

Policy | **PleasurecraftCover**<sup>®</sup>



**Insurance**

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## How to get in touch

Call toll free **0800 500 213**

Get online @ **[www.aainsurance.co.nz](http://www.aainsurance.co.nz)**

Or visit your nearest **AA Centre**

# Welcome

Thank you for insuring with AA Insurance. This policy document explains your insurance cover and details your entitlements and responsibilities. Please read it carefully.

If there is anything you don't understand in this policy, or if you have any queries please call us on **0800 500 213**.

# Summary of benefits

Benefit	PleasurecraftCover
Basis Of Settlement Total Losses	Market Value
\$1,000,000 Third Party Legal Liability	Yes
Hull Damage While Racing (sailing boats)	Yes
Salvage Costs	Yes
Water Skier Liability	Yes
Fatality Cover For AA Members	Yes
Personal Effects Cover	Yes
Loss Of Equipment And Accessories	Yes
Cost Of Defence	Yes
No-Fault Excess	Yes
Racing Cover - Cover For Sails etc (sailing boats)	Optional

## Your contract

### Your contract includes

- > your application
- > this pre-printed policy document
- > your policy schedule, with details of the cover that applies to you
- > any change that we advise you of in writing at the commencement of the contract or on renewal, or
- > any change you advise us of and we agree to in writing.

## Your policy schedule includes

- > the type of cover
- > who is insured
- > the insured boat
- > the insurance period
- > the amount of excess
- > any optional benefits you have chosen
- > any special policy conditions.

## Creating the contract

This contract is based on the information you have provided to us. You must tell us everything you know with regard to the questions in the application form and any questions asked at the time you applied for this insurance. Any information you provide to us must be accurate. If you have not disclosed something you should have, we may reduce the cover or provide no cover at all.

## What the contract gives you

The contract covers you for a valid claim made for loss or damage or personal injury arising from accident, fire or theft to the extent that an exclusion does not apply. You are covered:

- > throughout New Zealand, and
- > within 80 nautical miles off the coast of New Zealand. This insurance does not cover voyages to and/or from ports and/or places outside New Zealand.

All amounts referred to in this policy are inclusive of GST.

# Definitions

## In this policy

### **We, us and our**

refer to AA Insurance Limited.

### **You And Your**

mean the person or persons named in the policy schedule as the insured. It also means any financier with an interest in your boat.

In respect of the incurring of liability, you and your also means any person using or in charge of your boat with your permission held legally liable for damage to property as a result of an accident arising out of the use of your boat .

### **Accident**

means an event or series of events arising out of the one incident which was not expected or planned by you and which caused loss or damage. It includes malicious damage.

### **Hull**

means the frame and body of the boat, its engine when it is installed inboard, its cabin superstructure, deck hardware and those items normally sold with the hull. It also means tiller, steering gear and rudder, power transmission controls and propeller(s), electrical wiring and switch gear, radio, navigational and other electrical and electronic equipment, depth sounders, batteries, solar generating equipment, fuel tanks forming part of the hull, stove, refrigerator, internal fittings including cushions, life-saving equipment, and detachable canopies. It also means masts, spars and rigging but not during such times as your boat is racing as a sailing boat. Hull includes masts, spars and rigging or sails while your boat is racing as a sailing boat if the racing risk extension applies. It does not include outboard motor(s).

### **Market Value**

means the reasonable market value of your boat and equipment at the time of loss, allowing for its age and condition.

### **Other Property**

means gear and equipment kept permanently on board the boat but which would not normally be sold with it including life jackets, wet weather gear, flares, tools, bed clothing, food, cooking utensils and other similar accessories.

## **Racing**

means competing in a sporting event organised by a club or association. A race will be deemed to have commenced ten minutes prior to the anticipated official start and end no later than the time the boat crosses the finishing line or the person in control of the boat takes action to abandon the race.

## **Replacement Boat**

means the hull and/or outboard motor(s) and/or trailer, which replace your boat after you have disposed of it or of any of these, as the case may be. Once your boat or motor(s), or trailer has been replaced, this policy will no longer cover the item or items, which have been replaced.

## **Sum Insured**

means the maximum that we pay for the total loss of a boat as noted on your policy schedule. You should review this value at each renewal of the policy.

## **Total Loss**

means we believe the boat:

- > cannot be economically or safely repaired for the market value or the sum insured whichever is the less, or
- > is unlikely to be recovered after a theft.

## **Trailer**

means a vehicle that is not self-propelled, has two or four wheels and is designed for being towed by a car and for carrying a boat.

## **Water-skiing**

means being towed behind a boat on the surface of the water whether barefoot, on skis or on a board, but it does not mean travelling in the air by means of any aerial device.

