

Boat Insurance Policy

Policy
Document



KEY FEATURES OF THIS POLICY

Cover options

You can choose one of the following cover options for your boat:

Land and marine

This cover option is designed for vessels that are not permanently moored such as cabin boats, sailing dinghies, runabouts, kayaks, windsurfers and the like. Cover is provided to the current value of the boat (up to the sum insured).

Marine only

This cover option is designed for yachts and launches permanently moored at a marina, boatshed, on piles or on a swing mooring. Cover is provided to the current value of the boat (up to the sum insured).

Jet ski/jet boat

This cover option is designed for vessels that have internal jet propulsion systems. Cover is provided to the current value of the boat (up to the sum insured).

Policy cover at a glance

<i>Insured events</i>		<i>Page</i>
Sudden, accidental loss		9
Theft		9
Malicious damage		9
Fire and explosion		9
Storm, hail and lightning		9
Legal liability		12
<i>Additional benefits</i>		<i>Page</i>
	<i>Sub-limit</i>	
Accidental death	\$20,000	10
Accommodation and travel expenses	\$1,000	10
Locks and keys	As per policy limits	10
Parts and accessories stored at home	\$1,000	10
Personal effects	\$500 per item, \$2,500 per event	10
Protection costs	25% of Sum Insured up to \$10,000	10
Racing cover	As per policy limits	10
Recovery costs	As per policy limits	10
Replacement boat purchase	Purchase price	10
Replenishment costs	\$2,000	10
Rewards	As per policy limits	11
Towing following electrical or mechanical breakdown	\$500	11
Wreckage disposal	\$500	11
You choose your repairer	As per policy limits	11
<i>Optional benefits</i>		<i>Page</i>
	<i>Sub-limit</i>	
Extended geographical limits	As per policy limits	11

Important cover sub-limits

Policy item	Sub-limit	Page
Legal liability	\$10,000,000	13
Bodily injury	\$1,000,000	13
Accidental discharge	\$500,000	12
Defence costs	\$10,000	12

Items limited to a sub-limit unless specified in your policy schedule

Item	Sub-limit	Page
<ul style="list-style-type: none">• Electronic device• Trailers• Tenders and dinghies• Outboard motors	Limited to \$5,000 per item unless specified in the schedule.	9

Important conditions of cover

Boat use

You must notify us if you are using your boat for business or racing purposes, or it is intended to be used for business or racing purposes in the future, even if only for a short period of time. If you do not notify us your boat may not be covered.

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Seaworthiness

There is no cover under this policy when the boat is being used while in an unsafe or un-seaworthy condition.

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Fire protection

If your boat has on board cooking facilities, a working fire extinguisher must be on board at all times.

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Unsecured storage of trailers, boats, jet boats and jet skis

Special protective measures must be taken to ensure additional excess is not applied at claim time. When storing your boat in an unsecured environment you must ensure that the boat and/or trailer are fitted with a suitable anti-theft device and that you inspect it at least once every seven days.

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Moored vessels

You must check the mooring for your boat is appropriate and undertake regular maintenance and checking programmes in accordance with any applicable regulations, or where none apply, the mooring must be lifted out of the water, inspected, and worn parts renewed at least once every two years. You must also hold a current mooring permit if required.

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Notifying us when things change

You must tell us immediately if, at any time after the start of this policy, there are changes in circumstances that may alter the nature of the risk or increase the likelihood of a claim occurring.

Examples of a change that could make a claim more likely include but are not limited to:

1. any modification or changes to your boat that are different from the manufacturer's standard specifications; or
2. if you change the storage or mooring location and/or storage method of your boat; or
3. if you or any other person insured under the policy commits, is charged with, or convicted of, any criminal offence.

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Cover exclusions

There are a range of specific exclusions to the cover provided by this policy which include such things as loss of use, loss of value, consequential loss, or depreciation, wear and tear, corrosion, or existing defects or damage to your boat, mechanical or electrical failure (refer to Section One of the policy for further details), and a number of general exclusions in Section Three of the policy.

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Your obligations

You must act honestly when making a claim, you must contact us as soon as you can after you are aware of loss or damage giving rise to a claim, and you must cooperate with us by providing the information we seek to settle your claim.

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Important notice

These key features of the policy are only a summary of the main terms of the policy and do not form part of the policy document or any contract with MAS. You should read the full policy terms and conditions that follow to ensure you understand all of the terms of the policy, including the conditions and limitations of the cover offered as well as your obligations to MAS.

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WELCOME

Thank **you** for choosing to entrust **us** with **your** boat insurance policy needs. **We** have designed this document to provide a clear understanding of **your** contract with **us**. If anything is unclear or **you** have any questions, please contact **us** on **0800 800 627**.

Please read the following document carefully. It contains important information regarding what **we** can and can't cover in **our** agreement with **you**.

Changing your mind

If **you** are not completely happy with this **policy**, or **you** change **your** mind, please tell **us** within 30 days of it commencing. **We** will cancel **your policy** as if it had never existed and refund in full any premium **you** have paid.

Please note that this clause does not apply if a claim has been made.

Your policy and how it works

Your policy consists of:

1. **your application** and any other information **you** supplied to **us**; and
2. this **policy** wording; and
3. the **schedule** and any subsequent renewal advice or endorsement notices.

Once **you** have agreed to pay the premium and **we** have accepted **your application**, **we** will insure **you** under this **policy** for the **term** shown in the **schedule**. **You** cannot make a claim until **you** have paid **your** premium.

