

## SMALL CRAFT

### Defined events

We agree, subject always to the warranties, conditions, limitations and definitions hereinafter printed or endorsed hereon or in the schedule, the due observance and accuracy of which shall be deemed to be a condition precedent to all liability hereunder, to indemnify You as hereinafter provided in respect of accident; loss or damage to the said vessel occurring during the period of insurance stated in the schedule or during any period for which We may accept payment for the renewal of this Policy.

**Whilst in commission** at sea or in rivers or on inland water or in port, dock, on ways, gridirons and pontoons or on the hard or mud, including hauling out launching with leave to sail with or without pilots to go on trail trips and to assist and to tow vessels or craft in distress or as is customary, but subject always to the cruising range stated in the Schedule.

**Whilst laid up out of commission** ashore or afloat or on mud or in dock or boathouse including hauling out and launching, striking over, dismantling, fitting out, overhauling or whilst under survey (also to include docking and undocking and periods laid up afloat incidental to lay up or fitting out and with leave to shift in tow or otherwise to or from her layup berth **but not outside the limits of the port or place in which the vessel is laid up**) but excluding, unless previous notice be given and an additional premium agreed for any period for which the vessel is used as a houseboat or is under major repair or undergoing alteration.

Whilst on tow on land,  
provided that:

- a. the boat trailer is fully licensed
- b. and towing attachments must have been manufactured professionally and
- c. the towing speed does not exceed 100kph.

### Subsection A (Loss or damage)

We will indemnify You against:

1. Loss or damage to Your vessel directly caused by external accident means, including stress of weather, stranding, sinking, collision, contact with aircraft, fire self-ignition and lightning or by malicious act or by theft of the entire vessel or following upon forcible entry theft or equipment, gear or machinery, **provided such loss or damage has not resulted from want of due diligence by the Owners of the vessel or any of them or by the Manager, by accidents in loading, discharging or handling stores, equipment, gear or machinery, explosion on shipboard or elsewhere, bursting of boilers, breakage of shafts, negligence of any person whatsoever or any latent defect in the machinery or hull.**
2. We will also pay for the loss or damage to crew's clothes provided by the owner, binoculars, sextants, nautical books, oilskins, sea boots and yachting clothes being Your personal property or Your wife (or husband as the case may be) caused by Your vessel being stranded, sunk, burnt, or in collision, up to, **unless otherwise specifically mentioned, a sum equivalent to 2½% of the insured value of the vessel in respect of any one accident.**

Provided always that

3. the sum which You can recover under this section is:
  - a. in the case of an actual or constructive total loss, the insured value of Your property, or
  - b. in the case of a partial loss, the reasonable cost of repairing or reinstating the damage or lost part of Your Property and necessary expenses connected therewith, without deduction in respect of new material replacing old except in respect of sails, protective covers and running rigging.

Provided further that

4. **in no case shall We be liable to pay under this section more than the sum appearing in the schedule as the sum insured under this section in respect of any one accident** (which shall be deemed to include a series of accidents occurring in connection with or arising out of any one event) but unlimited in the aggregate.

### Exceptions to Subsection A

**Notwithstanding anything herein contained to the contrary this section does not cover** unless specifically agreed by endorsement of the policy:

- a. wear and tear, depreciation and deterioration from use, nor the cost of repairing, replacing or renewing any defective part condemned solely in consequence of a latent defect or fault or error in design or construction.
- b. the cost of making good any defect in repair or alteration work carried out for Your account or in the maintenance of Your vessel resulting from either negligence or breach of contract.

- c. **loss of or damage to motor and electrical machinery and batteries and their connections** (with the exception of the shaft and propeller) **and metalling** unless caused by the vessel being stranded, sunk, burnt on fire or in collision or contact with any external substance (ice included) **other than water or by malicious act or by theft or by thieves following upon forcible entry or while being removed from or placed in the vessel or by fire in store ashore.**
- d. **loss or damage to outboard motors through dropping off or falling overboard** unless the outboard motors are securely attached to the hull at all times when in use by means of either bolts or galvanised steel chains or terylene rope in addition to its normal method of attachment.
- e. **loss of or damage to moorings, nets and fishing gear.**
- f. **loss of or damage to sails, masts, spars and fittings attached thereto, standing or running rigging and blocks whilst racing** unless caused by the vessel being stranded, sunk, burnt or in collision or contact with any external substance (ice included) **other than water.**
- g. **loss of or damage to sails and protective covers split by the wind or blown away whilst set** unless occasioned by the vessel being stranded or in collision or contact with any external substance (ice included) **other than water or in consequence of damage to the spars to which sails are bent.**
- h. **scratching, bruising or shipping whilst in transit.**

