

BoatPlan

Boat



Policy
Document



We would like to make sure you are aware of all your entitlements under this policy, so please read this document carefully. After you have read it, please contact your Vero office or your insurance adviser if you would like further information.

welcome to
BoatPlan

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We belong to the Insurance Council of New Zealand and have made a commitment to the Council's Fair Insurance Code.

The Fair Insurance Code requires our Company to:

1. provide insurance contracts which are understandable and show the legal rights and obligations of both our Company and the policyholder;
2. explain the meaning of legal or technical words or phrases;
3. explain the special meanings of particular words or phrases as they apply in the policy;
4. settle all valid claims fairly and promptly;
5. clearly explain the reason(s) why a claim has been declined;
6. provide policyholders with a written summary of our Company's complaints procedure as soon as disputes arise and advise them how to lodge a complaint;
7. advertise our Company's complaints procedure and the Insurance and Savings Ombudsman Scheme to policyholders and make these readily available in all branch offices of our Company;
8. be financially sound as measured by the Council's solvency test, which means we have reserves equal to at least 20% of our premium income.

If you are not satisfied with the cover provided by the policy you may return the policy within 30 days of receiving it.

If you have not made any claims during that 30 days you will be given a full refund of any premium paid.

Privacy Act and the Insurance Claims Register (ICR)

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

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

Definitions explain words frequently used in the policy. Defined words are shown in this type style.

Accident and Accidental mean a sudden and unforeseen event causing physical loss or damage that is not intended or expected by *you*.

Boat means the hull and any fixtures fittings and equipment which is permanently affixed, including sails, masts, spars, and rigging, machinery and motors (both inboard and outboard), anchor and warp, fish finder, depth sounder, other navigational aids and marine radios and boat trailers.

In New Zealand means anywhere in New Zealand including within 150 kilometres of New Zealand's coastline but not while on voyages to and/or from ports and/or places outside New Zealand.

Market value means the reasonable retail value of *your boat* or *other property* immediately prior to the loss or damage.

Other property means dinghy, gear and equipment kept permanently on board the *boat* but which is not permanently affixed, including life jackets, clothing, wet weather gear, flares, tools, bed clothing, foodstuffs, cooking utensils and other similar accessories, but excluding fishing or sporting gear unless specified on the *schedule*.

Period of cover means the "period" or "period of insurance" specified on the *schedule*.

Premium is the consideration for this contract. This may mean the first premium or any subsequent premium and includes any government levies and taxes.

Schedule is the latest current policy schedule, expiry notice or insurance renewal issued to *you*.

We, us or *our* means Vero Insurance New Zealand Limited.

You or *your* means the insured person or persons named on the *schedule*, and their partner. Partner means a marriage partner, or de facto partner as defined in the Property (Relationships) Act 1976 (or any replacement Act) and any subsequent amendments.

We will provide the cover set out in this policy during the *period of cover* shown on the *schedule* provided *you* have paid the *premium* and subject to the policy's terms, limits, conditions and exclusions. *Your* insurance contract consists of three parts:

1. this pre-printed policy document;
2. the personalised *schedule* with details of the cover which applies to *you*; and
3. the information in the proposal, application or declaration.

We will insure you for *accidental* loss or damage to your *boat* and *other property* anywhere in New Zealand during the *period of cover* with us.

What we will pay – at our option

The cost to repair or replace your *boat* and *other property* or make a payment, up to the *market value* but no more than the sums insured specified on the *schedule*.

If any repair makes a major improvement to the *pre-accident* condition or value of your *boat* and other equipment, then you may be required to make a contribution towards the cost of repairs. Such contribution will not be required if the property is less than one year old at the date of such loss or damage.

We will also pay for:

1. Salvage and Associated Costs:

- a. reasonable salvage costs;
- b. wreck removal costs which you or any person covered by this policy become legally liable to pay;
- c. reasonable expenses incurred in minimising further loss or damage from the same *accident*.

Provided the costs or expenses follow an *accident* for which there is a valid claim under this policy.

