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About the Insurer

This insurance is underwritten by QBE Insurance (International) Limited, of Quay Tower, 29 Customs Street, P O Box 44, AUCKLAND.

About Nautilus and its services

Nautilus Marine Underwriting Agency Limited of Level 22, 209 Queens Street, Auckland 1010, New Zealand is the administrator of this insurance as agent for the Insurer. Nautilus has been given a binding authority by QBE which allows it to enter into this policy and handle and settle claims for it, subject to the terms of the binder authority. In dealing in this policy Nautilus acts for QBE and not you.

About Yamaha and their services

This document and this insurance may be provided to you by an authorised marine dealer or Yamaha Motor Finance New Zealand Limited.

Yamaha Motor Finance New Zealand Limited Private Bag 94/412 Greenmount Auckland NZ and its representatives, as well as your marine dealer have been authorised by Nautilus as its general insurance distributor to deal in this product. They are not authorised to provide any advice on this insurance.

INTRODUCTION

This document and the information we send you about your cover is designed to be simple and straightforward to make it easy for you to understand what is included in your cover and what isn't. You should carefully read this policy and any other documentation we send you such as your Certificate of Insurance. Keep them in a safe place for future reference.

Yamaha Motor Finance New Zealand Limited and Nautilus have entered into an agreement to develop market and distribute marine insurance products. This YMI marine insurance has been designed by Nautilus in conjunction with Yamaha to give boat owners like you, simple and easy to understand cover to protect you in the event of a crisis such as a collision, sinking, fire, storm or theft. Plus we give you added benefits, which may not be covered by other insurers, to help you get back out on the water sooner.

MONEY BACK GUARANTEE

If you decide that your insurance cover doesn't meet your needs, for whatever reason, and you have not made a claim, you can return your policy within 21 days of the start of your insurance. You will receive a full refund of any premiums paid (less any taxes or duties we cannot recover). It's called your Cooling Off Period and it's as simple as that.

NO CLAIM BONUS

We will reward you with a no claim bonus discount on your premium when you buy the policy if you have not experienced a recent pleasure craft related claim.

We tell you what your discount is when you apply for the policy.

If you hold the policy with us for three consecutive years and make no claims, we will apply our Maximum No Claim Bonus discount for all future renewals of the policy with us.

UNDERSTANDING

So that you understand exactly what your insurance covers and does not cover, make sure you read the cover sections as well as the limits and exclusions that apply, clearly listed on the following pages. Specific exclusions for each cover are listed next to the insured events to make it simple. Also read the general exclusions which apply to all covers.

SERVICE

We are here to answer any questions you have about your cover. If you have any questions about this insurance or would like to update or change your cover, please:

- call toll free 0800 780 050
- email customerservice@nautilusinsurance.co.nz
- write to Nautilus Marine Insurance
28-32 George Street, Sandringham, Victoria 3191, Australia
- visit www.nautilusinsurance.co.nz

INTRODUCTION

APPLYING FOR COVER

When you apply for this insurance, you will need to complete a proposal. We will use and rely on the information supplied by you to decide the terms of cover we will provide.

We provide cover to you on the terms contained in this document and any other document that we tell you forms part of the terms and conditions of your cover, including the most recent Certificate of Insurance.

The Certificate of Insurance will contain important information relevant to your insurance including the period of insurance, your premium, details of your insured property and the cover selected by you, the excess(es) that will apply to you and others and whether any standard terms have been varied by way of endorsement.

All of these make up your “policy” with us. You need to keep these documents in a safe place together with receipts and other evidence of ownership and value of items you insure.

Before expiry we will send you a renewal notice which tells you whether we will renew your insurance and on what terms. The renewal notice will tell you what is required.

DETERMINING YOUR PREMIUM

When you buy your insurance we tell you the premium you must pay and note it in your Certificate of Insurance.

To determine it we consider factors such as the cover you want, the boat you want to insure, the limits and excesses that will apply and your insurance history.

It also includes an administration fee and amounts that take into account our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. GST) for your insurance.

THINGS YOU SHOULD DO WHEN PURCHASING THIS INSURANCE

UNDERSTAND THIS INSURANCE COVER

You will only be entitled to the cover provided by this YMI marine insurance for which you have paid the applicable premium and which is noted on your Certificate of Insurance.

YMI marine insurance is designed to protect your insured property against some of the most common events such as fire, storm, impact and sinking (see page 12).

It also provides a broad range of Additional benefits which may not be offered by all insurers (see pages 13-17).

There are limits to the cover provided and while some of these are fixed, others may be extended by simply notifying us of the items you own and their value.

There are also exclusions which apply to certain Insured Events (see pages 12-16), as well as general exclusions which apply to all cover under this insurance (see pages 24-25).

Certain words have defined meanings you need to understand (see pages 26-28).

You should read this policy wording in full to ensure you understand the Insured Events and benefits as well as the limits and exclusions to this cover.

WORK OUT WHAT COVER SUITS YOU

You need to ensure that the cover selected by you is suitable for your needs and that the level of cover provided is adequate.

Market value – we pay up to the market value (i.e. the cost to replace the item with a similar item of the same age and condition), but never more than the sum insured listed on your Certificate of Insurance.

Agreed value – in the event of a total loss of the entire boat we pay the amount we have agreed with you. You must obtain a valuation from an authorised boat dealer or boat broker and we must agree and accept the valuation. The agreed value will be listed on the Certificate of Insurance.

The agreed value option is not available to Personal Water Craft.

