

# WATERCRAFT

## Defined events

## SUB-SECTION A – LOSS OF OR DAMAGE TO THE INSURED VESSEL

Loss of or damage to the insured vessel.

## EXCEPTIONS TO SUB-SECTION A

The insurer shall not be liable to pay for:

- (a) theft or attempted theft:
  - (i) not accompanied by actual, visible and forcible means, of fixtures, fittings, equipment and outboard motors of the insured vessel, out of
    - (1) an unattended transport vehicle, including a vessel;
    - (2) domestic outbuildings, not communicating directly with any private residence;
    - (3) any other storage place;
  - (ii) of the outboard motors fitted to the insured vessel which are not securely bolted to it;
- (b) outboard motors of the insured vessel dropping off or falling overboard, while not securely chained or bolted to the insured vessel;
- (c) mechanical or electrical breakdown; gradual causes such as wear and tear, rust, mildew, corrosion or decay;
- (d) loss or damage caused by moths or vermin;
- (e) loss of or damage to sails and hoardings torn by wind or blown away whilst hoisted;
- (f) damage due to scratching, bruising or denting arising during transit, loading, or off-loading;
- (g) damage to the insured vessel caused by or attributable to the insured vessel not being seaworthy;
- (h) loss of or damage to the insured vessel which arises:
  - (i) outside the Republic of South Africa or outside a 20 kilometre range from the shores of the Republic of South Africa;
  - (ii) if the insured vessel is used for any purpose other than according to the condition of use;
  - (iii) from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and/or fraud;
- (i) boating-clothes or crew's clothes and other personal effects; diving and fishing gear (including nets); waterskis, ski ropes and other sports equipment; food, fuel and other supplies; life belts and medical kit; binoculars, sextants, nautical books, nautical maps and other similar navigational equipment; radar, fishfinders, radios, televisions and other similar electronic equipment.

## EXTENSIONS TO SUB-SECTION A

The following extensions are added to this sub-section A and shall be subject to all the terms, exceptions and conditions of this section and all the terms, exceptions and conditions (in so far as they can apply) of this policy:

## **A. Safeguarding and delivery**

The insurer will pay the reasonable costs to:

- (a) store, safeguard and remove the insured vessel to the nearest repairer, if the insured vessel is not in working order, due to loss or damage insured under this section;
- (b) deliver the insured vessel to the insured in the Republic of South Africa, Namibia, Lesotho, Botswana and Swaziland, after repair of damage, or loss, insured under this section.

## **B. Inspection of the hull after stranding, sinking or collision**

The insurer will pay the reasonable costs incurred to inspect the hull of the insured vessel for damage due to stranding, sinking or collision of the vessel.

## **C. Costs to prevent a loss**

The insurer will pay the reasonable costs incurred to prevent or lessen damage or loss insured under this section.

## **D. Emergency expenses**

The insurer will pay emergency expenses up to R5 000, for accidental bodily injury to any person inside or on the insured vessel, caused by the sinking or collision of the insured vessel with any object, except water.

# CONDITIONS TO SUB-SECTION A

## **A. Use**

The insured vessel may be used for social, domestic and pleasure purposes.

Use for the following are excluded – racing, speed or other contests, competitions or tests (including regattas), or trials in connection therewith; use in connection with any business, trade or occupation.

## **B. Basis of indemnity**

If the insured vessel is less than 5 years old, the basis for calculating indemnity is the cost to replace the insured vessel or part of it with similar new property. This basis does not apply to sails, hoardings, erected tackle, outboard motors, inboard motors and batteries. For these items the basis of indemnity will be the cost to replace the items up to the reasonable market value thereof. If the insured vessel is older than 5 years, the basis for calculating indemnity is the cost to replace the insured vessel or part of it up to the reasonable market value thereof.

## **C. Limit of indemnity**

The liability of the insurer for loss of or damage to the insured vessel shall be limited to the sum insured which is stated in respect of the insured vessel in the schedule.

## **D. Average**

If the insured vessel is less than 5 years old and it is established that, at the time of any loss or damage, the amount needed to replace the insured vessel – excluding sails, hoardings, erected tackle, outboard motors, inboard motors and batteries – with similar new property, exceeds the amount for which it is insured, the Insured will be considered as the Insured's own insurer for the difference and will bear a proportional share of the loss or damage accordingly.

If the insured vessel is older than 5 years and it is established that, at the time of any loss or damage, the amount needed to replace the insured vessel with similar property, exceeds the amount for which it is insured, the Insured will be considered as the Insured's own insurer for the difference and will bear a proportional share of the loss or damage accordingly.

This condition applies separately to each item in the schedule.

## E. Unavailable parts

If a part necessary for the repair of the insured vessel is not available in the Republic of South Africa as a standard (ready-made) part, the insurer will pay an amount equal to the value of the part at the time when the loss or damage occurred. The amount includes the reasonable cost to transport the part (excluding air transport). The value of the part will be determined by the price stated in the most recent catalogue or price list.

## F. Interest of a title holder

If a valid claim occurs and the insurer knows that the vessel is the subject of an extended sales agreement, the insurer will pay the title holder stated in the agreement.

The insurer will only pay the title holder up to the outstanding amount in accordance with the agreement and any further amount payable will be paid to the Insured.