# Special features

## **Consumer protection**

If you are not satisfied with the cover provided by this insurance you may return the policy within 14 days of receiving it and where no claims have been made you will be given a full refund of any premium paid.

# Benefits of PleasurecraftCover

When we refer to the boat, we may be referring to all or any of:

- > the hull - please refer to the definition of hull on page 4 to see all the items which are included
- > any outboard motor(s) which belong to the hull
- > the sails which belong to the hull
- > the trailer which belongs to the hull
- > the other property (as defined on page 4)
- > a replacement boat.

## Total Loss

If we believe your boat is a total loss, we will, at our option:

- > replace your boat with a new boat if:
  - it is less than one year old and was purchased new, and
  - the same make, model and series is locally available, and
  - your boat is not subject to finance, oreither:
  - > pay you the market value at the time of the loss or
  - > pay the cost of replacing your boat or
  - > replace your boat.

We will not pay more than the market value of your boat, or the applicable sum insured stated on your schedule, whichever is the lesser.

When we decide any part of your boat is a total loss:

- > the cover in respect of the item or items which are a total loss comes to an end
- > you cannot claim for any subsequent event for that item or items
- > we do not refund premium and we require the payment of the full annual premium
- > any salvage value may belong to us.

## Repair

When we agree to repair your boat:

- > we will pay for parts consistent with the age and condition of your boat
- > we will pay the reasonable cost of repairs
- > we may require you to contribute to the cost if the repairs put your boat in a better condition than it was before the event
- > we will attempt to ensure that any paintwork, including sign writing, gel coating or surface finish necessarily undertaken, matches existing paintwork, gel coat or surface finish. However, we will not pay for the inability of the repairer to match exactly or meticulously restore your boat to its previous condition, having made their best endeavours.

You must obtain our agreement before any repairs are carried out.

## Damage To Hull While Racing As A Sailing Boat

We will pay for loss or damage to the hull of your boat which occurs while your boat is being raced as a sailing boat. Loss or damage to masts, spars, rigging or sails is excluded unless you have chosen the racing risk extension (see page 10).

## Cost Of Taking Immediate, Essential Action, Salvage And Removal Of Wreck Costs

If the boat has suffered loss or damage, we will pay reasonable costs to protect it from further loss or damage, including any necessary salvage action.

We will pay for the removal of the wreck if ordered by an authorised body.

However, we will not pay more than the sum insured shown on the policy schedule for such costs.

## Cost Of Towing For Repairs

We will pay up to \$250 for the cost of towing your boat to your normal location for necessary repairs following loss or damage covered by this policy.

## Transportation Expenses

If as a result of a valid claim under this policy you are unable to continue your voyage due to repairs being required, we will pay reasonable costs up to \$2,000 towards transporting you and your passengers to your home.

## Personal Effects

We will pay for clothing, bags and diving equipment owned by you, which were temporarily on board your boat and are lost or damaged in the course of an accident (not being theft or malicious damage) which results in our paying a claim, under this policy for loss or damage to your boat.

We will not pay more than \$1,000 for these items if lost or damaged in any one accident and not more than \$200 for any one article.

## Fatality Cover

We will pay \$10,000 to your personal legal representative if:

- > an accident in which you are in control of your boat, or are being towed by it as a water-skier, directly causes your death or disappearance, or
- > death occurs within 90 days of the accident or, in the case of your disappearance, you are not found within 12 months.

We will not pay this benefit if you, having been injured, failed to seek and fail to continue to obtain such medical attention as a reasonable person would in the circumstances.

Where more than one person is named as the insured on the policy schedule and more than one of those insured is involved in a fatal accident, the total \$10,000 benefit shall be divided equally.

## **Cover For Damage To Other People's Property**

We will cover you or any other person navigating or in charge of your boat with your permission, should you or they incur legal liability to pay compensation for damage to other people's property caused by the use of your boat. We will only pay for legal liability if the accident is proved to be your fault.

We will also cover the liability of any person who is engaged in water-skiing or other similar sports while your boat is towing them. This cover is provided only if the legal liability is not covered by any other insurance.

We will not be liable for more than a total of \$1,000,000 including legal costs for any one occurrence or series of occurrences arising from any one accident, whether by way of compensation, damages or legal costs.

## **Cost Of Defence**

We will pay up to \$5,000 for the cost of legal representation for you, or for the person who was in control of your boat at the time of the incident resulting in a claim, before a coronial inquiry or hearing.

## **Liability Arising From The Use Of A Substitute Boat**

When you are using a boat in place of the insured boat with its owner's permission, and your boat is not being used at the time, we will cover your personal liability to someone else's property to the extent that your liability exceeds the cover provided to you by the substitute boat's policy. We will not pay more than \$1,000,000 including legal costs.