The maximum amount that we will pay for any item not listed with an agreed value on the Certificate of Insurance will be its current market value.

You are responsible for deciding the amount of your sum insured. If you are having difficulties working out the values please seek the advice of a professional valuer.

THINGS YOU SHOULD DO WHEN PURCHASING THIS INSURANCE

UNDERSTAND YOUR DUTY OF DISCLOSURE

We rely on the information you provide us with, to decide whether to insure you and the terms on which we will insure you and you have a Duty of Disclosure to us.

To comply with your Duty of Disclosure before you enter into the policy or vary, renew, extend, reinstate or replace it, you must tell us everything that you know, and which a reasonable person in the circumstances, could be expected to know, a prudent insurer would want to take into account in deciding whether to insure you and, if so, on what terms.

This applies to every insured under the policy. If you fail in your duty of disclosure we may avoid your contract retrospectively and treat your insurance as if it never existed. You do not have to tell us anything that is common knowledge that we should know through our business, that reduces the risk of a claim or that we tell you we do not need to know.

THINGS YOU MUST DO AFTER YOU HAVE PURCHASED THIS INSURANCE

KEEP INSURED PROPERTY IN GOOD CONDITION AND REPAIR AND ALWAYS PROTECTED

You must maintain your boat in a good state of repair and condition. Any loss or damage caused by poor maintenance is not covered under the policy. You must also make reasonable efforts to protect your boat from any loss or damage. If you make a claim and knew about something that could cause loss or damage to your boat and you did not make reasonable efforts to avoid it before the loss or damage occurred, then your claim may not be paid. If you do suffer loss or damage to your boat you must also make reasonable efforts to prevent any further loss or damage.

KEEP PROOF OF OWNERSHIP AND VALUE

When you make a claim for loss or damage, we will require proof that you owned the item and of its value or your claim may not be paid.

The easiest way to do this is by keeping receipts, valuations, manuals, photographs and other forms of purchase confirmation such as model and serial numbers.

TELL US IF YOU MODIFY YOUR BOAT OR CHANGE ITS USE

You must tell us if you modify your boat from the manufacturer's original specifications or if there is a significant change in the use of your boat.

If you do not provide us with this information you may not be covered in the event of a claim.

When you provide this information to us we may alter the terms and conditions of the policy and this may involve the payment of an additional premium. Alternatively, we may cancel the policy or decide not to offer renewal.

ENSURE THAT YOUR PREMIUMS ARE ALWAYS PAID

You are responsible for ensuring that your premiums are paid or your cover could be put at risk. Please call us if you are ever unsure about your premiums.

MEETING YOUR OTHER OBLIGATIONS

You will need to meet other conditions of the policy, such as claims conditions, or we may reduce or refuse to pay a claim and/or cancel the policy.

INSURING YOUR BOAT

WHAT IS YOUR “BOAT”?

For the purpose of this policy boat means your boat which is comprised of the:

- hull;
- motors, including fuel tanks;
- trailer;
- equipment and accessories;
- boat tender.

Your boat includes any replacement boat, but does not include modifications you have not told us about or which are not shown on your Certificate of Insurance. Your boat does not include contents or personal effects as defined in the policy, but limited cover is separately provided for these items in this policy.

WHAT IS AN EXCESS?

An excess is the first amount of any claim which must be paid by you. If an excess is applicable to any sections of your policy the amount will be shown in the Certificate of Insurance.

- This amount shall be deducted from the amount payable on each claim;
- There is no excess for claims arising out of death or bodily injury under the personal accident or legal liability sections of this policy;

OTHER PARTY'S INTERESTS

We only cover your interest in the boat, unless we specifically include cover for the interest of another party.

You must tell us of the interests of all parties (e.g. credit providers or other owners) who you want to be covered by the policy. We will cover their interests only if you have told us about them and we have noted them on your Certificate of Insurance.

IF YOU HAVE BORROWED MONEY TO BUY YOUR BOAT

If a credit provider is noted as having an interest in your boat on your Certificate of Insurance and, if you have a claim and we agree to settle on a cash basis, we have the option of making this payment to the credit provider in full or part settlement of your claim.

In this situation, we will pay the credit provider the amount we agree to settle the claim, up to the amount outstanding under your finance contract.

INSURING YOUR BOAT

GOODS AND SERVICES TAX

Provided that Goods and Services Tax (GST) is recoverable by QBE:

- (a) any limit of QBE's liability expressed in this policy is exclusive of GST to the intent that, in the event of a claim, QBE will pay a maximum of that limit plus GST to a maximum of the current rate of GST applied to that limit; or
- (b) if no limit is expressed, QBE will pay the amount of the claim plus GST at the current rate.

REINSTATEMENT OF SUM INSURED FOR CERTAIN CLAIMS

When we pay a claim for your boat that is not a total loss, or repair an item, the relevant sum insured for your boat, or item will be automatically reinstated to the same amount shown in the Certificate of Insurance unless we tell you otherwise in writing. You are required to give us written details of the replacement item/s within 21 days of purchasing them. You must pay us any additional premium and government charges that we ask you for.

IF YOUR BOAT IS A TOTAL LOSS

If there has been a total loss payout made by us, your boat, or item will become our property and we will keep the proceeds of any salvage sold.

There is no premium refund payable if we settle a claim for your boat on a total loss basis.

MAKING A CLAIM

WHAT HAPPENS IF YOU NEED TO MAKE A CLAIM?