## Subsection B (Third party liability)

### Defined events

We will indemnify You in respect of

1. **All claims made and legal costs incurred by third parties** which You shall by reason of Your interest in Your vessel become legally liable to pay and shall pay for death of or bodily injury sustained by persons or damage to their property including damage to piers, wharves and jetties and/or cost of any attempted or actual raising, removal or destruction of the wreck of Your vessel or any neglect of destroy the same up to the sum appearing in the Schedule as the sum insured in respect of any one accident (which shall be deemed to include a series of accidents occurring in connection with or arising out of any one event), but unlimited in the aggregate.

Provided that

2. **We shall not be liable under this Section for any claim of whatsoever nature in respect of any person or persons or the property of such person or persons being or about to be conveyed on Your Vessel whether such claims are made by the person or persons injured or his, her or their dependants, executors, administrators or assigns.**

### Exceptions to Subsection B

Notwithstanding anything herein contained to the contrary, this Section does not cover:

- a. **claims arising directly or indirectly under the Employer's Liability Acts and any other Statutory or Common Law Liability in respect of accidents to or illness of workmen or any other person employed directly or indirectly by You in, on or about or in connection with Your vessel.**
- b. **accidents arising whilst Your Craft is in transit by road.**
- c. **claims in respect of fare-paying passengers unless specifically indicated in the schedule.**

## Subsection C (Passenger liability)

### Defined events

We will indemnify You in respect of

1. **All claims made and legal costs incurred by passengers** which You shall be reason of his interest in Your vessel become legally liable to pay and shall pay for death of or bodily injuries sustained by persons or damage to their property whilst travelling upon Your Vessel or embarking thereon or disembarking there from up to the sum appearing in the schedule as the sum insured in respect of any one accident (which shall be deemed to include a series of accidents occurring in connection with or arising out of any one event), but unlimited in the aggregate.

## Exceptions to Subsection C

Notwithstanding anything herein contained to the contrary, this section does not cover:

- a. claims arising directly or indirectly under the Employers' Liability Acts and any other Statutory or Common Law Liability in respect of accidents to or illness of workmen or any other person employed directly or indirectly by You in, on or about or in connection with Your Vessel
- b. accidents arising whilst the craft is in transit by road.
- c. claims in respect of fare-paying passengers unless specifically indicated in the schedule.

## Definitions

### Vessel.

Includes machinery, boats, canoes (but excluding boat having a designed speed exceeding 20 m.p.h. and boats not permanently marked with name of vessel), gear and equipment such as would normally be sold with the vessel if she changed hands. Including stores, gear, equipment and boats, if any separately housed ashore.

### Total loss.

- a. An actual total loss under this Section arises where the vessel, as defined under vessel above, is wholly destroyed, or where You are irretrievably deprived wholly thereof, and not otherwise.
- b. A constructive total loss under this Section arises where the vessel, as defined in 1, is reasonably abandoned on account of its actual loss as defined in a, appearing to be unavoidable or where it could not be preserved from such actual total loss without an expenditure which, if incurred, would exceed the sum appearing in the Schedule as the insured value of the vessel.

### In commission.

The period when the vessel is fitted out, ready for sea, and available for the Owner's immediate use.

### Laid up out of commission.

The period when the vessel is dismantled, not fitted out or available for immediate use. During the laid up period the vessel must not be used for any purpose whatsoever other than dismantling, fitting out, or customary overhauling and is not covered whilst being used as a houseboat or under major repair or undergoing alteration unless specially agreed.

### Laid up used as a houseboat.

A vessel is said to be used as a houseboat when she is not used, under way, or navigating, but is used whilst on moorings or in her berth by the Owners or others living on board.

## General conditions

### Description of use

Use for social, domestic, pleasure and private purposes excluding absolutely

- a. Use in connection with any business, trade or profession or whilst You property is let out on hire or charter
- b. Use for racing or speed or any trials in connection therewith.

