



New Zealand's
favourite boat insurer.

Trailered Craft Insurance

Policy Wording



AGREEMENT

This is your Mariner policy. Your insurance contract consists of this, the schedule and the proposal or application form. Please read this policy and your Schedule carefully and if any information is incorrect advise us immediately.

In consideration of the insured named in the schedule having paid or promised to pay the agreed premium Mariner Insurance Limited for and on behalf Vero Insurance New Zealand Ltd agrees to insure against loss, damage, liability or expense happening during the period of insurance and will, subject to the definitions, exclusions, conditions and warranties contained in the policy, indemnify the insured against such loss, damage, liability or expense.

The total liability of the company in respect of the vessel shall not exceed the amount specified in the schedule against each item. This policy shall not be in force unless it has a schedule which has been initialled by our authorised official.

DEFINITIONS

Throughout this policy:

excess means the first amount of any claim which you must pay.

personal effects means wearing apparel, sports equipment and other personal property belonging to you, any family member or your guests whilst on board the insured vessel and not otherwise insured. By personal effects we do not mean money, jewellery, furs, traveller's cheques, or other valuable papers or documents. These are not insured under the policy.

insured person means you, related household members or any person operating your vessel with your prior permission and without charge. This does not include a paid master or crew of the insured vessel, or any person or organisation or their agent or employee operating a marina, shipyard, sales agency or like organisation.

schedule means the latest current policy schedule, expiry notice or insurance renewal issued to you.

dinghy a small boat capable of being carried on or towed behind your vessel.

agreed value means we have agreed on the value of the vessel and other property specified in the schedule. It will be used to help us measure the amount of loss.

vessel means the vessel shown on the schedule, including where applicable, trailer, spars, sails, machinery, outboards, dinghy, equipment and other accessories which would normally be sold with the vessel. It does not mean personal watercraft, unless specified on the schedule, or fishing gear.

we, us, and **our** refer to the company providing this insurance you and your refer to the insured shown on the schedule.

SECTION A

Hull Insurance

Property insured

We cover your vessel, as described on the schedule, afloat on all inland and coastal waters within 200 nautical miles of the North and South Islands of New Zealand and while ashore or in transit within New Zealand.

Perils insured or cover

We cover your vessel against all risks of sudden accidental physical loss or damage. We also cover physical damage that is caused directly by any latent defect in your vessel. However, we do not cover the cost of repairing or replacing any defective part.

We will also cover:

Additions and deletions

It is agreed that any items purchased for the vessel during any one period of insurance shall be deemed as being covered but limited to \$5,000. It is further agreed that any items sold shall be deemed deleted from the schedule. In the event of a loss falling within the scope of the policy, receipts and invoices must be produced. Adjustments to the sum insured and premium will be completed at renewal.

Accidental death

We will pay your executors or administrators, the sum of \$10,000 if at any time during the period of insurance you shall sustain accidental bodily injury whilst on board your vessel (including embarking and disembarking therefrom) which shall solely and independently of any other cause result in your death within 12 calendar months from the date of accident. Where there is more than one person entitled to cover under this extension our liability arising from any one accident will not be more than \$10,000 in total.

Emergency towage

We will reimburse you, without deduction, the reasonable towing expenses incurred as a result of mechanical or electrical breakdown to your vessel whilst underway, or attempting to get underway other than from a mooring, marina or boat ramp. Our limit of liability shall not exceed \$2,000 during any one policy year.

Fire extinguishment and safety costs

We will reimburse you for the reasonable costs of replenishing, refilling or replacing fire extinguishers and/or safety flares used during an incident giving rise to a claim, which has

been admitted under this policy. Our limit of liability shall not exceed \$1,000.

Loss or damage prevention

We will reimburse you for all expenses necessarily and reasonably incurred by you in preventing or attempting to prevent loss or damage, where a claim would or has been admitted under this policy. Our liability, unless agreed by the company in writing, shall not exceed 25% of the sum insured specified under Section A in the Schedule.

Medical expenses

We will reimburse you without deduction the reasonable expenses of necessary medical, surgical, ambulance, hospital, professional nursing services and in the event of death, funeral costs incurred within one year as a result of an accident to any person while in, upon boarding or leaving your vessel. Our limit of liability in any one accident shall not exceed \$2,000 regardless of the number of persons involved in the accident.