What you must do

For us to consider your claim, you must:

- Promptly take all reasonable and responsible precautions to prevent any further loss or damage, theft, malicious damage or transit damage to your boat, including electrical equipment and components which have been submerged and in the case of a motor, the flushing out and oiling of the motor and the drying out of its and all other electrical equipments and components
- Make a report to the police if there is malicious damage, theft or attempted theft of your boat
- Contact us and tell us details of what has happened
- Complete our claim form and any other form we ask you to complete
- Do not dispose of any damaged property

You must not authorise repairs to your boat without our consent

If we agree you have a claim, only We have the right to:

- Make or accept any offer or payment, or in any other way admit you are liable
- Settle or attempt to settle any claim, or
- Defend any claim

What you must pay if you make a claim – Excess For most claims you make on this policy, you will have to pay an excess:

- The excess amount is shown on your Certificate of Insurance
- The excess is the amount you must pay in respect of each and every claim

When we may refuse a claim

We may refuse a claim if amongst other things:

- When making a claim, you:
 - Are not truthful,
 - Have not given us, or refuse to give full and complete details, or
 - Have not told us something you should have
- You do not at all times take reasonable care to:
 - Prevent theft of the boat
 - Protect your boat against any initial or further loss or damage
 - Keep your boat in good condition
 - Obey any statutory requirements that safeguard people or their property

MAKING A CLAIM

- You do not give us the documents and information we may need to help us decide on any amount that we may pay you
- You do any of the following without Our knowledge and consent:
 - Make or accept any offer or payment, or in any other way admit you are liable
 - Settle or attempt to settle any claim
 - Defend any claim
- You do not as soon as possible make a report to the Police about:
 - Any malicious damage to your boat, or
 - Any theft or attempted theft of your boat
- You do not give us a written statement from the Police saying that you reported such an event to them

WHAT HAPPENS AFTER YOU MAKE A CLAIM?

If your boat or other item is covered under the policy we will at our discretion:

- repair or replace your boat, or item;
- pay you the reasonable cost of repairing or replacing your boat, or item, less any applicable depreciation and/or contribution; or
- pay you the agreed value or market value of your boat, or item (whichever is applicable).

However, other than as provided for under the New for Old Additional benefit, we will never pay more than the relevant sum insured or limit specified in this document or on your Certificate of Insurance less any applicable excess.

If we pay you the reasonable cost of repairing or replacing your boat or item our payment will be based on the cost required to repair or replace it as near as possible to its appearance and condition immediately prior to the claimed loss or damage.

If your claim involves loss or damage to the mechanical and electrical components of the motor(s) up to its agreed value or market value (whichever is applicable), We will repair on a new for old basis motors up to 5 years of age, and where possible we will use the manufacturers genuine parts. We will not make a deduction for wear and tear and/ depreciation.

OTHER IMPORTANT MATTERS

HOW CLAIMS IMPACT YOUR NO CLAIM BONUS

If you have a claim under the policy your no claim bonus will be reduced on renewal.

However, if you have held this policy with us for three consecutive years (i.e. renewed the policy at least twice) and have not made a claim, we will not reduce your no claim bonus as you will have earned our Maximum No Claim Bonus discount for all future renewals of the policy.

EXPENSES TO AVOID OR MINIMISE LOSS

If your boat sustains damage or gets into difficulties in an accident, we will pay the reasonable cost to minimise the damage such as:

- removing your boat to safety (including emergency towing);
- drying all the electrical equipment on the motor(s);
- cleaning and oiling of the motor(s) by a qualified mechanic.

You do not need our authority to take such action if it is an emergency and you are unable to contact us to obtain our authority. You must advise us as soon as possible after the action has been taken.

These emergency costs are in addition to the sum insured shown on your Certificate of Insurance for your boat.

PERIOD OF INSURANCE

Cover is only provided under the policy in relation to the Insured Events and Additional Benefits that occur:

- during the period of insurance.

BOAT COVER

This cover will only apply if you have selected it, paid the applicable premium and it is shown as covered on your Certificate of Insurance.

Your YMI marine insurance will cover you for loss or damage to your boat caused by one of the following Insured Events:

INSURED EVENT – YOU ARE COVERED FOR:	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: <i>(See also General Exclusions on pages 24-25)</i>
<p>ACCIDENTAL LOSS OR ACCIDENTAL DAMAGE We will cover you for accidental loss or accidental damage to your boat. This includes damage caused by fire, storm, impact, sinking and any other event not specifically excluded by the policy</p>	<ul style="list-style-type: none"> • Loss or damage to an outboard motor when secured to a boat or a boat tender in a manner other than that specified or recommended by the manufacturer of the motor, boat or boat tender; • Loss or damage specifically excluded under the other Insured Events listed in the policy.
<p>THEFT We will cover you for the theft of your boat and or/its contents and personal effects.</p>	<ul style="list-style-type: none"> • Theft by someone who is using the boat with your consent; • Theft of fishing gear, diving equipment, water ski equipment, contents and personal effects unless there is physical evidence of violent and forcible entry into your boat or the loss involves, violent and forcible removal of the items from the place of storage. In the event of a claim it will be necessary for you to demonstrate that there is physical evidence of violent and forcible entry into the boat or place of storage. It is a condition of this cover that you are required at all times to take reasonable measures to prevent theft.
<p>MALICIOUS DAMAGE We will cover you for malicious damage to your boat</p>	<p>Loss or damage caused by you or a person acting with your express or implied consent.</p>
<p>TRANSIT DAMAGE We will cover you for accidental loss or accidental damage to your boat which occurs while your boat is being transported on its own trailer by road, rail or ship.</p>	<p>Loss or damage if:</p> <ul style="list-style-type: none"> • your boat is not designed to be normally transported on a boat trailer; • you have not complied with statutory requirements.