Failure to pay the premium within 30 days of the commencement of the **term** will result in this **policy** being deemed null and void from the start date of the **term**.

The words in bold in this **policy** are defined. The definitions are listed at the back of this document, or where they apply to only to one clause, within that clause.

The headings and section introductions are for reference only and must not be used in interpreting this document.

Your duty of disclosure

When arranging, amending or renewing this **policy**, **you** have a legal duty of disclosure. **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. whether to accept or decline **your** insurance; and
2. the premium or other terms and conditions of the insurance, including the **excess**.

If **you** breach this duty, **we** may decline to pay all or part of **your** claim, or **your policy** cover may be cancelled as if it had never existed.

When in doubt, disclose. **We** treat all information confidentially.

Change in circumstances

You must tell **us** immediately if, at any time after the start of this **policy**, there are changes that may alter the nature of the risk or increase the likelihood of a claim occurring (a **change in circumstances**).

Examples of a **change in circumstances** include (but are not limited to):

1. any modification or changes to **your boat** that are different from the manufacturer's standard specifications; or
2. if **you** change the storage or mooring location and/or storage method of **your boat**; or
3. if **you** or any other person insured under the **policy** commits, is charged with, or convicted of, any criminal offence or traffic offence.

After **you** have told **us** about a **change in circumstances**, **we** may amend the premium and/or other terms and conditions of this **policy**.

If **you** are in any doubt, **you** should disclose information, whether or not **we** have asked questions that relate to it. If **we** are not told about a **change in circumstances**, **we** will be entitled to decline any claim and **we** may cancel this **policy** from the date of the change.

Take reasonable care

You, and anyone else covered under this **policy**, must take reasonable care to avoid circumstances that may result in a claim and take all necessary action to minimise claim costs.

Your claim or that of any other person covered under this **policy** will not be covered if **you** or they are reckless or grossly irresponsible.

Your boat must be locked and the keys removed when unattended. Loose items must be securely stored when unattended.

Interested parties

You must tell **us** if any party or entity, such as a bank or finance company, has a financial interest in any of the property insured under this **policy**.

We may pay all or part of the claim proceeds to them, and any such payment satisfies **our** obligations to **you** in respect of that payment.

By notifying **us** of the interested party, **you** authorise **us** to disclose personal information about **you** to this party. A party who **we** record as having a financial interest under this **policy** is not insured by this **policy** and has no rights to claim directly under this **policy**.

If the **boat** is owned by anyone other than **you**, such as the trustee(s) of a family trust, **you** must notify **us** so **we** can ensure that the correct party(s) or entity(s) are named as 'The Insured' in the **schedule**.

Cancellation

You may cancel this **policy** at any time by giving **us** notice and **we** will refund any premium due to **you** based on the period of the **term** that **you** have not used. **We** may retain a minimum premium charge for the time cover that has been provided.

We may cancel this **policy** during the **term** if:

1. **you** have failed to meet the obligations of the 'Your duty of disclosure' clause or 'Change in circumstances' clause in the Welcome Section of this **policy**; or
2. a **change in circumstances** results in **you** or **your boat** no longer meeting **our** underwriting qualifying criteria; or
3. **you** have failed to meet the obligations of the 'Policy compliance' clause in the General Conditions Section of this **policy**; or
4. **you** have failed to pay the premium within 30 days of the **term** starting; or
5. **you** have failed to pay the value of a dishonoured premium instalment within 30 days of the dishonour occurring; or
6. **you** have acted fraudulently or dishonestly; or
7. **you** breach **your** duty of utmost good faith to **us**.

We will send **you** written notice of cancellation to **your** last known postal or email address at least 14 days before the cancellation takes effect (except where **you** have failed to pay the premium within 30 days of the **term** starting. In this event, **your policy** will be cancelled from the start of the **term** without further notice to **you**). **We** will refund the unused portion of any premium **you** have already paid to **us**.

Your policy is automatically cancelled if **we** pay out the **current value** of **your boat** up to the total **sum insured** value of **your policy** on a claim. If this happens, there will be no refund of premium.

Fair Insurance Code

We are members of the Insurance Council of New Zealand (ICNZ), an organisation that promotes a code of practice among its members called the Fair Insurance Code.

The code sets out some of **your** rights when dealing with **us**. If **we** fail to comply with the Fair Insurance Code, **we** can be reprimanded, fined or expelled from ICNZ. **We** view the Fair Insurance Code guidelines as a minimum only and encourage **you** to read the code to understand **your** rights and responsibilities when dealing with **us**. Please contact **us** if **you** would like to receive a copy of the code, alternatively, it can be accessed at: icnz.org.nz.

Making a complaint

We are committed to high standards of customer service. If **you** are not satisfied with **our** service, a decision **we** have made, or **our** company policies, please contact **us** and let **us** know. **We** have a formal complaints procedure to help resolve any problems that may arise.

If **you** make a complaint to **us**, **we** will:

1. acknowledge **we** have received **your** complaint within five business days;
2. give **you** the name and contact details of the person handling **your** complaint;
3. ensure that an experienced person who has not handled **your** case fully investigates **your** complaint;
4. respond to **your** complaint within 10 business days of the date **we** have all the information **we** need to determine **your** complaint. Where further information, assessment or investigation is required, **we** will agree reasonable timeframes with **you**. If **we** cannot agree on reasonable timeframes, **you** can contact **our** independent external dispute resolution scheme about those timeframes;
5. update **you** at least once every 20 business days, or another such interval as **we** may agree with **you**, until **your** complaint is resolved.