Personal effects

We cover personal effects (provided they are not otherwise insured) against all risks of accidental loss or damage while they are on board or being carried on or off your vessel. There is no cover for money, jewellery, furs, traveller's cheques or other valuable papers or documents. We will pay the actual cash value of personal effects but not exceeding what it would cost to repair or replace the property with a similar item of property. Our liability in any one loss to personal effects will not be more than \$1,000 in total, regardless of the number of people who may have suffered a loss arising out of the same event.

Rescue

We will pay the reasonable costs for the rescue of you, your passengers or members of your crew. Our limit of liability for rescue costs is \$10,000.

Temporary accommodation costs

We will reimburse you reasonable temporary accommodation costs if following an accident to or loss of your vessel giving rise to a claim which has been admitted under this policy you are unable to return to your usual place of residence. Our limit of liability shall not exceed \$1,000.

Optional Extensions

These optional clauses will only apply if there is a statement on the Schedule that they apply.

Racing risk

We will pay the cost of replacing or repairing sails, mast, spars, or standing and running rigging lost or damaged whilst

the vessel is racing. Unless the loss or damage is caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water any settlement will be subject to the racing risk excess stated on the schedule and we deduct depreciation for sails over 3 years old.

Conditions

Claim settlement

We have the option:

- a) to settle up to the sum insured specified in the schedule, by payment, reinstatement or replacement, or
- b) repair, or take or require to be taken tenders for repair.

We will pay for total loss of your vessel and other property only if the vessel is completely lost or destroyed. We will also pay for a constructive total loss if the cost of recovering and repairing the vessel is greater than the amount of insurance specified for your vessel in the schedule.

We will pay for total loss of your vessel and other property only if the vessel is completely lost or destroyed. We will also pay for a constructive total loss if the cost of recovering and repairing the vessel is greater than the amount of insurance specified for your vessel in the schedule. We will not pay for unrepaired damage in addition to a total loss or constructive total loss. If we pay you for a total loss or constructive total loss you agree that we are entitled to the proceeds of any salvage. If there is a total loss to your vessel we will not deduct for depreciation in determining the value of any property. If there is a partial loss, however, we deduct for depreciation on sails, protective covers of fabric or similar material, and outboard motors more than 3 years old.

Excess

We will deduct the excess specified in the schedule from any payment we make under this section for all losses due to a single accident. However the excess will not be deducted if there is a total loss or constructive total loss to your vessel.

Exclusions

We do not cover:

1. Physical damage or losses caused by or resulting from normal wear and tear, gradual deterioration, delamination, marine life (except for marine mammals and large fish), mechanical breakdown, electrolysis, osmosis, corrosion, rust, dampness, normal wetting or weathering.
2. Claims for marring, denting, scratching or chipping unless caused by the vessel being stranded, or in collision or in violent contact with another vessel, pier or jetty.

3. Repairing or replacing any defective part condemned solely in consequence of a latent defect or an error in design or construction.
4. Loss or damage to electrical apparatus caused by electricity, other than lightning, unless fire results, and then only for the loss or damage caused by the fire.
5. Claims for unexplained disappearance of property, gear or equipment from the vessel.
6. Sails, masts, spars or standing and running rigging while the vessel is racing, unless the loss or damage is caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water.
7. Death directly or indirectly resulting from disease or natural causes or surgical treatment (unless rendered necessary by accidental bodily injury covered hereunder) or suicide or attempted suicide or intentional self-injury or deliberate exposure to exceptional danger (except in attempting to save human life) or your own criminal act.
8. Loss or damage following theft of trailered craft unless the trailer is fitted with a locked recognised security device.
9. Burglary or theft of unattended personal watercraft unless such craft are protected with a locked recognised security device.
10. Damage to personal watercraft arising as a result of water ingestion to the motors or electrical equipment.

SECTION B

Third Party Liability Insurance

We will indemnify an insured person for their legal liability for any one accident arising from that persons ownership or use of the vessel which results in:

1. Physical loss or damage to any other vessel, or property on such other vessels, or any other fixed or movable object.
2. Loss of life or bodily injury.
3. Any attempt in raising, removal or destruction of any fixed or moveable object or property or other thing, including the wreck of the vessel, or any neglect or failure to raise, remove or destroy the same.
4. Punitive or exemplary damages with our maximum liability arising from any one accident not exceeding \$250,000.
5. General damages for mental injury with our maximum liability arising from any one accident not exceeding \$250,000.

Limit of liability

Our liability under this section shall be subject to a maximum limit of liability as specified under Section B in the schedule. Our obligation to pay, settle and defend ends when we have paid that amount on your behalf. This is the most we will pay, regardless of the number of insured persons or boats involved in any one accident or series of accidents arising out of the same event.