ADDITIONAL BENEFITS FOR BOAT COVER

The policy is extended to include the following Additional Benefits when your boat is covered by one of the Insured Events detailed on Page 12.

ADDITIONAL BENEFITS	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: <i>(See also General Exclusions on pages 24-25)</i>	COVER LIMIT
<p>TYRE AND RIM COVER We will cover accidental loss or accidental damage to your boat trailer tyre/s and/or rim/s due to impact. The impact must cause the tyre/s to puncture, burst, blow out or damage the rim/s so the tyre/s can not be inflated.</p>	<p>Failure of the tyre/s or rim/s due to wear and tear or gradual deterioration is not covered.</p>	<p>\$1,000 in total</p>
<p>PERSONAL EFFECTS We will cover accidental loss or accidental damage to personal effects owned by you and your passengers, which are being used or stored on your boat at the time of that loss or damage.</p>	<p>Theft unless there is physical evidence of violent and forcible entry into your boat or the loss involves violent and forcible removal of the items from the place of storage. Loss or damage to personal effects other than clothing, shoes, waterproof gear, prescription glasses, prescription sunglasses and Manchester, bags, wallet or purses (excluding cash or credit cards), toiletries, hats or caps. Loss or damage unless the items were on or being used or stored on your boat at the time of the loss Loss or damage under this benefit when a total loss has been paid by us for your boat.</p>	<p>\$500 per item, \$5,000 in total</p>
<p>FISHING, DIVING, WATERSKIING AND AQUAPLANING EQUIPMENT We will cover accidental loss or accidental damage to your fishing gear, diving equipment, water ski equipment and aquaplaning equipment.</p>	<p>Theft unless there is physical evidence of violent and forcible entry into your boat or the loss involves violent and forcible removal of the items from the place of storage. Loss or damage unless the items were on or being used with your boat at the time of the loss. Loss or damage under this benefit when a total loss has been paid by us for your boat</p>	<p>\$1,000 per item, \$5,000 in total</p>

ADDITIONAL BENEFITS FOR BOAT COVER

The policy is extended to include the following Additional Benefits when your boat is covered by one of the Insured Events detailed on Page 12.

ADDITIONAL BENEFITS	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: <i>(See also General Exclusions on pages 24-25)</i>	COVER LIMIT
<p>EMERGENCY LAND TRANSIT We will pay the cost of towing your boat in an emergency to your home or the nearest place where repairs can be made. No excess is applicable to a claim for this additional benefit and our payment will be in addition to the sum insured for your boat.</p>		\$5,000 in total
<p>LOST KEYS We will cover you for the accidental loss or theft of the keys of your boat or Personal Watercraft including the costs associated with recoding the new keys. Nil Excess.</p>		\$500 in total
<p>REPATRIATION COSTS We will pay the reasonable travel costs for you and/or your immediate family members to return to your home city after an Insured Event occurs which results in a claim payable under this policy. The cover provided by this benefit will only be paid if the loss or damage sustained by your boat necessitates your immediate return home. Nil Excess.</p>		\$1,000 in total

ADDITIONAL BENEFITS FOR BOAT COVER

The policy is extended to include the following Additional Benefits when your boat is covered by one of the Insured Events detailed on Page 12.

ADDITIONAL BENEFITS	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: <i>(See also General Exclusions on pages 24-25)</i>	COVER LIMIT
<p>TOURNAMENT COVERAGE AND FEE REIMBURSEMENT</p> <p>We will cover you for the accidental loss of entry fees paid by you should a claim payable under this policy cause you to miss or withdraw from a fishing tournament. The cover provided by this benefit will only be paid if the loss or damage sustained by your boat necessitates your withdrawal. Nil Excess.</p>	<p>Any other financial loss.</p>	<p>\$500 in total</p>
<p>PERSONAL ACCIDENT</p> <p>You are covered for:</p> <p>your death; or</p> <ul style="list-style-type: none"> • your injury causing permanent and total loss of: sight of an eye; the use of a limb; the thumb or any finger; <p>during the period of insurance caused directly and solely by an accident which occurs while you are using your boat for private pleasure purposes or voluntary rescue work.</p>	<p>The cover under this additional benefit only applies to individual(s) that are listed as an insured on the Certificate of Insurance. If more than one individual is listed as an insured on the Certificate of Insurance the amount payable to the individual claiming under this additional benefit will be limited to the amount payable, divided by the number of individuals shown on the Certificate of Insurance as insureds. Our payment is subject to the individual claiming under this additional benefit obtaining medical attention for the injury from a registered medical practitioner and undergoing any medical examination requested by us.</p>	<p>\$20,000</p>

ADDITIONAL BENEFITS FOR BOAT COVER

The policy is extended to include the following Additional Benefits when your boat is covered by one of the Insured Events detailed on Page 12.