If **we** cannot resolve **your** complaint to **your** satisfaction through **our** internal dispute resolution process within two months, **we** will explain **our** reasons to **you** in writing and provide **you** with a 'letter of deadlock'. Depending on the nature of the problem, **you** may then have access to **our** independent, external dispute resolution scheme, the Insurance and Financial Services Ombudsman Scheme which is available to help resolve disputes: ifso.org.nz.

If **you** feel **your** human rights have been breached, **you** can contact the Human Rights Commission on 0800 496 877 or through its website: hrc.co.nz.

Insurance Claims Register

The Insurance Claims Register (**The Register**) is a database of insurance claims to which **we** have access. It is operated by Insurance Claims Register Limited, PO Box 474, Wellington.

The purpose of **The Register** is to check prior claims histories and to prevent fraudulent claims.

We provide this insurance to **you** on the basis that **you** authorise **us** to:

1. obtain details about **your** prior claims from **The Register**; and
2. provide to **The Register** details of **your** claims with **us**.

You have rights of access to, and correction of, **your** personal information on **The Register** under the Privacy **Act** 1993.

Setting the sum insured

It is **your** responsibility to ensure the **sum insured** under **your policy** is adequate.

It is important that **you** review **your sum insured** at every renewal and advise **us** of adjustments as required.

One event – one excess

Where an **event** results in a claim under this **policy** and another **policy you** have with **us**, **you** only have to pay one **excess**. This will be the highest applicable **excess** of any of the **policies**.

This clause is not applicable where an **event** results in a claim under this **policy** and a Business Risks or Contract Works **policy**.

POLICY INTRODUCTION

Your boat

Special conditions apply to this **policy** when **your boat** is being used for different purposes or has special features. **You** must comply with all the following conditions before any claims will be accepted.

Boat use

You must notify **us** immediately if **you** undertake any form of racing or **you** undertake activities that generate revenue while using **your boat**.

Your boat is not covered while it is:

1. being used to carry fare paying passengers; or
2. let out on hire or charter; or
3. being prepared, tested, or used for a race, trial, competition or contest of any kind or duration, except for wind powered **boats** which have limited cover under the 'Racing' automatic additional benefit,

unless **we** have agreed in advance and it is noted in the **schedule**.

Modifications and seaworthiness

You must notify **us** immediately if **you** have made any modifications to **your boat**, including but not limited to turbo charged motor systems and non-factory standard or optional extra specifications.

This **policy** does not include cover for:

1. modifications made to **your boat** if the modifications alter the manufacturer's standard or optional extra specifications, unless **we** have agreed to the modification in advance and it is noted in the **schedule**; or
2. any **loss** when the **boat** is being used while in an unsafe or un-seaworthy condition that exists with **your knowledge**.

For the purpose of this clause **knowledge** means that **you** either had actual knowledge, or **you** ought to have known about the unsafe or un-seaworthy condition of the **boat** but **you** did not take steps that a reasonable person in the same circumstances would have taken to check the safety or seaworthy condition of the **boat**.

On-board cooking facilities

If **your boat** has any type of cooking facility on board, **you** must always have a working fire extinguisher on board.

Unsecured storage

When storing a **boat** (including a trailer, jet boat or jet ski) in an unsecured environment the following conditions apply:

1. the trailer or **boat** must be fitted with a suitable anti-theft device; and
2. the trailer or **boat** must be inspected by **you** at least once every seven days.

Failure to comply with the above conditions will result in an additional **excess** of \$1,750 being applied to any claim for **theft** or attempted **theft**.

Moored boats

When a **boat** is permanently moored the following conditions apply:

1. the mooring (including mooring weights or anchors) must be suited to the size of the **boat**; and
2. **you** must hold a current mooring permit, if required; and
3. the mooring must be 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.

Geographical limits

1. **Your policy** automatically provides cover anywhere in **New Zealand**.
2. **You** must notify **us** immediately if **you** intend to use **your boat** outside **New Zealand**.
3. Unless **we** have agreed in advance and it is noted in the **schedule** if travelling outside **New Zealand**, all cover ceases from time of customs clearance, or from the time when legal customs clearance is required on departure from New Zealand, or when **you** leave **New Zealand**, whichever occurs first. When returning to New Zealand, cover commences from when **you** re-enter **New Zealand**, or upon customs clearance on entry to New Zealand if entering New Zealand from an overseas port, whichever occurs first.

SECTION ONE: LOSS TO YOUR PROPERTY

Loss to your boat

1. **You** are covered for sudden **accidental loss** to **your boat** during the **term** and while it is within **New Zealand**; and subject to the 'Geographical limits' clause in the Policy Introduction Section.
2. **Your boat** is also covered for **loss** that occurs in **New Zealand** while in transit by land or sea, and during slipping, hauling out, launching and retrieving, but only if the **boat** is transported on a purpose built trailer, transporter, cradle or beach trolley that is designed for transit of **your boat**.

What is covered by this **policy** but restricted to a sub-limit unless **specified** in the **schedule**:

1. Electronic devices permanently attached to, or intended to be used on, the **boat** including:
 - (a) radars; and
 - (b) depth sounders; and
 - (c) chart plotters; and
 - (d) Global Positioning System (GPS); and
 - (e) fish finder; and
 - (f) radio; and
 - (g) television, satellite dishes and other electronic entertainment devices,are limited to \$5,000 per item unless **specified** in the **schedule**.
2. **Boat** trailers are limited to \$5,000 per item unless **specified** in the **schedule**.
3. Tenders and dinghies are limited to \$5,000 per item unless **specified** in the **schedule**.
4. Outboard motors are limited to \$5,000 per item unless **specified** in the **schedule**.