2. Boat Parts and Accessories at Home

If you have *boat* accessories or spare parts that are not fitted to the *boat*, and they are stored at your home, we will pay up to \$500 any one event after deducting your excess, for loss or damage by fire and theft.

If you have *boat* and contents insurance with us, you can only claim this benefit under one policy.

3. Boat Change

If you replace a *boat*, or buy an additional *boat* then we will insure the replacement or additional *boat* for its *market value* but otherwise on the same terms that apply to the *boat* shown on the *schedule*, but only if:

- a. you tell us within 30 days after buying the replacement or additional *boat* and provide full details; and
- b. you pay any extra premium which we may require; and
- c. the *boat* purchased is valued at no more than \$50,000.

4. Premium Credit

Where your *boat* is treated as a total loss and we insure your replacement *boat*, we will credit the unused *premium* towards insurance on the replacement. Provided that:

- a. the person in control of your *boat* was completely free of blame; and
- b. the identity of the other party who caused the damage is established.

5. Recharge of Extinguishers and Replacement of Flares

In the event of a claim we will pay up to \$1,500 for the recharge of extinguishers and replacement of flares used in minimising loss or damage.

6. Emergency Costs

If you have an *accident* for which there is a valid claim under this policy, we will pay the reasonable incurred costs of:

- a. rescuing you, your passengers or your crew, to a maximum of \$1,000;
- b. having your boat removed to the nearest repairer or place of safety;
- c. essential repairs to the boat so you can get to your destination or a repairer;
- d. returning your boat to your home following its repair, or if it was stolen, following its recovery.

We will also pay the reasonable costs of accommodating and transporting you and your passengers to your home if your boat cannot be used, to a maximum of \$500.

7. Storage or Repair

We will cover insured boat equipment and other property temporarily removed from your boat:

- a. for the purpose of repair;
- b. for storage in securely locked premises;
- c. while in transit to repair or storage.

8. Goods and Services Tax – GST

Provided the GST is recoverable by us, the sum insured under this policy is exclusive of GST. This means that we will pay up to a maximum of the sum insured plus GST to a maximum of the current rate of GST applied to that sum insured.

All limits, amounts or excesses shown are GST inclusive.

9. Legal Liability

We will pay for your legal liability for damage to property arising from accidents caused by your boat. We will pay up to \$1,000,000 (plus legal costs incurred with our consent) in respect of any one accident or number of accidents arising out of one event.

We will extend this section to provide the same cover:

- a. to any person who is using your boat with your consent and who is not otherwise excluded from the policy cover;

- b. to any person engaging in water skiing or similar sport while being towed by your boat;
- c. for accidents caused by any other boat being used by you in person provided it does not belong to you and is not hired to you under a hire purchase or lease arrangement. No cover is provided for damage to the boat being used;

We will also pay:

for costs that result from the raising, removal or destruction of the wreck of your boat or an attempt at any of these. We will also cover any loss of or damage to property that arises, because you fail to raise, remove or destroy the wreck of your boat.

But we will not pay:

- i. for damage to property belonging to you or in your custody or control;
- ii. if you or any person or organisation to whom this section applies is entitled to indemnity under any other policy or fails to comply with the terms and conditions of this policy;
- iii. for any accident arising directly or indirectly from or in connection with the ownership, possession or control by or on behalf of you of any mechanically propelled vehicle registered under the Transport Act 1962 and subsequent amendments by which any property insured is drawn or conveyed;
- iv. for any exemplary or punitive damages.

If you have home, contents, motor or boat insurance with us, you can only claim this benefit under one policy.

10. Medical Payments

If there is an accident to any person while in, boarding, or leaving your boat we will pay:

- a. reasonable medical and ambulance expenses; and
- b. in the event of death, funeral costs.

We will pay up to the amount shown on the schedule for medical payments providing the expense is incurred within one year of the accident.

