

WATERCRAFT SECTION

SUB-SECTION 1 – LOSS OF OR DAMAGE TO THE INSURED VESSEL AND INSURED MOTOR(S)

DEFINED EVENTS – SUB-SECTION 1

Loss of or damage by any accident or misfortune (**not otherwise excluded by this section or the General section**) to:

1. the Insured Vessel;
2. any separately specified Insured Motor (if stated as included in the schedule);
3. any separately specified Accessories of the Insured Vessel(s),

as described in the schedule being the property of the Insured or for which the Insured is responsible, whilst:

1. being used at sea, in ports, rivers or on inland waters including whilst:
 - 1.1 docking, undocking, launching and hauling out of the water;
 - 1.2 being towed whilst in distress or after being in distress;
 - 1.3 towing water skiers, parasailors;
 - 1.4 towing any vessel and craft in distress provided that such towage is not undertaken in terms of a contract previously arranged by or on behalf of the Insured or any other party;
2. in transit by road, rail, sea or air including loading and unloading;
3. ashore including dry docking and at the premises of contractors for the purposes of overhauling, fitting out, maintenance, repair or inspection.

DEFINITIONS – SUB-SECTION 1

Accessories shall mean any accessories not falling under the definition of Insured Vessel and which are separately specified in the schedule as belonging to a specific Insured Vessel but not restricted to whilst being on any such Insured Vessel.

Insured Motor shall mean any motor separately specified in the schedule under the heading "Loss of or damage to the Insured Motor".

Insured Vessel shall mean the insured watercraft as specified in the schedule consisting of:

- the hull and superstructure;
- any lifebuoys or lifeboats, propellers, anchors, rudders, hoardings, sails, spars, masts, rigging, furniture, fixtures, fittings and other similar equipment or machinery forming an integral part of the hull and superstructure;
- any inboard motor(s) (if stated in the schedule as included in the Insured Vessel insured amount).

Laid up shall mean that the Insured Vessel is out of use and is out of the water.

SPECIFIC EXCLUSIONS – SUB-SECTION 1

The Company shall not be liable to pay for:

1. **Accessories legitimately removed from the Insured Vessel(s) and whilst contained in any motor vehicle if the loss is by theft or attempted theft from any unattended motor vehicle unless the Accessory is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit provided that**
 - 1.1 **in the event of a loss and there are no signs of forcible and violent entry to or exit from such vehicle, if the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle, such evidence shall be deemed to satisfy the locked vehicle and forcible and violent entry or exit requirement for any loss out of the vehicle;**
 - 1.2 **this exclusion will not apply where the vehicle has been involved in an accident or other incident where due to the circumstances beyond the control of the driver and passengers, the property has to be left unattended and cannot be secured as required;**

Specific exclusion 1 can upon request be waived by the Company on specific Accessories subject to the first amount payable of such Accessories as reflected in the schedule being doubled. This waiver will be recorded in the schedule per insured article as follows:

If "Theft (non-forcible entry into an unattended vehicle)" is reflected as "included" then specific exclusion 1 is waived for the specific Accessory but if "Theft (non-forcible entry into an unattended vehicle)" is reflected as "not included" then specific exclusion 1 remains as being applicable to the specific Accessory;

2. theft or attempted theft of any fixtures, fittings, furniture, equipment and Accessories of the Insured Vessel(s) not accompanied by actual, visible, forcible and violent breaking into or out of:
 - 2.1 any unattended vessel;
 - 2.2 domestic outbuildings, not communicating directly with any private residence;
 - 2.3 any other storage place;
3. theft or attempted theft of any outboard motor(s):
 - 3.1 fitted to the Insured Vessel or any other vessel which are not securely bolted to such vessel;
 - 3.2 not accompanied by actual, visible, forcible and violent breaking into or out of:
 - 3.2.1 domestic outbuildings, not communicating directly with any private residence;
 - 3.2.2 any other place of storage;

but specific exclusion 3 shall not apply if in the schedule against "Full theft cover" (under "Loss of or damage to the Insured Motor") it reflects as "Included";