What is not covered by this **policy**:

1. loss of use, or consequential loss, or depreciation; or
2. **loss** due to fault, defect, error or omission in design or construction; or
3. wear and tear, or existing defects or damage to **your boat**; or
4. rot, mildew, delamination, rust, corrosion or gradual deterioration; or
5. **loss** caused by vermin or marine borers; or
6. mechanical, electrical or electronic fault or **loss** to **your boat** including engines or motors, unless that failure or **loss** results:
 - (a) in or from a fire to **your boat**; or
 - (b) from **your boat** impacting or colliding with something, swamping, stranding, sinking, or suffering malicious damage, **theft** or conversion; or
 - (c) from earthquake, volcanic eruption, hydrothermal activity or tsunami;or
7. **loss** to **your boat** trailer's tyres caused by punctures, cuts, bursts or application of its brakes, unless that **loss**:
 - (a) occurs in the same **event** as another **loss** to **your boat** covered under this **policy**; or
 - (b) is a result of the malicious actions of someone not insured by this **policy**;or
8. **loss** or reduction of value following repair of **your boat**; or
9. **loss** to any jet unit caused by the intake of stones or other damaging matter during the operation of the jet unit; or
10. **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**; and
 - (b) loose gear and equipment unless stolen from a locked cabin or locked building or stolen with the **boat**.

Please also see 'Section Three: General Exclusions' for other circumstances in which cover does not apply.

Automatic additional benefits

The following benefits are automatically included in addition to the standard cover for **your boat**.

Accidental death

1. If **you, your spouse** or any member of **your** family who normally resides with **you** is injured and, as a consequence, dies as a result of a sudden **accidental loss** covered by this **policy**, **we** will pay \$20,000 to the estate of that person.
2. If more than one person's estate is entitled to this benefit, it will be divided equally among each estate.
3. The most **we** will pay during the **term** is \$20,000 irrespective of how many **policies you** have with **us**.

Accommodation and travel expenses

1. **We** will cover any necessary and reasonable additional accommodation and travel expenses that are incurred to complete **your** journey as a result of **loss to your boat** covered under this **policy**.
2. **We** will pay up to \$1,000 per **event**.

Locks and keys

1. **We** will cover the reasonable cost of replacing locks and keys (including electronic access cards and transponders, remote door openers, or any other equivalent device) for **your boat** if:
 - (a) they have been lost or damaged; or
 - (b) **you** have good reason to believe that they have been stolen or duplicated without **your** consent during the **term**.
2. **You** do not need to pay an **excess** for a claim under this benefit.

Parts and accessories stored at home

1. **We** will cover any of **your boat's accessories** and spare parts that are not fitted to **your boat**, and stored at **your** home in a secured location, for sudden **accidental loss**.
2. **We** will pay the **current value** of the **accessories** or spare parts, up to \$1,000 per **event**, after deducting the standard **excess**.
3. If these items are covered under another **policy** with **us**, **you** can only claim once.

Personal effects

1. **We** will cover personal property owned by **you** or any passenger which:
 - (a) is not otherwise insured; and
 - (b) has been lost or damaged in an **event** which is covered by this **policy**.
2. **We** will pay up to \$500 for any one item of personal property and \$2,500 per **event**.

Protection costs

1. **We** will pay the necessary and reasonable costs incurred to safeguard the **boat** from, or minimise, **loss** where a peril threatens imminent **loss** that would be covered by this **policy** provided these costs have been authorised by **us** before they are incurred, unless required to avoid imminent **loss**.
2. The most **we** will pay for any **event** is 25% of the **sum insured** or \$10,000, whichever is less.

Racing cover

1. For any wind powered **boat**, your **policy** is extended to include cover for sudden **accidental loss** that occurs whilst preparing for, or participating in, a social race in **New Zealand**, including damage to the **boat's** sails, masts, spars or rigging.

Recovery costs

1. If **your boat** cannot be powered or sailed as a result of an **event** for which **we** have accepted a claim under this **policy**, **we** will pay the reasonable cost of removing it from anywhere in **New Zealand** and transporting it to the nearest repairer or place of safety.
2. This benefit is included in, and not additional to, the **sum insured** shown in the **schedule**.

Replacement boat purchase

1. If **you** buy a replacement boat during the **term**, **we** will automatically cover the replacement boat for up to 30 days after the date of purchase, on the same terms that apply to the existing **boat**.
2. **You** must notify **us** within that 30-day period. **We** may alter the terms of cover and **you** must pay any additional premium **we** require from the date of purchase.
3. **We** will cover **you** for **loss** to a replacement boat up to the purchase price of that boat.

Replenishment costs

1. **We** will pay the necessary and reasonable costs incurred to replace, replenish, or refill safety flares or fire extinguishers that were used when trying to safeguard the **boat** from, or minimise the **loss** that would be covered by this **policy**.
2. **We** will also pay the necessary and reasonable costs incurred to replace life vessels that have been inflated as a result of an **event** for which **we** have accepted a claim under this **policy**.
3. The most **we** will pay for any **event** is \$2,000.

Rewards

1. **You** are covered for the cost of any reward payment made by **you** to assist in the recovery or protection of the **boat** insured by this **policy**.
2. This benefit only applies if:
 - (a) **we** have agreed the terms and amount of the reward before it is offered; and
 - (b) the reward amount does not exceed the **current value** of **your boat**; and
 - (c) the reward contributed towards the successful protection or recovery of **your boat**.

