes a reference to any:

- a) amendments to, or *Regulations* under that Act of Parliament; and
- b) Act or *Regulations* in substitution for that Act of Parliament or *Regulations* under it.

### Governing law

This policy is governed by New Zealand law and the New Zealand Courts shall have exclusive jurisdiction over any legal proceedings concerning it.

### Interpretation

All headings are provided for convenience only. They are not part of this policy and do not affect the interpretation of this policy.

### Definitions

All words in *italics* are defined words. Their meaning is set out in the Definitions section of this policy (at page 7).

## Taking care of your property

### Protecting the boat

*You* or anyone else using the boat are required to take reasonable care to protect the boat and maintain and keep the boat in a proper state of repair and seaworthiness.

### Inspection

We (or *our* agents) have the right to inspect the boat at any time during the *term* of this policy, on reasonable notice.

## Claims

*You* must have complied with these conditions before we will pay *your* claim.

### What you must do

If *you* pay the *premium* by instalments, *you* must be up to date with any instalments at the time of any event that results in a claim.

*You* must:

- a) advise *us* as soon as possible of any event that is likely to result in a claim by providing written details on *your* claim form; and
- b) immediately inform the Police of any event that is likely to result in a claim, if that event involves malicious damage, burglary or theft.

In the event of a claim, *you* must:

- a) do as much as *you* can to prevent any further *loss*. In particular, where any motor that is insured by this policy is submerged, *you* must take immediate action to clean and oil the motor and dry all electrical equipment. The reasonable cost of this action will be paid by *us*;
- b) immediately send *us* any communications received relating to an occurrence which has resulted or could result in a claim;
- c) give *us* any further information and provide *us* with all necessary documents and authorities as *we* may require;
- d) make the boat available for inspection by *us* (or *our* agents) on reasonable notice;
- e) obtain *our* written authority before proceeding with repairs;
- f) pay the relevant *excess* as shown on the *schedule*;
- g) assist *us* as required, even after *we* have paid *your* claim. This assistance may include attending Court to give evidence; and
- h) ensure any statements made by *you* or on *your* behalf in support of the claim are correct in all respects. If any material statement is substantially incorrect or if *you* have failed to tell *us* of any material fact, then this policy will be void. If any claim is fraudulent, this policy ceases to operate.

### What we may do

In the event of a claim, *we* are entitled to:

- a) retain possession of any damaged property for which *you* have made a claim, and deal with it as *we* see fit;
- b) act in *your* name to settle claims against *you*, to defend *you* and to take legal action in *your* name against anyone else for anything covered by this policy; and
- c) complete all necessary documents and authorities as *your* agent.

### Other insurance

If *you* make a claim under this policy and there is another policy covering the same event, *we* will not be liable for more than *our* rateable share of the *loss*.

### Reinstatement of amount of insurance

If *you* make a claim for *loss* to the boat, and the boat is not a total *loss*, *we* will automatically reinstate the cover under this insurance. *You* must pay any additional *premium* that may be required.

## Definitions

### Boat

means the boat described in the *schedule* and, where applicable, includes:

- a) the boat's trailer;
- b) the boat hull and fittings, for example wheel, tiller, rudder, mast, stove;

- c) any inboard motor including controls and propeller;
- d) boat gear and equipment that would normally be sold with the boat, for example sails, compass, anchor or ropes and shackles;
- e) the boat's tender and/or dinghy;
- f) safety equipment including lifejackets, flares, fire extinguishers, life buoys, life rafts and emergency locator beacon.

**Note:** Unless separately specified in the *schedule*, cover for any one of the following items will be limited to \$2,500: trailer, tender/dinghy, outboard motor, radar, depth sounder, chart plotter, Global Positioning System (GPS), fish finder, radio, television and other electronic entertainment devices.

### Electronic data

means facts, concepts and information converted to a form usable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment, and includes programs, software and other coded instructions for such equipment.

### Excess

means the amount shown on the *schedule*, for which *you* are responsible. *You* may be required to pay the *excess* or *we* may deduct it from any purchase voucher, payment or settlement that *we* issue, make or agree to under this policy.

### Loss

means physical *loss*, damage or destruction of tangible property during the *term* of this policy.

### Personal property

means items which are personal in nature and normally worn or carried (except money or household contents).

### Premium

means the amount *you* are required to pay for this policy, as shown on the *schedule*.

### Regulations

means any laws, by-laws, regulations or rules, including those of any local or regional government or port authority.

### Schedule

means the most recent schedule *we* have produced for *you*.

### Term

means the period of insurance of this policy as shown on:

- a) the *schedule*; or
  - b) if the policy is renewed, the current renewal notice;
- unless the policy is terminated earlier by *you* or *us*.

### **Terrorism**

means an act including, but not limited to, the use of force or violence and/or the threat thereof, by 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 is committed for, or in connection with, political, religious, ideological, or similar purposes, including the intention to influence any government and/or to put the public or any section of the public in fear.

### **You or your**

means the person, persons or body corporate shown on the *schedule* as the insured. If more than one person or body corporate is shown on the *schedule* as the insured, this policy is held jointly by them.

### **We, us or our**

means Medical Insurance Society Limited.