ADDITIONAL BENEFITS	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: <i>(See also General Exclusions on pages 24-25)</i>	COVER LIMIT
<p>PERSONAL ACCIDENT cont</p> <p>We will pay:</p> <ul style="list-style-type: none"> the personal accident sum insured noted on the Certificate of Insurance for claims involving death, permanent and total loss of use of a limb or the total loss of sight of an eye; up to 20% of the personal accident sum insured noted on the Certificate of Insurance for claims involving permanent and total loss of the thumb or any finger. <p>We will also pay your reasonable costs up to \$1000 for reasonable emergency expenses you incur as a result of the personal accident. You must produce receipts for all costs incurred.</p>	<p>We will not cover</p> <ul style="list-style-type: none"> Death, permanent injury or total loss of the use of a limb occurring after 12 months from the date of the accident; and/or Self inflicted death or self inflicted injury including suicide or attempted suicide whilst sane or insane. 	
<p>FUNERAL EXPENSES</p> <p>We will pay up to \$5,000 inclusive of GST for funeral expenses if you die during the period of insurance because of an accident which occurs while you are using your boat for private pleasure purposes or voluntary rescue work.</p>		\$5,000

ADDITIONAL BENEFITS FOR BOAT COVER

ADDITIONAL BENEFITS

TEMPORARY COVER EXTENSION

If we have invited renewal of your policy and you have been at sea in your boat for a period of more than 24 continuous hours and the period of insurance expiry date falls in that period, we will provide a temporary extension of the period of insurance until 24 hours after your boat arrives at its next port.

VOLUNTARY RESCUE WORK

We extend cover under this policy for the Insured Events detailed on Page 12 where you use your boat for voluntary rescue work.

CONSIGNMENT

We extend cover under this policy for the Insured Events detailed on Page 12 while your boat is on consignment for sale at a recognised marine dealership. Lay up cover is not available while your boat is on consignment.

NEW FOR OLD – TOTAL LOSS

If your boat is covered under this policy for a total loss within one year of its original registration, we will at our option, replace your boat with a new boat of the same make, model or series or pay to you the replacement value of a new boat or similar new boat.

SALVAGE

If your boat is damaged or sinks and this is covered under this policy, we agree to recover it or the law requires that it must be removed, we will pay the reasonable costs of the salvage charges incurred for the removal/recovery of the wreck. This cost will be paid in addition to the sum insured for your boat noted on your Certificate of Insurance.

TIME TRIALS

We extend cover under this policy for the Insured Events detailed on Page 12 while your boat is engaged in time trials conducted under the control or regulation of your Power Boat Club or Association or equivalent body to a maximum speed of 25 knots

CHANGE OF BOAT

Cover is provided if you purchase another boat to replace the boat described on the Certificate of Insurance, and you have:

- notified us within 21 days of its purchase; and
- we have agreed to cover it under the policy; and
- you have agreed to pay us the premium we require for it.

MARINA INDEMNITY

We extend cover to include liability imposed upon you by the terms and conditions of any lease or agreement for the provision of a storage facility.

OPTIONAL BENEFITS FOR BOAT COVER

The following Optional Benefits can be added to your YMI Marine Insurance Boat Cover for an additional premium. If taken, these benefits will be shown on your Certificate of Insurance.

OPTIONAL BENEFITS – YOU CAN ADD TO YOUR COVER: (only applicable if we have agreed to provide the cover and if specified as covered in the Certificate of Insurance)	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: <i>(See also General Exclusions on pages 24-25)</i>	COVER LIMIT
LAY UP COVER If you take this option, the cover for your boat is restricted to accidental loss or accidental damage caused by the Insured Events detailed on Page 12, occurring while the boat is within the gates, walls or fence of your home address (or at any location you have advised us of and we have agreed to cover in writing) as specified on the Certificate of Insurance. This restriction in cover gives you a monthly discounted premium and only applies during the period specified on the Certificate of Insurance.	Loss or damage while in transit unless your boat is being taken to or from a marine dealership for servicing and maintenance.	Sum insured

OPTIONAL BENEFITS FOR BOAT COVER

The following Optional Benefits can be added to your YMI Marine Insurance Boat Cover for an additional premium. If taken, these benefits will be shown on your Certificate of Insurance.

OPTIONAL BENEFITS – YOU CAN ADD TO YOUR COVER: (only applicable if we have agreed to provide the cover and if specified as covered in the Certificate of Insurance)	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: (See also General Exclusions on pages 24-25)	COVER LIMIT
<p>3 YEARS NEW FOR OLD REPLACEMENT</p> <p>This Optional Benefit allows you to extend the New for Old replacement cover from 1 year to 3 years: If you have paid the required extra premium and the 3 year New for Old cover option is noted as applicable on your YMI Certificate of Insurance, The cover provided under New for Old is replaced with the following: New for Old: If your boat is declared a total loss within 3 years of its original registration, we will at our option, replace your boat or Personal Water Craft with a new boat or Personal Water Craft of the same make, model or series or pay to you the replacement value of a new boat or Personal Water Craft or similar new boat or Personal Water Craft. We will also pay for all registration cost and statutory charges and any increase in the purchase price of the replacement boat or Personal Water Craft to a maximum of 10% above the boat's or Personal Water Craft original purchase price. The cover will end as soon as one of the following occurs:</p> <ul style="list-style-type: none"> • The policy is cancelled; • Your boat or Personal Water Craft is no longer covered by Yamaha Marine Insurance; • Three years from the boats or Personal Water Craft original registration; • Your boat or Personal Water Craft has been sold. 		Sum insured

OPTIONAL BENEFITS FOR BOAT COVER

The following Optional Benefits can be added to your YMI Marine Insurance Boat Cover for an additional premium. If taken, these benefits will be shown on your Certificate of Insurance.