4. theft of jet skis or wet bikes left unattended in the open or on a trailer;
5. loss of or damage to outboard motors dropping off or falling overboard if such motors are not securely chained or bolted to the Insured Vessel;
6. mechanical or electrical breakdown, failures or breakages;
7. loss or damage caused by termites, moths, insects or vermin;
8. loss or damage caused by or contributed to by gradual deterioration due to use, wear and tear, rust, oxidation, mildew, corrosion, decay, wet or dry rot or any other similar gradually operating causes;
9. loss of or damage to sails and hoardings torn by wind or blown away whilst being hoisted provided that this exclusion shall not apply is such loss or damage is;
 - 9.1 caused by the Insured Vessel being stranded, sunk, burnt, on fire or in a collision or coming into unintended contact with any external object;
 - 9.2 as a result of the spars to which sails are attached being damaged;
10. damage due to scratching, bruising or denting arising during transit, loading or off-loading and the cost of consequent repainting or revarnishing;
11. loss or damage occasioned by permanent or temporary dispossession resulting from detention, confiscation or requisition of the Insured Vessel, the Insured Motor or any Accessories by customs or other officials or authorities provided that this exclusion shall not apply to damage occurring during such detention, confiscation or requisition which is discovered on return of such property to the Insured;
12. loss or damage caused by, attributable to, or to the extent that it is aggravated by the Insured Vessel not being seaworthy;
13. loss or damage which arises whilst the Insured Vessel and/or Insured Motor and Accessories are in use, stored or towed outside of the territorial limits stated in the schedule but this exclusion shall not apply whilst such insured property is being towed by road through any country not listed under the territorial limits which must be entered into in order to reach an insured territory by a reasonably direct route from the permanent premises of the Insured's business or residence in South Africa;
14. loss or damage which arises whilst the Insured Vessel and/or Insured Motor are being used for any use that is not specified in the schedule under "Insured Vessel uses" as being covered;
15. loss or damage which arises from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and/or fraud;
16. loss or damage caused by or through or contributed to by any defective part(s), latent defects, fault or error in design or construction, lack of maintenance or defects in repairs or alterations;
17. clothing; bags and personal effects; battery chargers; diving and fishing gear (including nets); waterskis, ski ropes and other sports equipment; food, fuel and other supplies; life belts, medical kits and other similar safety equipment; binoculars, sextants, nautical books, nautical maps and other similar navigational goods; radar and satellite navigation equipment, fish finders, radios (including two-way radios), televisions and other similar electronic equipment; tools and spares; containers and tanks unless separately specified in the schedule under "Accessories";
18. depreciation or consequential loss as a result of any cause whatsoever;
19. loss of any lifeboat belonging to the Insured Vessel that is not permanently marked with the name of the parent Insured Vessel;
20. damage to motors as a direct result of the intake of foreign material into and resulting in the blockage of the water intake or cooling system;

21. repatriation costs to bring the Insured Vessel and/or Insured Motor back to South Africa for repairs following an insured defined event occurring in any other insured country listed under territorial limits unless separately insured by the extension "Repatriation from other territories";
22. loss or damage if the Skipper or other person in charge of the Insured Vessel (with the Insured's knowledge and permission), at the time of the accident is in contravention of the Merchant Shipping Regulations 2007 (as amended or replaced from time to time) in respect of:
 - 22.1 not being in possession of a valid and applicable Certificate of Competence unless under the direct and constant guidance and supervision of a responsible person in possession of such Certificate of Competence;
 - 22.2 being under the influence of drugs or alcohol;
23. loss or damage if the Insured Vessel, at the time of the accident is in contravention of the Merchant Shipping Regulations 2007 (as amended or replaced from time to time) relating to having a valid certificate of fitness;
24. any loss or damage which arises while any motor vehicle towing the Insured Vessel on a trailer is being driven by:
 - 24.1 the Insured whilst his/her blood alcohol concentration level exceeds the legal limit or if such person is under the influence of alcohol or intoxicating drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than the Insured) or while the Insured does not comply with the licensing laws of the country where the defined event took place;
 - 24.2 any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of alcohol or intoxicating drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who does not comply with the licensing laws of the country where the defined event took place, but this shall not apply if the Insured was unaware that the driver was not complying with licensing laws and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that drivers comply with licensing laws.

SPECIFIC CONDITIONS – SUB-SECTION 1

Average

1. If the Insured Vessel is less than 5 years old and, according to the Company's calculations, at the time of any loss or damage, the amount needed to replace the Insured Vessel with a similar new watercraft is more than the insured amount thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of any loss accordingly.
2. If the Insured Vessel is 5 years old or older and, according to the Company's calculations, at the time of any loss or damage, the amount needed to replace the Insured Vessel with a similar second hand watercraft of the same condition and age is more than the insured amount thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of any loss accordingly.
3. In respect of the Insured Motor, if according to the Company's calculations at the time of any loss or damage, the amount needed to replace the Insured Motor with a similar second hand Motor of the same condition and age is more than the insured amount thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of any loss accordingly.

The Insured Vessel and the Insured Motor shall be separately subject to this condition.