Supplementary payments

In addition to the limit of liability specified in the schedule, we will pay on behalf of an insured person the following:

1. Interest on our proportion of the judgment, which is earned before we make payment.
2. \$250 a day for attendance at court proceedings at our request.
3. Legal or other reasonable expenses incurred at our request or with our prior written approval.
4. Legal representation costs where you or your vessel are involved or implicated in a maritime accident, which is the subject of a Maritime Safety Authority, Transport Accident Investigation Commission or Coroner's inquiry. With prior written approval from ourselves, we will pay reasonable costs for legal representation up to a maximum of \$10,000.

Exclusions

We do not cover:

1. Any liability under any contract or agreement unless such liability would have attached in the absence of such contract or agreement.
2. Death of or bodily injury to, or loss of or damage to property belonging to or used by or in the custody or control of:
 - a) any person under a contract of service or apprenticeship with the insured arising out of and in the course of his employment by the insured; or
 - b) the insured person or any member of the insured person's household.
3. Legal liability incurred in respect of bodily injury, loss of life or property damage arising out of the transportation of the vessel on land.

Cover

If any person named in the schedule suffers an injury during the period of insurance which causes death within a period of twelve calendar months from the date of the injury we will pay the benefit due.

Exclusions

The General Exclusions of this policy, other than no 7, shall not apply to this extension and are replaced by the following:

1. There is no cover under this section for death resulting from:
 - a) suicide or any attempted suicide or intentional self injury;
 - b) engaging in any air travel other than as a bona fide fare-paying or ticket holding passenger in an aircraft fully licensed for the carriage of passengers for hire or reward and operated by a regular airline or established charter service;
 - c) Any insured person taking part in, or training for, professional sport or professional racing of any kind; or
 - d) Any criminal acts punishable by imprisonment.
2. We will not cover the death of any person named in the schedule whilst they are on the vessel and the vessel is further than 200 nautical miles beyond the North and South Islands of New Zealand.

Conditions

The following General Conditions of this policy shall not apply to this section.

At Anchor;

and Other Insurance.

Medical examination

In the event of a claim being made we may have a post-mortem examination carried out at our expense.

Presumed death

Death will not be presumed by the disappearance of any person named in the schedule unless they have disappeared for more than one year in circumstances where it can be reasonably assumed that the disappearance is due to that person's death by

accident. In the event of the persons subsequent re-appearance, each surviving person is obliged to return any payments to us.

General exclusions

Applicable to sections A and B.

We do not cover loss, damage or liability:

1. Arising while the vessel is being towed or undertaking towage of other vessels (except as is customary or in need of assistance or whilst providing assistance to a vessel in distress), is chartered or rented to others, used to carry persons or property for a fee, or used for other commercial purposes, unless we have first agreed to such coverage in writing.
2. Deliberately caused by the wrongful acts or wilful misconduct of any insured person.
3. While the vessel, if other than a yacht, is being prepared for or engaged in any race, speed test or trial.
4. Arising from loss of use of the vessel or any other consequential loss.
5. Where the vessel is in an unseaworthy condition.
6. Arising while the vessel is being operated by person/s under the influence of alcohol or any drugs.

Applicable to all sections.

7. Caused by or resulting from:
 - a) radioactive contamination;
 - b) discharge of any nuclear weapon;
 - c) capture, seizure, arrest, detainment, requisition, confiscation or repossession of your vessel;
 - d) war declared or undeclared, martial law, or hostile or warlike action taken by any government or its agents, any sovereign power, any authority using naval, military or air forces or those forces themselves;
 - e) civil war, insurrection, rebellion, revolution, usurped power or any action taken by any government authority in defending against these happenings; or
 - f) acts of terrorism.

Communicable Disease Exclusion

Notwithstanding any provision to the contrary within your insurance contract or any endorsement, this insurance excludes any loss, damage, interruption, legal liability, claim, cost, expense or other sum of whatsoever nature (including any increased or additional costs or expenses of a claim to which this exclusion does not otherwise apply) directly or indirectly arising out of, contributed to by, or in connection with:

- i. Communicable Disease; or
- ii. Fear or threat (whether actual or perceived) of Communicable Disease; or
- iii. Actions taken by any person, entity or public authority to respond to, control, prevent or suppress Communicable Disease;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

In this exclusion, 'Communicable Disease' means:

- i. Any disease (whether human, animal, plant or otherwise) which can be transmitted directly or indirectly from any organism to another organism by means of any substance or agent (including without limitation any virus, bacterium, parasite or other organism or any variation thereof, whether living or not); or
- ii. Any Infectious Disease or Quarantinable Disease as defined in or declared under the Health Act 1956.