Towing following electrical or mechanical breakdown

1. If **your boat** suffers electrical or mechanical breakdown or failure whilst afloat, **we** will pay for the reasonable cost of removing it from anywhere in **New Zealand** and transporting it to the nearest repairer or place of safety.
2. The most **we** will pay for any **event** is \$500.
3. **You** do not need to pay an excess for a claim under this benefit.

Wreckage disposal

1. If **we** have accepted a claim under this **policy** and **your boat** is uneconomic to repair, **we** will pay the necessary and reasonable costs incurred to remove the **boat** from anywhere in **New Zealand** to a landfill or disposal site.
2. The most **we** will pay for any **event** is \$500.

You choose your repairer

1. If **we** have accepted a claim under this **policy** and **your boat** is repairable, **you** are entitled to select a repairer of **your** choice.
2. If **you** select **your** own repairer, **we** will not be liable to pay more than the repair cost as estimated by an appropriately qualified party appointed by **us**.
3. If **you** select a repairer approved by **us**, **we** will guarantee the quality of the repairs completed under the claim, subject to the terms and conditions of this **policy** and provided any claim under this guarantee is made while **you**:
 - (a) own the **boat**; and
 - (b) continue to insure the **boat** with **us**.

Optional benefits

The following benefits are available for purchase by **you**. Payment of an additional premium is required and each benefit must be shown individually in the **schedule** before **we** will provide cover under that benefit.

Extended geographical limits

1. If **you** have selected this benefit **we** will extend the geographical limits of the **policy** from **New Zealand** only, to include Australia and the South Pacific.
2. There is no cover under this benefit for trips exceeding six weeks duration.

There is no cover under the 'Racing cover' automatic additional benefit.

What you will receive

The following section outlines when **we** will choose to repair or replace **your boat**, and what **you** can expect to receive once **your** claim has been accepted by **us**.

Repairable

1. If **we** consider **your boat** is economic to repair, **we** will at **our** option:
 - (a) arrange to repair **your boat** to substantially the same condition as it was in before the **loss** occurred, using parts and practice appropriate in the New Zealand repair industry; or
 - (b) pay **you** the reasonable cost of repairs as estimated by **our** assessor.
2. If any required parts are not available in New Zealand, **we** will pay the reasonable cost of having the part sourced overseas.

Uneconomic to repair or stolen not recovered

1. If **we** consider **your boat** is uneconomic to repair, or it has been stolen and not recovered, **we** will pay **you** the **current value** of **your boat** at the date of the **loss** as assessed by **us**.
2. **We** will not pay more than the **sum insured** shown in the **schedule** for the **boat** and any **accessories** or **specified items**.
3. **We** are entitled to retain any salvage including **your boat** wreck and **your boat accessories** and modifications.
4. **Your policy** will be automatically cancelled and **you** will not be entitled to any pro rata refund of **your** premium.
5. **We** may deduct the balance of any annual premium owing from the claim payment. This includes all remaining monthly, quarterly or six-monthly premium instalments remaining for the **term**.

SECTION TWO: LEGAL LIABILITY

Your legal liability

You are covered for:

1. **your** legal liability during the **term**, in connection with the use of **your boat** including while being loaded and unloaded, within **New Zealand**, for:
 - (a) **accidental loss** to the property of others; and/or
 - (b) **accidental bodily injury** to others.
2. where it is alleged **you** are legally liable, and that legal liability would be covered under this **policy** if established, **we** will also cover **you** for **your** reasonable legal expenses to defend that allegation.

You are not covered for:

1. Legal liability connected in any way with:
 - (a) any contract or agreement with any person, except where **you** would have been liable even without a contract or agreement; or
 - (b) damage to property **you** own, or that is under **your** care or control, including in **your boat**, other than a disabled vessel being towed by **your boat**; or
 - (c) gross negligence or deliberate **loss** caused by **you**; or
 - (d) **bodily injury** to any member of **your** immediate family or any business associate; or
 - (e) **your boat** when located at any part of an airport including runways, manoeuvring areas, ramps, aprons and hangars to which aircraft have access; or
 - (f) asbestos.
2. Fines, penalties or exemplary damages.

Please also see 'Section Three: General Exclusions' for other circumstances in which cover does not apply.

Automatic additional benefits

The following benefits are automatically included in addition to the standard cover for liability to third parties.

Accidental discharge

1. **We** will cover **you** for **accidental loss** to the property of others during the **term** caused by or arising from sudden, **accidental** pollution directly or indirectly arising from the discharge, release or escape of fuel, lubricants or sewage from holding tanks from **your boat** within **New Zealand**.
2. The most **we** will pay in total during the **term** under this benefit is \$500,000.

Defence costs

1. **We** will cover the reasonable legal defence costs of defending a charge of:
 - (a) manslaughter; or
 - (b) careless or reckless or dangerous driving causing death or injurybrought against:
 - (a) **you** in connection with the operation of **your boat** during the **term**; or
 - (b) **you** in connection with the driving of another person's boat that neither **you** nor they own during the **term**, provided the boat was driven with the owner's consent and neither **you**, they, nor that other person have any other liability insurance that applies.
2. **We** will only meet the costs of a defended trial if, after seeking the advice of **our** own lawyer, **we** believe there are reasonable merits in defending the charge. Where this is not the case, **we** will only cover the reasonable legal costs of entering a guilty plea and giving a plea in mitigation at sentencing.
3. Despite item 2 above, if **you** successfully defends a charge, then **we** will cover the reasonable legal defence costs of defending that charge. Where necessary, **we** will apportion defence costs fairly between different charges.
4. The most **we** will pay in total during the **term** for legal defence costs is \$10,000.