Fire extinguishers and extinguishing systems

It is a condition of this sub-section that any Insured Vessel must, in compliance with the Merchant Shipping (National Small Vessel Safety) Regulations 2007 (as amended or replaced from time to time), carry fire extinguishers and any Insured Vessel (other than a jet ski or wet bike) that is fitted with an inboard petrol motor(s), must be fitted with a remote controlled fire extinguishing system in the engine compartment. Such system must be maintained in efficient working order at all times and fire extinguishers must be serviced annually by an approved/accredited agent.

Laid up periods

No refunds of premium will be made under this sub-section in respect of periods during which the Insured Vessel may be laid up.

Place or port for repairs and repair firm

In respect of sea going vessels damaged at sea that can continue with the voyage, the Company shall be entitled to decide the port or place to which the Insured vessel shall proceed for docking or repair following an insured defined event. Any reasonable additional expense of the voyage incurred by the Insured to comply with such requirement shall be refundable by the Company to the Insured.

In respect of all vessels, the Company shall be entitled to choose the repairer and place of repair following an insured defined event and the Insured shall be responsible for transporting the Insured Vessel and/or Insured Motor to such repairer.

Safety appliances and equipment

It is a condition of this sub-section that the Insured Vessel carry all safety appliances and equipment as set out in the Merchant Shipping (National Small Vessel Safety) Regulations 2007 (as amended or replaced from time to time),

Seaworthiness

All reasonable steps are to be taken to protect and maintain the Insured Vessel in a seaworthy condition as required by the laws and regulations prescribed by The South African Maritime Safety Association (SAMSA) regardless whether the Insured Vessel is operating in South African territorial waters or not.

Storage and theft

Unless otherwise agreed by the Company and so stated in the schedule:

1. Insured jet skis and wet bikes are to be stored in a fully locked up building when not in use and **theft cover from any such building is subject to forcible and violent entry into or exit from such building or following violence or threat of violence;**
2. Insured Vessels other than the above are to be stored in a fully locked up premises when not in use and **theft cover from any such premises is subject to forcible and violent entry into or exit from such premises or following violence or threat of violence;**

CLAUSES AND EXTENSIONS – SUB-SECTION 1

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each extension and clause (but where applicable as indicated below, only if such extensions and clauses are stated as included in the schedule) **subject to any insured amounts or first amounts payable stated in the schedule under each extension.**

Basis of loss settlement clause

Subject to the insured amount(s) stated in the schedule not being exceeded, any first amounts payable and the Average specific condition, the basis on which the Company will settle any claim under this sub-section will be:

1. Specified Accessories: If repairable the Company will repair such property but if not repairable, at the Company's discretion, the Company will either pay the Insured an amount equivalent to the loss or damage **but not exceeding the value of the same (or similar) new property,** or replace such property or parts thereof with the same (or similar) new property;
2. Insured Vessel(s) less than five years old (except the property specified under 4 below): If repairable the Company will repair such property but if not repairable, at the Company's discretion, the Company will either pay the Insured an amount equivalent to the loss or damage **but not exceeding the value of the same (or similar) new property,** or replace such property or parts thereof with the same (or similar) new property;
3. Insured Vessel(s) five years old or older: If repairable the Company will repair such property but if not repairable, at the Company's discretion, the Company will either pay the Insured an amount equivalent to the loss or damage **but not exceeding the reasonable market value of the same (or similar) second hand property of the same age and condition,** or replace such property or parts thereof with the same (or similar) second hand property of the similar age and condition;
4. Sails, hoardings or protective covers, jiggging, Insured Motors, inboard motors, machinery and batteries (irrespective of age): The basis of settlement will be the same as in 3 above;

provided that:

1. in determining the age of the Insured Vessel as set out in 2 and 3 above, it shall be from the date the Insured Vessel was first manufactured;
2. **the Company's liability for any new parts which are unobtainable in South Africa as standard parts or are obsolete in pattern, shall be limited to the value of such parts at the time of the loss or damage (including the reasonable cost to transport the part but excluding air transport) but not exceeding the manufacturer's last issued or price list of such part;**
3. **the Company shall not be liable to match any glitter or other similar decorative finishes** unless under clauses and extensions on the schedule it indicates that this sub-section has been extended to include such matching;
4. any replacement or repair shall be as close to the original specification as reasonably possible **but the Company shall not be responsible for a precise or exact restoration;**
5. if, to the knowledge of the Company, the Insured Vessel and/or Insured Motor is the subject of a credit agreement in terms of the National Credit Act (Act 34 of 2005 as amended or replaced from time to time) and the Insured Vessel and /or Insured Motor is a total loss or stolen and not recovered, **payment shall first be made to the credit provider** described in such agreement up to the outstanding amount of such agreement. If the outstanding amount of such credit agreement is less than the insured amount, any further amount payable for the loss or damage in terms of this sub-section will be paid to the Insured.