A reference to the Health Act 1956 includes any amendment, replacement or successor legislation. A reference to Infectious Disease or Quarantinable Disease shall have the meaning found in any replacement definition or of any equivalent or substantially similar term defined in or declared under any amendment, replacement or successor legislation. The vessel will not be left unattended at anchor for more than 24 hours

GENERAL CONDITIONS

Applicable to all sections.

At anchor

The vessel will not be left unattended at anchor for more than 24 hours.

Basis of policy

The proposal and declaration submitted by you or on your behalf is the basis of and is deemed to be incorporated in this policy.

Breach of condition

If any insured person breaches any condition in this policy all benefit under the policy will be forfeited.

Cancellation

You may cancel this policy at any time, and with immediate effect by written notice delivered to us. In the event of such cancellation, we will be entitled to a pro rata proportion of the premium for the time during which the policy has been in force. We may cancel this policy at any time by sending a

letter to this effect to you at your last recorded postal address on our records. The cancellation will take effect at 4.00 p.m. on the 14th day after the letter has been sent. In the event of such cancellation, we will refund to you a pro rata proportion of the premium.

Change in circumstances

You will immediately inform the company in writing if any material circumstances change during the period of cover.

Claims

In the event of any occurrence which may give rise to a claim under the policy you must:

- a) notify us as soon as possible;
- b) immediately report to the Police any burglary, theft or malicious act;
- c) take all reasonable steps to prevent further damage; and
- d) not without our prior written consent negotiate, pay, settle, admit or decline any claim nor incur any expense in making good any loss or damage other than to minimise the damage.

Conduct of claim

- a) We may (if we so desire) take over and conduct in your name the defence or settlement of any claim or prosecute in your name for our benefit any claim or counter claim and shall have full discretion in the conduct of any proceedings and in the settlement of any claim or counter claim.
- b) You shall give all such assistance as we may require.
- c) We reserve the right to select legal representatives.

Continuation

If you are away from any port at the time this policy ends, we will extend your cover until you arrive at the nearest safe port. You must notify us as soon as possible and pay the additional premium required. This continuation privilege does not apply if the policy is cancelled by you or us.

Duty of care

You shall take reasonable precautions to:

- a) prevent any event giving cause to damage, loss or liability;
- b) comply with all obligations and regulations set out in any legislation or imposed by any Authority;
- c) maintain the property insured in proper repair; and
- d) remedy and/or eliminate (at your own expense) any defect or any danger that may give rise to a claim under this policy.

Fraud

If any claim is in any respect fraudulent or if any false declaration is made or used in support thereof or if any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefit under this policy in respect of the claim, all benefit under this policy in respect of that will be forfeited.

Goods & services tax

The limits of indemnity unless otherwise specified in the schedule are GST inclusive.

Joint insureds

If there is more than one insured named in the schedule the cover under this policy shall be provided jointly.

Jurisdiction

The laws of New Zealand shall apply to and the Courts of New Zealand will have exclusive jurisdiction in respect of any litigation arising out of this policy. Any legal liability, compensation awarded or costs or expenses of litigation outside New Zealand are not covered.

Moorings

Moorings must meet the minimum specifications recommended by the Harbour Authority or any other appropriate Authority that has control of or responsibility for the area in which the moorings are laid for a vessel of the tonnage, size and dimensions of the insured vessel. Moorings are to be maintained in good order and all swing moorings including weights are to be lifted for inspection at least every three years and worn parts renewed.

Observance of terms and conditions

The observance and fulfilment of the terms and conditions of this policy by you in so far as they relate to anything to be done or complied with by you and the correctness of any statements contained in any proposal or made elsewhere to the company by you, are conditions precedent to any liability of the company to provide any indemnity under this policy.

Other insurance

If you have other insurance that covers your loss, the insurance under this policy is considered to be in excess. This means that we will only pay you the amount of your loss otherwise covered under this policy that you are unable to recover from other insurance even if that policy has a condition to the same or similar effect.

Persons in charge of the vessel

Persons in charge of the vessel with your permission must observe fulfil and be subject to the terms exceptions and conditions of this policy in so far as they can apply.

Subrogation

Upon accepting liability for a claim under this policy, the company is entitled to become subrogated to your right of recovery or indemnity from any other person or corporation. You must, at the company's expense do and concur in doing and permit to be done anything reasonably required by the company for the purpose of enforcing that right.