OPTIONAL BENEFITS – YOU CAN ADD TO YOUR COVER: (only applicable if we have agreed to provide the cover and if specified as covered in the Certificate of Insurance)	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: (See also General Exclusions on pages 24-25)	COVER LIMIT
<p>WATER-SKIING AND AQUAPLANING ACTIVITIES OPTION</p> <p>This optional benefit extends the legal liability section of the policy to cover you or any person allowed by you to control your boat and the observer (within the requirements of any law) against legal liability for:</p> <ul style="list-style-type: none"> • accidental damage during the period of insurance to another person's property caused by a water skier or aquaplaner being towed by your boat. <p>This benefit will also cover the water skier or aquaplaner being towed by your boat for their legal liability to others for accidental damage during the period of insurance to another person's property.</p>	<p>In addition to the legal liability exclusions on page 22-23, the following exclusions will apply to this optional benefit.</p> <p>Liability arising out of water skiing or aquaplaning when:</p> <ul style="list-style-type: none"> • there is not a legally competent observer in addition to the driver on board your boat at the time of the accident; • an aerial device or ski ramp being used; • a ski mast, ski pole or ski tower are being used unless it has been professionally designed, manufactured and installed. <p>Liability arising out of the towing of:</p> <ul style="list-style-type: none"> • any person by a boat or Personal Water Craft that breaches any statutory requirements; • any device not designed and professionally manufactured for the purpose of being towed behind a boat(e.g. tyre tubes or surfboards). <p>Bodily injury of a person who is covered under the Injury Prevention Rehabilitation and Compensation Act 2001, the Employment Contracts Act 1991 or any amendments or replacement legislation</p>	<p>Legal Liability Sum insured</p>

LIABILITY COVER

Operating your own boat

- We cover you and any person allowed by you to control your boat against legal liability for: Accidental damage during the period of insurance to other people's property;
- The rescue during the period of insurance of you, your passengers or your crew;
- Any attempt or actual raising, removal or destruction of the wreck of your boat during the period of insurance or any neglect or failure to raise, remove or destroy your boat during the period of insurance.

Operating a Substitute Boat

We will cover you against legal liability for:

- Accidental damage during the period of insurance to other people's property;

Caused by the use of the substitute boat provided that

- You have permission from its owner, and;

- Your boat is not being used at the time, and
- You or any member of your family do not own or have an interest in the substitute boat.

If you are entitled to cover under any other policy then We will only be liable under this section for the amount your liability exceeds the limits of cover under any other policy.

What you are not covered for – Legal Liability – Operating your own or a substitute boat:

We will not pay the costs of liability:

- For loss of or damage to any property owned by you or in your custody or control or the property of any other person covered by this policy;
- For bodily injury of a person who is covered under the Accident Compensation Act 2001, or brought pursuant to the Employment Relations Act 2000 or any amendments or replacement legislation;
- In connection with the activity of scuba diving;

- For loss or damage to third party property arising from the trailer being towed by or breaking away from/accidentally becoming detached from the towing vehicle;
- In connection with water skiing or aqua planning activities unless the optional benefit for "water skiing and aqua planning" has been selected by you and has been noted on your Certificate of Insurance;
- In connection with the towing of persons or objects in the air including parasailing;
- In connection with the transmission of any disease;
- In connection with asbestos or any product containing asbestos;
- In connection with tradesperson or company engaged by you for the repair, service or maintenance of your boat;
- In connection with radioactivity or from the use, existence, or escape of any nuclear fuel, nuclear material, or nuclear waste;

LIABILITY COVER

- Established by a court or tribunal outside New Zealand or a court or tribunal that applies laws other than the law of New Zealand;
- For any fine or penalty;
- For aggravated, exemplary or punitive damages.

What we will Pay – Legal Liability

We will pay :

- Any compensatory damages, interest and costs awarded against you, and
- Reasonable legal fees and expenses incurred to defend any covered liability.

We will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.

Limit on What We Will Pay – Legal Liability

The maximum We will pay is the amount shown in the Certificate of Insurance in total for all claims that arise from

any one accident. This maximum amount includes all legal fees and expenses.

ACCIDENTAL DISCHARGE, RELEASE OR ESCAPE OF FUEL OR LUBRICANTS AND CLEAN UP AFTER AN ACCIDENT

We will cover you for:

- liability for property damage caused by or arising from a sudden unexpected and unintended discharge directly or indirectly arising from the release or escape of fuel or lubricants from your boat or motor occurring at a clearly identifiable time and place during the period of insurance and the cost of cleaning an accident site following this provided that you are liable for the clean up.

We will pay no more than \$100,000NZD (inclusive of legal costs) for any one accident or series of accidents or discharges arising out of the same event in relation to this cover.

SPECIFIC EXCLUSIONS FOR CLAIMS INVOLVING THE ACCIDENTAL DISCHARGE, RELEASE OR ESCAPE OF FUEL OR LUBRICANTS

We will not pay any legal liability that arises from:

- your own wilful negligence or misconduct;
- the wilful negligence or misconduct of any person in possession of your boat with your permission;
- fuel or lubricants not being used in connection with the operation of your boat or motor at the time of loss.

General Exclusions – Applicable to Cover for Your Boat and Legal Liability

We will not cover you when:

1. Your boat is outside the geographic limits described in the Certificate of Insurance. However we will provide cover in the following circumstances:
 - if your boat goes beyond the geographic limits to reasonably respond to an unforeseen emergency;

LIABILITY COVER

- if your boat goes beyond the geographic limits because of circumstances beyond your control or the reasonable control of the person in charge or control;
 - if you advise us you will go beyond the geographic limits and we agree to extend cover in writing.
2. Your boat is being operated:
 - At a speed greater than 60 knots, or
 - With a motor more powerful than recommended by the hull manufacturer for the hull specifications, or
 - With more than the maximum number of passengers or load recommended by the hull manufacturer.
 3. Your boat is in the control of you or any person with your express or implied consent while under the influence of alcohol or of any drug or had a percentage of alcohol or drugs in your/their breath or blood in excess of the percentage permitted by law in the place where loss, damage or liability occurred.

