

PLEASURE CRAFT

DEFINITIONS

For this section:

Vessel means a motor boat, ski boat, fishing boat, sailing boat or jet ski specified in the Schedule comprising the hull not exceeding a 10 meter, machinery, motors, equipment, standard fittings and equipment that are normally sold with it. The maximum engine capacity of a:

- fixed hull may not be more than 250 horsepower per engine and the total horsepower may not exceed 300 horsepower;
- rubber duck may not exceed 100 horsepower.

The cover does not include the trailer which must be insured separately under the Motor section.

COVER PROVIDED FOR THE INSURED CRAFT

1. OUR INDEMNITY TO YOU

- 1.1 If the Vessel is lost or damaged following an Insured Event, We will at Our election indemnify You by paying for its repair by a repairer acceptable to Us or replacement or the amount of the loss or damage less the first amount payable. **We will not be expected to achieve an exact restoration and the repair or replacement will be as close to the original specification as possible.** If the Vessel is the subject of an instalment sale or lease agreement any money due to You will be used first towards the repayment of the debt under the agreement.
- 1.2 The maximum amount payable by Us will be:
 - 1.2.1 the current purchase price of a new Vessel of the same or similar model if the Vessel is less than 4 years old; or
 - 1.2.2 the current market value if the Vessel is older than 4 years; or
 - 1.2.3 the limit of indemnity shown in the Schedule, whichever is the lower, less the first amount payable.
- 1.3 Average shall apply if the sum insured of the Vessel is less than its market value at the time of insured loss or damage You will be Your own insurer for the difference and will bear a rateable proportion of the loss.

2. INSURED EVENTS

The Insured Events are:

- 2.1 accident and perils of the sea;
- 2.2 fire, lightning, explosion, earthquake or volcanic eruption;
- 2.3 malicious acts;
- 2.4 the outboard motor dropping off or falling overboard provided it is securely locked onto the Vessel by a securely locked device in addition to its normal method of attachment;
- 2.5 theft of outboard motor provided it is securely locked onto the Vessel by an anti-theft device;
- 2.6 theft of the entire Vessel;
- 2.7 negligence of any person on the Vessel whether in charge of the Vessel or not;
- 2.8 theft of machinery including outboard motor, gear or equipment if stolen with the Vessel or following forcible and violent entry into the Vessel or place of storage.

3. SPECIAL EXTENSIONS

We will pay for:

- 3.1 Sighting expenses
the expense of sighting the underwater section of the hull after grounding if reasonably incurred specially for that purpose and authorised by Us in writing even if no damage is found.
- 3.2 Emergency and salvage charges
all charges and expenses (up to 25% of the sum insured for the item concerned) reasonably and necessarily incurred in minimising or averting a loss which would be covered by this policy.
- 3.3 Transit risks
any loss or damage during transit by land (including loading and unloading) **but excluding scratching and denting and liability to third parties. This section does extend cover to include claims made by third parties for death, injury or damage arising out of such loading or unloading operations.**
- 3.4 Medical expenses
medical expenses incurred as a result of bodily injury sustained by any person while on board the Vessel as a result of an accident up to a maximum of R5,000 per person and R20,000 any one claim.
- 3.5 Yacht racing risks
the cost of repairing or replacing sails, masts, spars, standing and running rigging lost or damaged by an Insured Event whilst the Vessel is racing, but We will only pay a maximum of two-thirds of the sum insured specified in the Schedule (as applicable to such items) provided that the loss or damage is caused by the Vessel being stranded, sunk, burnt, on fire, in collision, or in contact with any external substance (ice included) other than water. Special exclusions 4.1.6 and 4.5 do not apply to this special extension.
- 3.6 Use by other persons
any person **other than the operator or an employee of the operator of a shipyard, repair yard, slipway, yacht club, marina or vessel sales service or similar operation** using the Vessel with Your permission will be regarded as the insured provided they comply with the terms of this Policy.

4. SPECIAL EXCLUSIONS

We will not be liable for loss or damage:

- 4.1. whilst the Vessel is:
 - 4.1.1 being used for any purpose other than private use;
 - 4.1.2 let out on hire or charter;
 - 4.1.3 being towed on water except:
 - 4.1.3.1 when in need of assistance;
 - 4.1.3.2 for customary towage in connection with laying up, fitting out or repairs;
 - 4.1.4 towing or salvaging a vessel other than one in distress;
 - 4.1.5 towing or salvaging a vessel (whether or not in distress) under a contract arranged prior to commencing towing or salvaging;
 - 4.1.6 participating in racing or speed tests or any trials in connection therewith;
 - 4.1.7 being conveyed by a person who has no valid driver's licence unless the person concerned is charged with the theft or illegal use of the vehicle used for conveying the Vessel;
 - 4.1.8 being driven or operated or navigated by or in the custody or under the control of any person who is under the influence of intoxicating liquor or any drug or while the concentration of alcohol in their blood exceeds the statutory limit or who fails a breathalyser test;
 - 4.1.9 left moored or anchored unattended off an exposed beach or shore and it becomes stranded, sunk, swamped or breaks adrift.
- 4.2 resulting from lack of due diligence on Your part;
- 4.3 due to wear, tear, depreciation, corrosion;