Other operators of your boat

We will extend the cover under Section Two of this **policy**, on the same terms, to anyone who operates **your boat** with **your** consent, provided that person:

- (a) has no other liability insurance cover that applies; and
- (b) complies with the terms of this **policy**.

There is no cover for this person under the 'Defence costs' automatic additional benefit.

What you will receive

The following section outlines what **you** can expect to receive once **your** claim has been accepted by **us**.

Property damage

The most **we** will pay for legal liability for damage to property is \$10,000,000 per **event**.

Bodily injury

The most **we** will pay for legal liability for **bodily injury** is \$1,000,000 per **event**.

Total per event

The most **we** will pay in total for all legal liability, including costs and expenses, for any one **event** and irrespective of how many **policies you** hold with **us**, is \$10,000,000.

SECTION THREE: GENERAL EXCLUSIONS

The following exclusions are applicable to all sections of this **policy** wording.

ACC

There is no cover under this **policy** for costs, compensation or any other amounts or payments that can be recovered under the provisions of the Accident Compensation **Act** 2001.

Civil commotion/riot

There is no cover under this **policy** for **loss** or liability and defence costs connected in any way with civil commotion assuming the proportions of or amounting to an uprising, insurrection, rebellion, military or usurped power.

Communicable disease – Liability

There is no cover under this **policy** for any **loss**, liability, damage, compensation, injury, sickness, death, expense or any other amount incurred by you, directly or indirectly arising out of, or in any way connected with:

- (a) a **communicable disease**, or
- (b) the actual or perceived fear or threat of a **communicable disease**

regardless of any other cause or event contributing concurrently to a **communicable disease**.

Communicable disease – Physical damage

There is no cover under this **policy** for any **loss**, damage, liability, or expense directly or indirectly arising out of, or in any way connected with:

- (a) a **communicable disease**, or
- (b) the actual or perceived fear or threat of a **communicable disease**

regardless of any other cause or event contributing concurrently to a **communicable disease**.

Confiscation

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to confiscation, requisition, acquisition, destruction or damage to property by the order of the Government or a local authority, unless for the controlling of a peril covered under this **policy**.

Cyber – Liability

There is no cover under this **policy** for any **cyber loss**.

Cyber – Physical damage

There is no cover under this **policy** for any **loss**, damage, or expense directly or indirectly arising out of or in any way **connected** with:

- (a) the functionality, availability or operation of a **computer system**.
- (b) the loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **data**, including any amount relating to the value of such **data**.

The exclusion for a **computer system** does not apply to any physical damage to a **computer system** and any other consequential losses as a direct result of any physical damage.

Excess

1. Unless specifically stated otherwise under another part of this **policy**, **you** are not covered for any applicable **excesses**.
2. The applicable **excesses** will be deducted from the amount of **your** claim.

Modifications

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to the modification, removal or replacement of any component, part or aspect of the **boat** from the manufacturer's standard or optional extra specifications unless **we** have agreed to the modification in advance and it is noted in the **schedule**.

Nuclear risk

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to:

- (a) nuclear weapons material; or
- (b) the operations of a nuclear power plant; or
- (c) ionising radiation or contamination by radioactivity from:
 - any nuclear waste; or
 - the fusion or fission of nuclear fuel.

Terrorism

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to **terrorism**.

War

There is no cover under this **policy** for any **loss** or liability directly or indirectly arising from or in any way related to war, invasion, act of foreign enemy, warlike operations (whether war is declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power.

SECTION FOUR: GENERAL CONDITIONS

The following conditions are applicable to all sections of this **policy** wording and must all be met before **we** will pay any claim under this **policy**.

Alteration of terms

You may request changes to this **policy** at any time by notifying **us**. **We** must agree to the changes in writing before they take effect. Any such changes will be at **our** sole discretion. Changes may affect the premium and/or other terms and conditions of this **policy**.

We may change the terms of this **policy** during the **term**:

1. where there has been a **change in circumstances**; or
2. to ensure ongoing compliance with relevant law and legislation; or
3. if **we** are no longer able to secure reinsurance protection for perils covered by this **policy**; or
4. where the change is otherwise considered reasonably necessary to protect **our** legitimate interests.

We will send written notice of any amended terms to **your** last known postal or email address at least 14 days before the changes take effect.

If **you** disagree with the changes to **your policy**, **you** may cancel the **policy** with effect from the date of the proposed changes by notifying **us**. **We** will refund any premium due to **you** based on the period of the **term** that **you** have not used. **We** may retain a minimum premium charge for the time cover has been in place.

Betterment

If **we** fix **your boat** and this results in an improvement to **your boat** beyond **your** entitlement under this **policy**, **you** must pay for the value of that improvement before **repair or replacement** commences.

Breach of conditions

If **you**, or any other person **we** insure under this **policy** breaches any of the conditions of this **policy**, **we** may at **our** sole discretion:

- (a) decline or reduce any claim; or
- (b) declare this **policy** to be void or unenforceable.

Goods and Services Tax (GST)

All **sum insured** values, **policy** limits, and **excesses**, include GST.

Governing law

This **policy** is governed by the laws of New Zealand and the courts of New Zealand have exclusive jurisdiction in relation to any issues, disputes or claims arising under or in relation to it.

Joint insurance

If more than one person or entity is insured under this **policy**, they are insured jointly. A breach of the **policy** by one of them is a breach by all.