### Omission and misstatement

Warranted that if this policy or any renewal thereof has been obtained through omission to state any material fact, or through any misstatement by You or by anyone acting on Your behalf, or if in any statement or declaration made in support of any claim there shall be any untruth or suppression, then this policy and any renewal thereof is null and void, and the premium paid in respect thereof shall be retained by Us and all benefits there under and all right to recover for past or future damage or loss shall be absolutely forfeited.

### Hold covered

It is necessary for You to give prompt notice to Us when they become aware of an event for which they are "held covered" under this insurance and the right to such cover is dependent on compliance with this obligation. Furthermore Your compliance with the conditions and/or obligations of this Policy, and any Annexure or Attachment hereto, shall be a condition precedent to Your right to be indemnified in terms hereof.

**Due diligence**

Warranted that You shall take all reasonable steps to maintain the vessel, trailer and other property insured by this policy in a proper state of repair and in a sea and road worthy condition and shall at all times exercise all reasonable precautions for the safety of such property and to prevent loss, damage and accidents.

**Salvage and sue and labour**

In the case of misfortune to Your vessel it shall be lawful to You or Your factors and servants to sue labour and travel for in and about the defence safeguard or recovery of Your Vessel, without prejudice to this insurance and all reasonable charges thereof including salvage charges the cost of towing the vessel to a place of safety so necessarily incurred shall form part of the claim provided that You forward at once to Us a detailed estimate from a competent firm for any immediate necessary repairs authorised together with full particulars of the Accident.

We will also pay all expenses reasonably incurred in sighting the bottom after Your vessel has been stranded, sunk or in collision notwithstanding that no damage shall have been found. **And it is especially declared and agreed that no acts of Ours in recovering, saving or preserving the property shall be considered as a waiver or acceptance of abandonment.**

**Laid up out of commission periods**

**No return of premium shall be allowed in respect of periods during which the vessel may be laid up out of commission.**

**Storage**

Canoes and similar personal water craft:

- a. Warranted that the place of storage when not in use is inside a fully enclosed locked building.
- b. Warranted that theft cover from the place of storage is only recoverable when accompanied by forcible, visible and violent signs of entry or exit from the place of storage.

Vessels other than canoes:

- a. Warranted that the place of storage is inside fully enclosed locked up premises.
- b. Warranted that theft cover from the place of storage is only recoverable when accompanied by forcible, visible and violent signs of entry or exit from the place of storage.

**Persons navigating**

The cover given by Subsections B and C of this Section extends to any person (other than a person operating or employed by the operator of a shipyard, repair yard, slipway, yacht club, sales agency or similar organisation) navigating or in charge of Your vessel, shall in consequence of any occurrence for which You are covered under Subsections B and C, hereto become liable to pay and shall pay any sum or sums by way of damage to any persons other than You named in this policy.

This benefit shall be subject to the limitations of Our liability imposed by this section and to all other terms, conditions, exceptions and warranties thereof.

**Law costs**

We will be responsible for all expenses properly incurred by You in connection with Board of Trade Inquiries Coroner's Inquests and Law Costs incurred with Our consent in writing in settling or defending any claim.

**Assignment**

No assignment of or interest in this policy or in any money which may be or become payable hereunder is to be binding or recognised by Us unless a dated notice of such assignment or interest signed by You, and (in the case of subsequent assignment) by the assignor be endorsed on this policy and the policy with such endorsement be produced before payment of any claim or return of premium hereunder but nothing in this clause to have effect as an agreement by us to a sale or transfer to new management

**Sister ship clause**

Should Your vessel come into collision with or receive salvage services from another vessel belonging wholly or in part to You or under same management, You shall have the same rights under this section as he would have were the other vessel entirely the property of owners not interested in Your vessel; but in such cases the liability for the collision shall be referred to a sole arbitrator to be agreed upon between Us and You.

**Medical expenses**

We will refund any Doctors' or Surgeons' Fees (limited to R250) for attendance upon You or Your wife (or husband as the case may be) as the direct result of personal injuries caused by violent accidental external and visible means, sustained as the direct result of Your vessel sinking or being in collision with another vessel or with any external object other than water.

**Geographical limits**

We shall not be liable in respect of any accident, injury, loss, damage and/or liability caused, sustained or incurred

- a. Outside the Republic of South Africa
- b. Outside the cruising limit

**Average**

If at the happening of any loss or damage, the property Insured be of greater value than the sum insured, You shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss accordingly. Each article and each item under such article shall be separately subject to this condition.