## Cover For A Replacement Boat

You must tell us as soon as:

- > you replace your boat with another boat, because we will cover the replacement boat from the time you bought it, provided you give us written details within 14 days of buying it and you pay any additional premium
- > you have replaced the motor(s) or the trailer of your boat without also replacing the hull.

## PleasurecraftCover - Optional Benefits

### Racing Risk Extension

Provided you have selected the racing risk extension as shown on your policy schedule, we will pay for loss or damage to masts, spars, rigging or sails due to force of wind while your boat is being raced as a sailing boat.

In the event of damage under this option, you will be required to contribute an amount of 30% of the cost of repairing or replacing the damaged item or items in lieu of any excess.

## Excess for PleasurecraftCover

An excess is the amount you pay when you make a claim for most of the circumstances covered by this policy. Any excess applicable to this insurance is stated on the policy schedule.

In the event that you are covered by another insurance policy with us for the same loss or damage, only one excess (being the higher) will apply.

### Standard excess

is the amount specified in your policy schedule.

## Voluntary excess

is the amount selected by you in return for a discounted premium as noted in your schedule.

## Burglary And Theft Excess

is the additional excess we require for all claims of theft, conversion or malicious damage occurring anywhere in New Zealand.

## No fault - No excess

You do not have to pay an excess if:

- > we agree that the damage was caused by an accident for which you were not to blame, and
- > you give us the name and address of the other person at fault.

## How you make a claim

To make a claim, call our Claims Unit on **0800 500 216**.

You or any other person covered by this insurance must advise us as soon as reasonably possible following:

- > any loss, damage, accident, or other event which gives or is likely to give rise to a claim
- > receipt of any notice of claim or the institution of any proceedings which gives or is likely to give rise to a claim.

You must immediately report to the Police any theft or damage by vandals.

You must take all reasonable precautions to prevent further loss, damage or liability and seek Police action against any person maliciously damaging your boat or stealing anything from it.

Repairs should not be commenced before we have given our approval to you or your repairer. If this is not done, we may not accept responsibility for the cost.

We will require you or any person covered by this insurance to give us such assistance as we may reasonably require and to provide statements or written detailed particulars to us or anyone investigating the claim on our behalf.

When you make a claim, we may require you to pay an excess or we may deduct an excess from any benefit payable. We will advise you when and how the excess is to be paid or deducted. Where a claim is made against this policy, it may affect your next year's renewal either by variation of the premium, excess or a combination of these.

You must not admit fault or make any offer, promise or payment, or give an indemnity or release to any person without our written consent.

## Truth of statements and fraud

All statements made by you or on your behalf, either on the application or otherwise in support of this policy or any claim, must be accurate in all respects. If any claim under this policy is in any respect fraudulent, all benefits will be forfeited and cover cancelled immediately.

AA Insurance has a policy of prosecuting any offender for fraud, and seeking recovery of any resultant costs.

## The Insurance Claims Register

The Insurance Claims Register (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 Ltd (ICR Ltd), PO Box 474, Wellington.

This policy is issued to you conditional upon you authorising us to place details of any claim 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 we consider relevant to this policy or any claim made against it.

# Providing up to date information

You must tell us as soon as:

- > you change your address
- > you modify your boat, motor(s) or change motor(s)
- > you or any likely driver is charged with or fined for an offence in connection with boats, alcohol, drugs, theft or fraud - including any licence suspension
- > you sell or give away your boat or part ownership in your boat. This policy comes to an end without any notice to you in this situation.

## Exclusions

### General exclusions

We do not provide any benefit:

- > for items stolen from your boat where you have failed to take reasonable precautions to safeguard the item or items
- > for an item or items stolen by a person or persons to whom you have entrusted your boat
- > for depreciation, wear and tear, rust or corrosion, osmosis, wood rot, gel coat fracturing or crazing, paintwork fading, the action of insects or vermin, or loss of use of your boat
- > for loss or damage to your boat or for any legal liability as a result of the unseaworthy or unsafe condition of your boat of which you or the person in control of your boat was or should have been aware
- > for loss or damage or any legal liability as a result of pollution or contamination of any property or thing whatsoever by you
- > for loss or expenses incurred in remedying a fault in design, repairing or replacing any part condemned solely in consequence of a latent defect, fault, or error in design or construction
- > for painting or refurbishing of any areas of your boat that were not damaged

- > for loss or damage caused whilst your boat was left unattended at anchor or moorings for more than 12 consecutive hours
- > for loss or damage caused intentionally by you or a person acting with your express or implied consent.