11. Racing Risk Extension

If *you* have paid for this extension and it is shown on the *schedule*, the following cover applies:

If *you* are racing *your* sailboat and it suffers *accidental* loss or damage, then *we* will pay the cost of repair or replacement of *your* masts, spars, booms, spinnaker poles, sails, rigging and anchors.

We will not pay for any proportion of the cost of repair or replacement that will put the equipment in better condition than it was prior to the *accident*.

This extension will be subject to the racing risk excess shown on the *schedule*.

We will not pay for:

1. any excess

You must contribute the amounts shown on the *schedule* under the headings "Excess" or "Deductible" as the first amount of any claim.

All excesses are cumulative.

Where a single event causes loss or damage to property or items insured by *you* with *us* under more than one insurance policy, only one policy excess shall apply. The amount of the excess shall be the highest excess that *we* could apply under any of the policies affected.

2. we will not pay for:

- a. loss of use or consequential loss;
- b. depreciation, deterioration, wear and tear, delamination, corrosion, rust, rot, mould, or damage caused by marine organisms or by vermin (except opossums) or by electrolysis;
- c. breakdown, failure or breakage of:
 - i. any component or accessory;
 - ii. the engine, transmission, mechanical, electrical or electronic systems; or
 - iii. any loss which their failure may cause to the rest of these systems;
- d. loss or damage by wind to sails or protective covers when racing, except where the Racing Risk Extension applies;
- e. loss or damage to masts, spars, booms, spinnaker poles, rigging, and anchors while racing *your* sailboat, except where the Racing Risk Extension applies;
- f. any loss or expenditure incurred solely in remedying a fault in design or, in the event of damage resulting from faulty design and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment or alteration in design, or for the cost and expense of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction;
- g. any claim while the *boat* is let out on hire or charter or is used for any purpose other than private pleasure purposes;

- h. loss or damage to *boats* primarily powered by motor while participating in or while being prepared for a race, speed competition, speed testing, reliability or time trial or any similar activities;
- i. damage deliberately caused by the wrongful or reckless acts or wilful misconduct of any insured person;
- j. theft of outboard motors that are not securely locked to the *boat*, or stored in a securely locked part of the *boat*, or stored in a securely locked building;
- k. costs which can be recovered under the provisions of the Injury Prevention, Rehabilitation, and Compensation Act 2001 (or any replacement Act) and any subsequent amendments.

3. any losses when *your boat* is under the control of any person who:

is affected by alcohol or drugs.

4. any losses when any person is driving a vehicle towing the *boat* and:

- a. has a proportion of blood/alcohol or breath/alcohol exceeding the legal limit, or refuses to take or fails a breath or blood test;
- b. is doing so without a licence or not complying with the conditions of their licence.

5. loss, destruction, damage or liability directly or indirectly caused by:

- a. war, invasion, act of foreign enemy, warlike operations (whether war be declared or not), civil war, rebellion, resolution, insurrection, military or usurped power or confiscation, destruction or acquisition by government or local authorities;
- b. nuclear weapons, ionising radiations or contamination by radioactivity from nuclear fuel or the combustion of waste from nuclear fuel;
- c. any act of terrorism including loss, destruction, damage or liability that arises from, is consequent upon or arises in connection with biological, chemical, radioactive, or nuclear:
 - pollution;
 - contamination; or
 - explosion.

An act of terrorism means an act, including but not limited to the use of force or violence or the threat thereof, which from its nature and context is done 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.

6. loss, destruction, damage or liability directly or indirectly resulting from:

- a. the *boat* being left unattended at anchor or on swing moorings other than its usual mooring or berth or moorings to Port or Local Authority standards for more than twenty-four consecutive hours;
- b. permanent moorings that don't meet the minimum specifications recommended by Port or Local Authorities;
- c. permanent moorings that are not in good order; or
- d. swing moorings that have not been inspected and maintained for more than 3 years.

These conditions give *you* information about *your* and *our* obligations arising from this policy.

1. Assignment

You must not assign or attempt to assign this policy or *your* interest in this policy to any other person or party without *our* written consent.