- 4.4 due to mechanical or electrical breakdown of machinery, engines, motors, batteries and their connections unless caused by external causes not otherwise excluded;
- 4.5 to masts, spars, sails, standing or running rigging whilst the Vessel is racing unless such loss or damage is caused by the Vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water;
- 4.6 to any part condemned solely because of a fault in design or construction;
- 4.7 due to any defect resulting from either negligence or breach of contract in respect of any repair or alteration work;
- 4.8 personal effects, consumable stores, fishing gear or moorings;
- 4.9 to the Vessel if used as a houseboat or permanent residence;
- 4.10 theft of inflatable craft when deflated unless following forcible and violent entry into the Vessel or place of storage or if stolen with the Vessel. A Vehicle is not considered a place of storage within the terms of this section;
- 4.11 fire or explosion to a Vessel fitted with inboard machinery unless the Vessel is equipped in the engine room or engine space, tank space and galley, with an automatic fire extinguishing system or one having controls at the steering position. It is warranted that any fire extinguishing system must be properly installed and maintained in efficient working order;
- 4.12 being operated by You or by any other person with Your general knowledge and consent unless duly and fully licensed to operate the Vessel in terms of the legislation applying to any territory within the Territorial Limits indicated in this Policy;
- 4.13 to recreational equipment such as but not limited to skis, body boards, kneeboards and wakeboards;
- 4.14 if the Vessel does not have a valid certificate of fitness.

5. LIABILITY TO THIRD PARTIES, SKIERS AND PASSENGERS

COVER PROVIDED

- 5.1 We will indemnify You or any person using the Vessel with Your permission or any water skier being towed or preparing to be towed by the Vessel against all costs and expenses which You shall become legally liable to pay in respect of:
 - 5.1.1 death of or bodily injury;
 - 5.1.2 loss of or damage to property not belonging to You or the permitted user;
 - 5.1.3 attempted or actual raising, removal or destruction of the wreck of the Vessel or any neglect or failure to raise, remove or destroy the wreck;
 - 5.1.4 expenses incurred by You with Our prior written consent in connection with official enquiries and coroner's inquests;
 - 5.1.5 legal costs incurred with Our prior written consent in defending any action or contesting liability. Each cover (ie third party liability, skiers liability and passenger liability) shall be specified separately and shall have a separate limit of indemnity as set out in the Schedule in respect of their cover for any one claim. Each limit of indemnity is independent and separate from the other, and may not accumulate.

SPECIAL EXCLUSIONS APPLICABLE TO LIABILITY TO THIRD PARTIES

- 5.2 We will not indemnify You or the permitted user or water skier against claims resulting from legal liability for:
 - 5.2.1 death or bodily injury in respect of any person:
 - 5.2.1.1 employed by You; or
 - 5.2.1.2 employed by any person using the Vessel; or
 - 5.2.1.3 employed by any water skier; or
 - 5.2.1.4 who is Your family member; or
 - 5.2.1.5 who is the family member of the person using the Vessel; or

- 5.2.1.6 who is the family member of the water skier.
- 5.2.2 accidents arising from any person engaged in kiting or other airborne sport whilst being towed by the Vessel or preparing to be towed by the Vessel until safely back on board the Vessel;
- 5.2.3 accidents arising while the Vessel is being moved by a road vehicle, rail, ship or aircraft;
- 5.2.4 death or bodily injury in respect of fare-paying passengers and loss of or damage to their property;
- 5.2.5 damages or penalties arising under contract;
- 5.2.6 fines or other penalties imposed under any statutory code or common law in respect of any offence committed.

6. SPECIAL CONDITIONS

6.1 First Amount Payable

In respect of any occurrence giving rise to a claim in respect of the Vessel, You will be responsible for the First Amount Payable shown in the Schedule.

6.2 Territorial limits

We will not be liable for loss, damage, injury or liability caused sustained or incurred outside the territorial limits of the South Africa, Botswana, Lesotho, Namibia, Zambia, Malawi, Mozambique, Swaziland, and Zimbabwe subject to a maximum cruising range of 12 nautical miles from the shores of the South Africa, Mozambique or Namibia.

6.3 Care of Vessel

You will take all reasonable steps to protect and maintain the Vessel in a proper state of repair and seaworthiness.

6.4 Left afloat clause

We will not be liable for loss of or damage to the Vessel or for liability to any third party or for any salvage services caused by the Vessel being stranded, swamped, sunk or breaking adrift whilst left moored or anchored unattended off an exposed beach or shore.

6.5 Competency

We will not be liable for loss or damage, injury or liability caused, sustained or incurred whilst the Vessel is being piloted by any person not competent to pilot such Vessel unless under the immediate supervision of a person so competent.

6.6 New for Old replacements

We may, at our election, reduce the amount paid to You on account of new items replacing old in respect of loss or damage to sails, spars, masts, protective covers, standing or running rigging, batteries, indoor or outdoor motors.