# DEFINITION TO SUB-SECTION A

- “Insured vessel”** – the hull (with a length not exceeding 6 metres), inboard motors, outboard motors, rudder, propeller, hoardings, moorings, sails, spars, masts, rigging, fixtures, fittings and equipment of any vessel described in the schedule.
- “Emergency expenses”** – shall mean the costs necessarily incurred within 24 months of the defined event:
- Resulting from a Disability Event caused by an accident; or
  - On the happening of a Health Event to cover the cost of emergency medical treatment; and
- In both cases the cost of emergency evacuation or transport to a medical treatment facility including freeing the Insured Person if trapped or bringing the Insured Person to a place of safety.
- “Disability Event”** – means any event resulting in –
- (a) The loss of a limb or sense organ, or the use thereof by a person; or
  - (b) A person becoming so physically or mentally impaired, whether totally or partially, or temporarily or permanently, that the person is unable to –
    - (i) continue their employment or own occupation, profession or trade;
    - (ii) participate in any employment, occupation, profession or trade that is reasonably suitable for that person given, amongst other matters, their education, skills, experience or age; or
    - (iii) carry on the functions required for normal activities of life.
- “Health Event”** – means an event relating to the health of the mind or body of a person or an unborn, other than a disability event.

# SUB-SECTION B – LIABILITY

## A. Liability to third parties

The insurer will indemnify the Insured against all sums which the Insured shall become legally liable to pay as compensation due to an occurrence which happens or arises in connection with the insured vessel.

## B. Liability of water-skiers or parasailors

The insurer will indemnify the Insured against all sums which the Insured shall become legally liable to pay as compensation due to an occurrence which happens or arises while a water-skier or parasailor is being towed by the insured vessel.

The insurer shall not be liable:

- (a) if the water-skier or parasailor is entitled to indemnity under another policy;
- (b) for accidental death of, or bodily injury to, or illness of a person who is a member of the household or family of the water-skier or parasailor, or a person in the service of the water-skier or parasailor, if the death, bodily injury or illness arises from the service;
- (c) for accidental physical loss of, or damage to property belonging to, or kept in trust by, or under the charge or control of, or in the custody of the water-skier or parasailor, or any member of the household or family of the water-skier or parasailor, or any person in the service of the water-skier or parasailor;
- (d) if the water-skier or parasailor does not comply with the terms, exceptions and conditions of this policy.

### C. Liability if another person navigates the insured vessel

The insurer will indemnify any navigator against all sums which such navigator shall become legally liable to pay as compensation due to an occurrence which happens or arises in connection with the insured vessel, whilst such navigator navigates the insured vessel.

The insurer shall not be liable if the navigator:

- (a) navigates the insured vessel without the Insured's expressed or implied permission;
- (b) is entitled to indemnity under another policy;
- (c) does not comply with the terms of this policy;
- (d) was refused any insurance for a sail-boat, motor-boat or small craft or continuance thereof by an insurer.

### D. Costs for lifting out, removal or destruction

The insurer will indemnify the Insured against costs incurred with the insurer's written consent, for lifting out, removal or destruction of the wreckage of the insured vessel.

### E. Salvage and recovery costs

The insurer will indemnify the Insured for all reasonable costs incurred, with the insurer's written consent, to salvage the insured undamaged watercraft as well as recovery of the undamaged watercraft following its loss by theft or hijacking.

## EXCEPTIONS TO SUB-SECTION B

The insurer shall not be liable to pay for:

- (a) legal costs and expenses incurred after the date that the insurer paid or offered to pay either the full amount of a claim, or a lesser amount for which a claim can be settled, or the maximum amount for which the insurer is liable for a claim;
- (b) liability, costs or expenses:
  - (i) due to advice or treatment given or supplied by the Insured or a person acting on the Insured's behalf;
  - (ii) which arise during the transport of the insured vessel by road;
  - (iii) due to an occurrence outside the Republic of South Africa;
  - (iv) which arise if the insured vessel is used for any purpose other than according to the condition of use;
- (c) liability due to accidental death of, or bodily injury to, or illness of the Insured or a member of the Insured's household or family, or a person who pays fare whilst in or on the insured vessel, or any person in the Insured's service, if the liability arises from the service;
- (d) liability due to accidental loss of, or damage to property:
  - (i) belonging to, or kept in trust by, or under the charge or control of, or in the custody of the Insured, a member of the Insured's household or family, or any person in the Insured's service;
  - (ii) being transported, or to be transported in or on the insured vessel.

## CONDITIONS TO SUB-SECTION B

### A. Use

The insured vessel may be used for social, domestic and pleasure purposes.

Use for the following are excluded - racing, speed or other contests, competitions or tests (including regattas), or trials in connection therewith; use in connection with any business, trade or occupation.

### B. Limit of indemnity

The liability of the insurer in respect of a single occurrence or series of occurrences shall not exceed R1 000 000 in all.

## DEFINITIONS TO SUB-SECTION B

***“insured vessel”*** – the hull (with a length not exceeding 6 metres), inboard motors, outboard motors, rudder, propeller, hoardings, moorings, sails, spars, masts, rigging, fixtures, fittings and equipment of any vessel described in the schedule.

***“occurrence”*** – an occurrence which leads to:

- (a) accidental death of, or bodily injury to, or illness to a person;
- (b) accidental physical loss of, or damage to tangible property;
- (c) legal costs and expenses
  - (i) which a claimant can recover in connection with a valid claim under this section;
  - (ii) incurred with the insurer’s written consent.