Costs of lifting out, removal or destruction of the wreckage (if stated as included in the schedule)

The Company will indemnify the Insured against costs incurred with the Company's written consent, for lifting out, removal or destruction of the wreckage of the Insured Vessel and Insured Motor.

Costs to prevent a loss (if stated as included in the schedule)

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

Credit shortfall (if stated as included in the schedule)

Where the Insured amount of the Insured Vessel and/or Insured Motor stated in the schedule is less than the amount owed to the finance company under a credit agreement, the Company will pay to the Insured an additional amount equal to such shortfall in the event of such insured property either:

1. being considered a total loss due to it being considered by the Company to be uneconomical to repair; or
2. stolen or hijacked and not recovered within a reasonable period.

The compensation payable under this extension shall be reduced by:

1. **any arrears instalments or rentals including interest payable on such arrears;**

2. **all refunds of premium for cancellation of any insurance cover relating to the Insured Vessel and Insured Motor;**
3. **any amounts financed that relate to additional warrantees, service plans, maintenance plans and the like;**
4. **any amounts financed for Accessories.**

This extension does not:

1. **provide cover for any finance agreement that has an the amount of any single instalment (other than the final residual amount) after the initial payment that differs by more than 10% from any other instalment;**
2. **provide cover if any shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease;**
3. **provide cover if any shortfall is as a result of debt restructuring;**
4. **provide cover for any shortfall that relates to the insured amount being inadequate to represent the correct value as set out in the "Basis of loss settlement clause";**
5. **provide cover for any shortfall as a result of the application of a first amount payable by the Company;**
6. **provide cover where the credit agreement that does not fall under the definition of a credit agreement in terms of the National Credit Act (Act 34 of 2005 as amended or replaced from time to time).**

Delivery after repairs (if stated as included in the schedule)

After the completion of repairs following an insured event under this sub-section, the Company will pay for the reasonable costs to deliver the Insured Vessel and/or the Insured Motor to the Insured in the Republic of South Africa, Namibia, Lesotho, Botswana and Kingdom of Eswatini.

Emergency accommodation (if stated as included in the schedule)

If a journey away from the permanent place of residence has already commenced and cannot be completed due to the Insured Vessel suffering loss or damage by an insured event under this sub-section, the Company will pay for emergency accommodation **for up to two nights** for the Insured and any affected passengers provided that due to distance away from the permanent place of residence, it is not feasible to return home immediately.

Emergency repairs (if stated as included in the schedule)

The Insured may give instructions for emergency repairs to be executed without the prior consent of the Company to the extent of **but not exceeding the insured amount stated in the schedule** for any one event, provided that:

1. such costs would otherwise be indemnifiable by an insured event under this sub-section;
2. a full itemised invoice is obtained and immediately forwarded to the Company.

Emergency services costs (if stated as included in the schedule)

The Company will indemnify the Insured for costs the Insured is responsible to pay to any public authority for emergency services rendered after loss or damage by an insured event under this sub-section to the Insured Vessel and/or Insured Motor.

Glitter or other similar decorative finishes (if stated as included in the schedule)

Notwithstanding proviso 3 of the "Basis of loss settlement clause", this sub-section is extended to cover the costs of matching, as close as possible, any glitter or other similar decorative finishes in any repair or restoration of the Insured Vessel following an insured defined event.

Inspection of hull (if stated as included in the schedule)

The Company will pay for the reasonable costs incurred **up to the insured amount stated in the schedule** to inspect the hull of the Insured Vessel for possible damage due to stranding, sinking or collision of the Insured Vessel, notwithstanding that no damage may be found after such inspection.

Keys, locks and remote control units (if stated as included in the schedule)

The Company will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any Insured Vessel following upon:

1. the loss of or damage to any key or alarm controller of such Insured Vessel; or
2. damage to the Insured Vessel's locks by an intruder in order to gain forced access to the Insured Vessel; or
3. the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller.

Repatriation from other territories (if stated as included in the schedule)

Specific exclusion 21 is deleted. Following loss or damage to the Insured Vessel and/or Insured Motor that occurs in any other territory stated in the schedule under territorial limits, the Company will pay for the reasonable costs **up the insured amount stated in the schedule** to return the Insured Vessel and Insured Motor from such other insured territory to the Republic of South Africa for repairs to be effected if the repairs cannot be carried out in any other such territory.