Making a claim

1. **You** must:
 - (a) tell **us** as soon as **you** are aware of any circumstances that could lead to a claim or any **loss** or liability possibly covered under this **policy**. Please telephone **us** on **0800 800 627**; and
 - (b) take all reasonable steps to minimise **your loss** or liability, and try to avoid any further **loss** or liability; and
 - (c) complete **our** claim form in full, if requested; and
 - (d) allow **us** to investigate and inspect the **loss** or liability; and
 - (e) provide reasonable justification for any claim, and any other information or assistance that **we** need; and
 - (f) act reasonably and cooperate fairly in **your** communications and dealings with **us**; and
 - (g) give **us** permission to obtain personal information that relates to **your** claim held by any other party, and give any such third party permission to disclose any such information; and
 - (h) give **us** permission to provide personal information that relates to **your** claim held by **us** to any other party to assist with the settlement of **your** claim; and
 - (i) forward to **us** all relevant information and correspondence; and
 - (j) lay a complaint with the police if **you** suspect a crime has been committed, and provide **us** with a copy of the police complaints acknowledgement form, and if requested, any other police reports in relation to the circumstances in which any claim arises; and
 - (k) take reasonable steps to obtain details of any other person, property, boat or vehicle in the circumstances giving rise to the claim, and any witnesses to the **event** giving rise to the claim.

2. **You** must not:
 - (a) dispose of **your boat** being claimed for without **our** permission; or
 - (b) start any repairs without **our** permission, unless required to limit further **loss**; or
 - (c) admit responsibility for any **loss** or liability; or
 - (d) say or do anything that may prejudice **our** ability to defend any claim made against **you**, or make recovery for the **loss** from any other person who may be responsible for it.

3. **You** have a right to:
 - (a) access the information that **we** have relied on in evaluating **your** claim; and
 - (b) ask **us** to correct any mistakes or inaccuracies in that information.

We may withhold the information **we** have relied on in evaluating **your** claim from **you** in some circumstances. If **we** do this, **we** will give **you** reasons. **You** can request these reasons in writing, and **you** can request a review of **our** reasons through **our** complaints procedure or, in some circumstances, the Privacy Commissioner on 0800 803 909 or privacy.org.nz.

4. After **you** have made a claim:
 - (a) **we** have the sole right to act in **your** name and negotiate, defend or settle any liability on **your** behalf, at **our** own expense. **We** may appoint **our** own lawyers to defend the matter who will report to **us**; and
 - (b) **we** may pay the maximum amount payable under Section Two of this **policy** (or any lesser amount for which the liability can be settled), plus the legal costs and expenses incurred to date. This will satisfy **our** obligations under Section Two of this **policy** in full; and
 - (c) **we** may take over in full any legal right of recovery that **you** have. **You** must assist **us** in doing this, including, without limitation, providing documents and other evidence and attending court hearings if required; and
 - (d) if **your** claim relates to damaged property, **we** are entitled to retain possession of the damaged property and deal with salvage in reasonable manner. **You** cannot abandon property to **us**; and
 - (e) if any lost or stolen property for which **we** have paid a claim is later found or recovered, **you** must:
 - tell **us** immediately; and
 - return the property to **us** if **we** request it; and
 - (f) **you** must reimburse **us** if **you** receive any money from any person ordered to make reparation to **you** in relation to a claim **we** have paid.

5. When a catastrophe or disaster strikes, **we** may receive a large number of claims. **We** will:
 - (a) use **our** best efforts to meet all of **our** commitments in the Fair Insurance Code; and
 - (b) respond as quickly as possible and in a professional, practical and compassionate manner; and
 - (c) update **you** at least once every 20 business days until **your** claim is resolved; and
 - (d) prioritise **our** service for **our** most vulnerable Members.
6. If **your** claim is dishonest or fraudulent in any way, **we** may decline **your** claim, wholly or partially and, at **our** discretion, declare that this **policy** is void and unenforceable from the date of the dishonest or fraudulent act.

Other insurance

1. **You** must notify **us** immediately of any other insurance policy that covers **you** for any of the risks covered under this **policy**.
2. If any other insurance policy exists, **we** will only pay over and above the amount payable under that other policy.

Policy compliance

Before **we** pay any claim under this **policy**, **you** must:

- (a) comply with all its terms; and
- (b) pay any outstanding premium.

All statements and answers, whether by **you** or anyone else, must be true when **you**:

- (a) apply for or renew this **policy**; and
- (b) notify **us** regarding any change in circumstances; and
- (c) make any claim under this **policy**.

These conditions apply to anyone else who may be entitled to claim under this **policy**.

Policy renewal

1. This insurance is for the **term** shown in the **schedule**.
We may offer to renew it for a further **term** at **our** sole discretion. **We** may choose not to offer to renew **your policy** where **we** consider there are reasons why it is not in **our** interests to do so, including, for example, where:
 - (a) **you** have failed to meet the obligations of the 'Your duty of disclosure' clause or 'Change in circumstances' clause in the Welcome Section of this **policy**; or
 - (b) a **change in circumstances** results in **you** or **your boat** no longer meeting **our** underwriting qualifying criteria; or
 - (c) **you** have failed to meet the obligations of the 'Policy compliance' clause in the General Conditions Section of this **policy**; or
 - (d) **you** have acted fraudulently or dishonestly; or
 - (e) **you** have breached **your** duty of utmost good faith to **us**; or
 - (f) the product has been discontinued.
2. If **we** offer to renew **your policy**, **you** will receive an offer from **us** before the **term** expires. This offer may have terms and conditions that differ from the previous **term**. For example, **we** may adjust **your sum insured** for inflation, depreciation, changes in repair costs or market costs of materials (as determined by **us**). **You** are solely responsible for ensuring that the **sum insured** is sufficient to meet **your** needs.
3. **We** will notify **you** of changes however it is **your** responsibility to read the **policy** wording and review **your schedule** and invoice before paying the premium for the new **term**. If **you** disagree with the changes to **your policy**, **you** may lapse the **policy** with effect from the expiry date of the current **term** by notifying **us**.
4. **You** must pay the premium for the new **term** before the current **term** expires. Failure to do so will result in the **policy** lapsing on the expiry date of the current **term**.