**Excess**

Notwithstanding anything herein contained to the contrary, this section is warranted free from all claims other than for total loss unless the aggregate of such claims in respect of each accident exceeds the amount stated in the schedule in which case We shall be liable for the sum by which such aggregate exceeds this amount. Such excess to apply to claims under Subsection A only.

**Warranties****Merchant Shipping Act, 1951 & Merchant Shipping (National Small Vessel Safety) Regulations, 2007 (as amended)**

Warranted:

- a. That the vessel shall not be used by You nor allowed or caused by You to be used in contravention of the Regulations related to seagoing pleasure craft as amended from time to time published in terms of the Merchant Shipping Act 1951.
- b. That the vessel complies to the safety and other regulations as set out in the Merchant Shipping (National Small Vessel Safety) Regulations, 2007 (as amended).
- c. That You and/or skipper is duly licensed as per the Merchant Shipping (National Small Vessel Safety) Regulations, 2007 (as amended) and complies with the regulations as set out in the Merchant Shipping (National Small Vessel Safety) Regulations 2007 (as amended) or an subsequent similar legislation.

**General exceptions applicable to all sections**

Notwithstanding anything herein contained to the contrary, this Section does not cover unless specially agreed by endorsement of the policy:

- a. Capture, seizure, restraint or detainment, and consequences thereof or of any attempt thereat, nor the consequences of hostilities or warlike operations, whether there shall be a declaration of war or not; but this exception shall not exclude collision, contact with any fixed or floating object (other than a mine or torpedo), standing heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned, or in the case of a collision, by other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this exception "power" includes any authority maintaining naval, military or air forces in association with a power.
- b. The consequences of civil war, revolution, rebellion, insurrection or civil strife arising there from or piracy.
- c. Loss or damage caused by strikers, locked out workmen or persons taking part in labour disturbances or riots or civil commotions.
- d. Claims whilst vessel is let out on hire, or charter, or used for other than private purposes unless specifically indicated in the schedule.
- e. Claims while the vessel is being towed, except as is customary or when in need of assistance, or claims while the vessel is undertaking towage or salvage services under a pre-arranged contract made by the Owners, Managers and/or Charterers.

## **Cancellation**

Should the vessel be sold or transferred to new ownership then, unless We agree in writing to continue the insurance, **the policy shall become cancelled from the time of sale or transfer and a pro Rata daily return of premium shall be made.**

## **Specific conditions relating to accidents and claims**

### **Notification of claim**

In the event of an accident whereby loss or damage may result in a claim under this Policy, notice shall be given immediately in writing prior to survey to Us where practicable and, if abroad to the nearest Lloyd's agent so that a surveyor may be appointed if they so desire. Your right to recover any claim on the policy is conditional upon compliance with this obligation.

You shall also give full information as to the circumstances of the accident and of all claims made, with names and addresses of claimants and all witnesses of the accident, as soon as possible after occurrence of the accident or receipt of claim or notice of claim, and shall send to Us as soon as possible all claims, letters, summonses, writs, etc., relating to any accident addressed to You or to Your servants by the authorities or by third parties.

**In no case shall We be liable for unprepared damage in addition to subsequent total loss sustained during the term covered by this Policy**

### **Repairs and tenders**

We shall be entitled to decide the port to which a damaged vessel shall proceed for docking or repairing (the actual additional expense of the voyage arising from the compliance with Our requirements being refunded to You) and We shall also have the right of veto in connection with place of repair or repairing firm proposed and, whenever the extent of the damage is ascertainable, We may also take tenders or may require tenders to be taken for the repair of such damage.

**In the event of a claim for loss or damage under subsection A of this Section, Our liability shall in no circumstance whatsoever exceed the reasonable cost of repair**

### **Admission to other parties**

**No liability of any sort shall be admitted, nor any offer promised or payment made by You to claimants, nor legal expenses incurred without Our written consent** who shall be entitled, if it so desires, to take over and conduct in Your defence of any action, or to prosecute any claim for indemnity of damages or otherwise against any third party.

### **Constructive total loss**

In ascertaining whether the vessel is a constructive total loss the insured value shall be taken as the repaired value, **and nothing in respect of the damage or the breakup value of the vessel or wreck shall be taken into account.**