2. Breach of Policy Terms and Conditions

No claim shall be payable where any person entitled to indemnity under this policy breaches any of the policy terms and conditions. However, nothing in this policy affects *our* right to avoid the policy for non-disclosure.

3. Cancellation

We may cancel this policy at any time by sending a letter to this effect to *you* at *your* last known postal address. The cancellation will take effect at 4.00 pm on the 7th day after the letter has been sent. *We* will refund the unused part of *your* paid premium. *You* may cancel this policy by giving written notice to *us*. *We* will refund 80% of the unused part of *your* paid premium provided that *you* have not made a claim.

4. Care of Your Boat

You must take all reasonable steps to prevent loss or damage to *your* boat and maintain *your boat* in good repair. *We* shall always have the right to examine *your boat*.

5. Care of Your Boat Trailer

You must take all reasonable steps to prevent loss or damage to *your boat* trailer and maintain *your boat* trailer in good repair and roadworthy condition. *We* shall always have the right to examine *your boat* trailer.

6. Claims

- a. On the happening of any event that may give rise to a claim under this policy *you* must:
 - i. immediately notify *us* of such event;
 - ii. take all reasonable steps to minimise the extent of loss or damage;
 - iii. immediately send *us* any communications which *you* receive in relation to an event which may give rise to a claim;
 - iv. obtain *our* consent before proceeding with repairs;
 - v. make *your boat* available for inspection by *us*;

- vi. provide all proofs, information and other evidence, and otherwise give all possible assistance that *we* may require; and

- vii. in the case of loss by theft, burglary or vandalism advise the Police immediately.

- b. *You* shall not without *our* written consent incur any expense or negotiate, pay, settle, admit, repudiate or make any agreement in relation to any claim.
 - c. *We* shall be entitled at *our* expense and in *your* name to take any proceedings necessary to obtain relief from any other party and to take over and conduct the defence and settlement of any claim. *You* must provide all reasonable assistance and co-operation.
 - d. If *we* pay the *market value* then the cover is finished and no *premium* is refundable. *We* may keep whatever is left or recovered of the *boat*.

7. Correctness of Statements and Fraud

The proposal, application or declaration form is the basis of this contract. All statements made by *you* or on *your* behalf either on the proposal form or otherwise in support of this policy or any claim must be complete and correct in all respects. If any claim under this policy is supported by any incorrect information or statement all benefits under this policy will be forfeited.

8. Duty of Disclosure/Change of Circumstances

You must tell *us* everything that may be relevant to *our* decision to issue, renew or alter the policy and *you* must tell *us* of any changes to any circumstances relevant to this policy as soon as *you* know about them.

9. Instalment Premiums

Where *we* have agreed to accept payment of premium by instalments:

- a. *we* reserve the right in the event of a claim being made to require immediate payment of the balance of any annual *premium*; and
 - b. all benefits under this policy will be forfeited from the date the first unpaid instalment was due and *your* policy automatically cancelled if:
 - i. any three consecutive fortnightly instalments remain unpaid; or

- ii. any two consecutive monthly instalments remain unpaid; or
- iii. any quarterly or half yearly payments remain unpaid 14 days after the due date of the instalment.

Where any instalment is overdue and the policy has not been cancelled, all benefits under this policy will be forfeited from the date the first unpaid instalment was due until the date we receive all the overdue instalment *premiums*. Any claim proceeds payable to *you* under this policy will be withheld by *us* until *you* have brought all instalments up to date.

10. Joint Insureds

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

11. Jurisdiction

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

12. Modifications

You must tell us of any modifications which have been made to the *boat* since insuring it with *us*.

13. Other Insurance

This policy does not cover loss or liability where cover is already provided by other insurance. *We* will not contribute towards any claim under any other policy.

14. Other Interests

If *your boat* is mortgaged or secured by any other financial agreement, *we* may make payment for any loss direct to the interested party. This will meet *our* obligations under this policy.

Add your policy number then detach the wallet card below for easy access to our 24 hour helpline.

help 24 hour
emergency assistance

Policy Number:

0800 800 786

vero 

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