SECTION FIVE: DEFINITIONS

The following words have special meaning within this **policy** wording and have been defined below to assist in **your** understanding of the **policy** terms and conditions.

The definitions apply to the plural and to any derivatives of those words. For example, the definition of 'accidental' also applies to the words 'accident', 'accidentally' and 'accidents'.

Accessories

Means any non-essential part of **your boat**. This includes, without limitation:

- fitted navigation systems; and/or
- carrier bags, carry racks, storage boxes or other devices for carrying equipment that can be fitted to **your boat**; and/or
- wheel locks, brake locks and other removable security devices.

Accidental

Means unintended and unsuspected by **you** and any other person insured under this **policy**.

Act

Means an Act of Parliament and any substitution of, amendment to, or replacement of that Act and any statutory regulations made under that Act.

Application

Means the information provided by **you** to **us** when **you** purchased this insurance or requested a quotation for this insurance from **us**.

Bodily Injury

Means **accidental** death of, or personal injury to, any person. This includes sickness, disease, disability, shock, fright, mental anguish or mental injury.

Boat

Means the vessel, jet boat, jet ski or other watercraft shown in the schedule, and where applicable, includes:

- the boat's trailer;
- the boat hull and fittings, including but not limited to, the wheel, tiller, rudder, mast, and stove;
- any motor including controls and propeller;
- boat gear and equipment that would normally be sold with the boat, including but not limited to sails, compass, anchor or ropes and shackles;
- the boat's tender and/or dinghy;
- safety equipment including life jackets, flares, fire extinguishers, life buoys, life rafts and emergency locator beacons.

Change in circumstances

Means any change that may alter the nature of the risk or increase the likelihood of a claim occurring.

Communicable disease

Means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- (a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- (b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - for the purposes of the liability exclusion, the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health, human welfare or property damage; or
 - for the purposes of the physical damage exclusion, the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

Computer system

Means:

For the purposes of the cyber liability exclusion, any computer, hardware, software, information technology and communications system, electronic device including any similar system, and any associated input, output, data storage device, networking equipment or back up facility.

For the purposes of the cyber physical damage exclusion, any computer, hardware, software, communications system, electronic device (including smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system, and any associated input, output, data storage device, networking equipment or back up facility.

Current Value

Means the reasonable cost, as estimated by an appropriately qualified party appointed by **us**, to buy, immediately before the **event**, a boat of the same:

- year; and
- make, model and specification; and
- general condition including mileage/hours as **your** damaged **boat**.

Cyber incident

Means a single or a series of related:

- unauthorised or malicious acts, regardless of time and place, or the threat or hoax;
- failures to act, any errors or omissions or accidents; or
- breaches of duty, statutory duty or regulatory duty or trust; involving access to, processing of, use of or operation of any **computer system** or any **data** by any person or group(s) of persons.

Cyber loss

Means any **loss**, damage, liability, injury, compensation, sickness, death, expense or any other amount incurred by **you** directly or indirectly arising out of or in any way connected with any **cyber incident**.

Data

Means information, facts, concepts, code or any other information that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **computer system**.

Event

Means one incident, or a series of linked incidents causing **loss** that arise from one source or original cause.

Excess

Means the amount shown in the **schedule** that **you** must contribute as the initial payment towards the cost of each and every claim under the **policy**.

Loss

Means physical loss, physical damage or physical destruction occurring during the **term**.

New Zealand

Means anywhere in New Zealand including while on coastal or inland waters and up to 250 nautical miles off the North or South Islands of New Zealand.

Policy

Means a contract consisting of:

- **your application** and any other information **you** supplied **us**; and
- this policy wording; and
- the **schedule** and any subsequent renewal advices or endorsement notices.

Schedule

Means the most recent schedule **we** have issued to **you**.

Specified

Means an item individually listed in the **schedule** with a corresponding **specified** item **sum insured**.

Specified item sum insured

Means the amount shown in the **schedule** that corresponds with the **specified** item.

Spouse

Means **your** husband or wife, civil union partner, or person with whom **you** are in a de facto relationship as defined in the Property (Relationships) Amendment **Act** 2001.

Sum insured

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

Term

Means the period of this **policy** shown in the **schedule** and for any subsequent period that **we** may agree.

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, ethnic or similar purposes, including the intention to influence any government and/or to put the public or any section of the public in fear.

Theft

Means **loss** caused by the unlawful taking or attempted taking of the **boat**, its parts, **accessories** or contents, with the intention to deprive the owner of possession, whether temporarily or permanently.

We, us or our

Means Medical Insurance Society Limited, a business division of Medical Assurance Society New Zealand Limited.

You or your

Means the person or entity shown in the **schedule** as 'The Insured'.



Look us up at mas.co.nz
Call us on 0800 800 627