## **We do not cover loss or damage:**

- > caused by your failure to take all reasonable steps to ensure security and safety of your boat or other property after a fire, theft, breakdown or accident
- > which happened before the policy was taken out or which was unrepaired at the time of damage to your boat giving rise to a claim
- > caused by war, warlike activities or acts of civil disturbance
- > caused by nuclear accident, material or waste
- > when your boat has been entrusted to another person for the purpose of sale unless you tell us beforehand, and we agree to cover you
- > caused by a repairing, servicing or maintenance operation - unless you tell us beforehand, and we agree to cover you
- > caused while your boat is being transported by a commercial carrier or is being loaded or unloaded in connection with such transportation unless you tell us beforehand and we agree to cover you.

## **Legal Liability Exclusions**

We do not provide any benefit for liability:

- > which you or any other person in charge of your boat, your passenger or a water-skier towed by your boat, agree to pay for without obtaining our written consent
- > for damage to property which is owned by, or is in the custody of, a person covered by this policy
- > where the benefits provided by any statutory insurance system in New Zealand will apply other than for fatality cover
- > which arises from the use of a trailer while it is attached to a motor vehicle.

## Driver Exclusions

We do not provide any benefit if you were aware or should reasonably have been expected to be aware that the person in charge of your boat or any vehicle towing your boat at the time of loss or damage:

- > was under the influence of alcohol or a drug or was suffering from a physical or mental defect rendering that person incapable of exercising the required degree of control
- > had been convicted of an offence for being in charge of a boat or vehicle while affected by alcohol or drugs, or had been convicted for failing to take a blood test
- > was not complying with the conditions of an appropriate licence or was unlicensed when a licence was necessary
- > was using your boat for an unlawful purpose.

## Boat Exclusions

We do not provide any benefit unless you have sought and obtained our written approval if your boat:

- > is used other than for private pleasure purposes, including for hire or reward
- > is fitted with a motor more powerful than that recommended by the manufacturer
- > is a motor boat being used for racing, ski trials, speed tests, time trials, or any similar event
- > is being operated more than 80 nautical miles from the New Zealand coast.

We do not provide any benefit if your boat:

- > is overloaded
- > is a trailered boat left unattended on a public thoroughfare or in an area open to access by the public, should the boat and trailer be stolen unless the trailer was adequately secured.

We do not provide any benefit for loss of or damage to:

- > sails, masts, spars or rigging occurring when your boat is racing, unless the racing risk extension applies sails or protective covers split by wind or blown away when set while cruising
- > outboard motor(s) caused by or as a result of the motor dropping off or falling overboard, unless through the boat being stranded, sunk or in a collision
- > loss or damage to motor(s), electrical machinery, batteries, gear or equipment, unless:
  - your boat is submerged due to heavy weather
  - they are stolen following forceful entry or removal from your boat
  - your boat is sunk, stranded, burnt or collides with anything other than water or air
- > any motor if it is in or attached to a hull not covered by this policy - unless you tell us in writing beforehand and we agree to cover you
- > trailered craft caused by scratching, bruising or denting during land transit
- > trailer tyres caused by brakes, road punctures, cuts or bursts
- > your boat caused by fire if propelled by any petrol driven motor unless the boat is equipped with fire extinguishing apparatus, properly installed and maintained in efficient working order.

# Cancellations

## By You

You may cancel the contract in its first 14 days by written notice to us. We will refund your premium in full if you do not make any claim and return the policy and policy schedule to us.

You may also cancel the contract at any other time by written notice to us. We will keep an amount of the premium for the period up to the cancellation and for administration costs, and refund the balance.

## By Us

We may cancel the contract in its first 14 days by giving you seven days notice in writing, posted to your last known address. In these circumstances, cancellations will be effective from 4.00 pm on the seventh day after we have posted the letter advising you.

We may also cancel or avoid the contract for your failure to pay the premium, fraud, misrepresentation, failure to disclose information, breach of your duty of utmost good faith, or breach of contract. We will advise you of the reason for cancellation in writing.

We may also 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.

# Can we help with anything else?

## **AA Insurance RoadCover® Plus**

Comprehensive cover for your car.

## **AA Insurance RoadCover® Third Party or Third Party Fire and Theft**

Affordable cover for your car.

## **AA Insurance RoadCover® Vintage**

Tailored cover for classic and vintage car enthusiasts.

## **AA Insurance HomeCover®**

Full Replacement cover on your house.

## **AA Insurance ContentsCover®**

New For Old cover on your belongings.

## **AA Insurance RemovalCover®**

Cover for your contents while in transit and/or storage.

## **AA Insurance RoadCover®**

### **Caravan/Trailer**

Cover for your caravan or trailer.

## **AA Insurance MotorcycleCover®**

Comprehensive cover on your motorcycle.

## **We're here to help**

Call AA Insurance today on  
**0800 500 213** for cover you can rely on.  
Or visit **[www.aainsurance.co.nz](http://www.aainsurance.co.nz)**  
or your nearest AA Centre.