However, we will cover you if you were not on board the boat at the time and can clearly demonstrate that you had no reason to suspect that the person in control would be under the influence of alcohol and any drug or had a percentage of alcohol or drugs in excess of legal limits.

4. Your boat was being used for an unlawful purpose.
5. Your boat was being used for hire or charter or for payment or reward at the time of the accident or loss unless We specially agree to cover this use and specify the cover in the Certificate of Insurance.
6. Your boat was being towed on a trailer and the driver with your express or implied consent was not licensed to drive the vehicle towing that trailer in accordance with the law. But We will cover you if you were not in that vehicle at the time and can clearly demonstrate that you had no reason to suspect that the driver was unlicensed.
7. Your boat is being transported on a trailer unless the boat is designed and built for that purpose.

8. Your boat is being loaded or unloaded or transported by a commercial carrier unless you tell us before hand in writing, and We agree in writing to cover you.
9. The boat is being used for permanent living accommodation unless you tell us beforehand in writing, and We agree in writing to cover you.
10. You do not keep the boat in good order and repair, or in a poor state of seaworthiness and in compliance with any statutory requirements.
11. Your boat is under major hull repair or undergoing alteration (e.g. extending the length of the boat, major refurbishment of deck, cabin and hull or replacing inboard engines) unless you tell us beforehand in writing, and the We agree in writing to cover you.

GENERAL EXCLUSIONS

You are not covered for:

- Any Insured Event or Additional Benefit resulting from the failure to maintain your boat in good order and repair or in a proper state of seaworthiness;
- Theft by persons to whom you have loaned your boat;
- Loss or damage intentionally caused by you or a person acting with your express or implied consent unless required by law;
- Depreciation;
- Loss or Damage caused by normal wear and tear;
- Loss or Damage caused by timber rot, delamination, osmosis, deterioration, vermin or marine growth;
- Loss or Damage caused by rusting or other forms of corrosion, electrolysis;
- Loss or Damage caused by lack of maintenance;
- Loss or Damage to your boat if left unattended at anchor or mooring or berth for a period in excess of 12 consecutive hours;
- Theft of your boat or trailer whilst unattended unless secured by a recognised anti-theft device or secured within a locked building or compound;
- Loss or damage arising from water ingress into motors or electrical equipment while in use unless caused by a breach of the hull or directly caused by one of the insured events listed earlier in this policy;
- Other than time trials mentioned the use of the boat for powerboat racers or speed trials;
- Mechanical, structural, electrical or electronic breakdown unless directly caused by one of the insured events listed in this wording;
- Inherent defects, latent defects, structural faults, faulty workmanship;
- Financial or mental loss which occurs because you cannot use your boat;
- Accidental loss or damage to fishing gear, diving equipment, tools and/or water ski equipment whilst in use;
- Any Insured Event or Additional Benefit directly or indirectly caused by/or arising from radioactivity or from the use, existence, or escape of any nuclear fuel, nuclear material, or nuclear waste;
- Any Insured Event or Additional Benefit arising directly or indirectly from pollution or contamination by any substance;
- Any fine or penalty;
- Any Insured Event or Additional Benefit arising directly or indirectly from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power;

GENERAL EXCLUSIONS

- Any Insured Event or Additional Benefit arising directly or indirectly from any act of terrorism.

You are also not covered for:

- consequential loss of profits;
- your liability under any contract, or if you have agreed to or accepted liability without our agreement first;
- acts or omissions by you or someone with your consent, if the acts are unlawful or are intended to be done with reckless disregard for the consequences.

WHAT DO OUR WORDS REALLY MEAN?

ACCIDENT/ACCIDENTAL

means an event that you did not expect or intend to happen.

AGREED VALUE

means the amount we agree to insure your boat for as shown on your current Certificate of Insurance.

BOAT

means the boat/PWC described in the Certificate of Insurance, including its hull, motor/s (including fuel tanks), trailer, equipment and accessories, and boat tender. It includes any replacement boat. It excludes modifications you have not told us about or which are not shown on your Certificate of Insurance.

BOAT TENDER

means an auxiliary boat or dinghy used as a lifeboat or means of transportation between your boat and shore. The boat tender must be marked with the same registration number as the boat listed on your current Certificate of Insurance and not registered in its own right.

CERTIFICATE OF INSURANCE

means the latest Certificate of Insurance we give you. We give you a Certificate of Insurance when you first buy the policy or whenever any part of the policy is changed or when the policy is renewed.

CONTENTS

means portable household goods, appliances, refrigerators, microwave ovens, televisions, glassware, crockery, cutlery and cooking utensils while on your boat only. contents does NOT include antiques, ornaments, works of art, jewellery, precious stones, furs, curios, collectibles, items that contain gold and silver, bonds, cash, credit cards, cheques and any similar financial items, cameras, mobile phones, electronic organisers, tools of trade, bicycles, computers, software and computing equipment.

DAMAGE

means any form of physical harm to the boat but does not include wear and tear or any condition or fault that was present before this policy came into force.

DEPRECIATION

means a reduction in the value of the boat a result of wear and tear including age.

DIVING EQUIPMENT

means recognised and commercially manufactured sports diving equipment including regulators, tanks and buoyancy compensation devices owned by you.

EQUIPMENT AND ACCESSORIES

means items manufactured and intended for use on your boat or motor that are portable or not permanently attached to the hull or motor.

Equipment includes depth sounders, marine radios/transceivers, navigation equipment, fish finders, tools, fishing gear, water ski equipment and diving equipment.

Accessories include boat covers and canopies, batteries, portable fuel tanks, anchors, paddles, oars, tender and similar items used for safety equipment as required by law.

EXCESS

means the amount you must contribute when a claim is accepted under the policy as shown on your Certificate of Insurance.

FINANCE CONTRACT

means the finance arrangement with the credit provider for the boat or motor listed on your Certificate of Insurance.

FISHING GEAR

means rods, reels, tackle and other similar equipment owned by you and used for the purpose of recreational/sport fishing.

GEOGRAPHIC LIMIT (S)

means all waters within New Zealand and those waters off the coast of New Zealand as restricted or noted on your Certificate of Insurance.

HULL

means the shell of the boat, deck, fixtures and fittings either on or below deck that are not normally removable and would normally be sold with the boat.

LATENT DEFECT

Any flaw in the material used in the construction of the boat that has now become evident and would not have been discoverable by a competent tradesperson carrying out an inspection.

LAY UP

means the period nominated by you during which you do not use your boat and you keep it on its trailer at the address shown on your Certificate of Insurance.

MALICIOUS DAMAGE

means intentional damage to your boat or motor by someone other than you and without your consent.

MARKET VALUE

means the retail value of items of a similar type, age and condition, with adjustment for special features if any.

We may use recognised industry publications to calculate the amount.

MOORING

Means the method your boat is secured to a fixed object such as a, pontoon, marina berth, private jetty or swing mooring.

MOTOR

means stern drive units, inboard and outboard engines as described in the Certificate of Insurance and include the propeller, shaft, gearbox, skeg, jet unit, wiring harness, instruments, portable fuel tank, control cables and generator.

PERIOD OF INSURANCE

means the period of time that you are covered by the policy. This period is shown on your Certificate of Insurance.

PERSONAL EFFECTS

means personal items belonging to you or any passenger which are being used or stored on your boat at the time of loss. The cover for personal effects is limited to clothing, shoes, waterproof gear and manchester.

WHAT DO OUR WORDS REALLY MEAN?

POLICY

means your insurance contract with us. It includes this document, your insurance application and the Certificate of Insurance including any endorsements issued by us.

PREMIUM

Means the amount you pay for the insurance provided by this policy.

SALVAGE

means either the action of saving your boat or motor in a time of peril or what is left of your boat or motor after it has suffered loss or damage.

SALVAGE CHARGES

means reasonable charges and expenses which are incurred in salvage or in preventing or minimising loss or damage to your boat or motor.

SUM INSURED

means - for a market value policy the maximum amount we will pay will be the lesser of either the sum insured shown on

your current Certificate of Insurance or the market value of the lost or damaged property.

For an agreed value policy the total sum insured shown on your current Certificate of Insurance.

This is the maximum amount we will pay.

TOOLS

means those tools used for the normal operation of the boat.

TOTAL LOSS

means the loss of your entire boat or damage to your boat which your boat insurer considers to be uneconomical to repair.

TOTAL LOSS PAYOUT

means a payout of the full sum insured value for your boat in respect of a total loss.

TRAILER

means a vehicle designed to be towed by a motor vehicle and used in transporting boats as described in the Certificate

of Insurance. It must be roadworthy, and in a condition that complies with registration requirements.

WATER SKI EQUIPMENT

means commercially manufactured water ski equipment owned by you.

WE, US, OUR

means Nautilus Marine Insurance Agency Pty Ltd in its capacity as agent for QBE Insurance (International) Limited (QBE)

YOU, YOUR

means the person or persons named as the insured on your Certificate of Insurance.

If more than one person is named as the insured, we will treat a statement, act, omission or claim of any one

of those people as a statement, act, omission or claim by all those people.

OUR OBLIGATIONS TO YOU

RENEWING THE POLICY

At least 14 days before the policy expires we will send you a renewal notice, outlining our renewal terms, if any. You are not obliged to renew the policy with us.

CANCELLING YOUR INSURANCE

You can cancel the policy at any time by telling us in writing that you want to cancel it. Where “you” involves more than one person “We” will only cancel the policy when a written agreement to cancel the policy is received from all interested parties.

We will refund any premium you have paid, less an amount that covers the period for which you were insured, unless there has been a total loss.

We can cancel your insurance by giving you 14 days’ prior written notice to your last known address by us. We will refund any premium you have paid, less an amount that covers the period for which you were insured, unless there has been a total loss.

IF YOU SELL YOUR BOAT

If you sell or otherwise give away your boat or part-ownership in your boat and do not tell us, the cover under this policy ceases immediately without notice to you from the time of sale or otherwise give away.

CONFIRMING TRANSACTIONS

You may contact us in writing or by phone to confirm any transaction under your insurance if you do not have the required policy confirmation details.

LAW AND PRACTICE

Any dispute arising from this policy will be determined by the courts, and in accordance with the laws of New Zealand where your policy was issued.

CONTACTING US

If you need to contact us for any reason about your insurance or to obtain confirmation of any policy transaction, please call us on: NZ 0800 780 050

UPDATING THIS POLICY WORDING

We may need to update this policy wording from time to time if certain changes occur where required and permitted by law. We will issue you with a new policy wording.

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