Riot and strike (other than RSA and Namibia) (if stated as included in the schedule)

Subject otherwise to the terms, conditions, exclusions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of

1. civil commotion, labour disturbances, riot, strike or lockout;
2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 1 above;

provided that this extension does not cover:

1. **loss or damage occurring in the Republic of South Africa or Namibia;**
2. **consequential or indirect loss or damage of any kind or description whatsoever;**
3. **loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;**
4. **loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;**
5. **loss or damage related to or caused by any occurrence referred to in General exclusion 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.**

If the Company alleges that, by reason of provisos 1 to 5 above, loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

Safeguarding costs (if stated as included in the schedule)

The Company will pay for the reasonable costs to store, safeguard and once in the Republic of South Africa, to transport the Insured Vessel and/or the Insured Motor to the nearest approved repairer following loss or damage covered under this sub-section.

Salvage and recovery costs following theft or hijacking (if stated as included in the schedule)

The Company will indemnify the Insured for all reasonable salvage and recovery costs incurred with the Company's written consent to salvage and recover the Insured Vessel and/or Insured Motor following its loss by theft or hijacking.

SUB-SECTION 2 – LIABILITY TO THIRD PARTIES

DEFINED EVENTS – SUB-SECTION 2

1. If in the schedule against "Insured Vessel liability" cover is reflected as "Included", the Company will indemnify the Insured **up to the insured amount stated in the schedule** in respect of damages which the Insured shall become legally liable to pay consequent upon the death of or bodily injury to any person, or damage to property of any person arising from any accident caused by or through or in connection with the Insured Vessel and/or the Insured Motor within the territorial limits described in the schedule.
2. If in the schedule against "Liability if another person navigates the Insured Vessel" cover is reflected as "Included", subject to the terms, exclusions and conditions of this policy the Company will indemnify any navigator (other than the Insured) **up to the insured amount stated in the schedule** under "Insured Vessel liability" in respect of damages which such other navigator shall become legally liable to pay consequent upon the death of or bodily injury to any person, or damage to property of any person arising from any accident caused by or through or in connection with the navigation of the Insured Vessel by such person within the territorial limits described in the schedule.

DEFINITIONS – SUB-SECTION 2

Costs and Expenses shall mean costs, charges, expenses and legal costs recoverable from the Insured by a claimant or any number of claimants or incurred by the Company or incurred by the Insured with the Company's prior consent:

1. in the defence or settlement of any claim under this sub-section of the policy or any action or prosecution brought against the Insured in respect of death, bodily injury or damage to property as insured in terms of this sub-section of the policy.
2. in the representation at any inquest or accident inquiry in respect of death or bodily injury which may form the subject of indemnity under this sub-section of the policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this sub-section of the policy.

Insured Motor shall have the same meaning as defined in sub-section 1.

Insured Vessel shall have the same meaning as defined in sub-section 1.

Laid up shall have the same meaning as defined in sub-section 1.

Water-skiing shall include the towing of any person(s) on any device behind a vessel.

SPECIFIC EXCLUSIONS – SUB-SECTION 2

The Company shall not be liable under defined event 1 for:

1. **death of or bodily injury to any person:**
 - 1.1 **in the employ of the Insured arising from and in the course of such employment;**
 - 1.2 **being a member of the same household as the Insured or being a member of the Insured's family;**
2. **damage to any property:**
 - 2.1 **belonging to the Insured;**
 - 2.2 **leased, hired, lent or held in trust by or in the custody or control of the Insured;**
 - 2.3 **belonging to an employee of the Insured;**

- 2.4 belonging to a member of the same household as the Insured or a family member of the Insured;
- 2.5 being transported in or on the Insured Vessel;
- 3. any liability which arises during the transport of the Insured Vessel and/or Insured Motor by road or whilst on a trailer attached to a motor vehicle or has broken away or become accidentally detached from a motor vehicle;

In addition, the Company shall not be liable under defined event 2 for:

- 4. any claim if such navigator:
 - 4.1 navigates the Insured Vessel without the Insured's permission;
 - 4.2 is entitled to indemnity in whole or in part under any other insurance policy in respect of the same liability and event;
 - 4.3 does not comply with the terms and conditions of this policy;
 - 4.4 has ever been refused insurance for a watercraft or continuance thereof by any insurer;
operates or is employed by an operator of a shipyard, repair yard or slipway and navigates the Insured Vessel in such capacity;
 - 4.5 operates or is employed by a watercraft club, sales agency or similar organisation and navigates the Insured Vessel in such capacity;
- 5. death of or bodily injury to:
 - 5.1 any person in the employ of such navigator arising from and in the course of such employment;
 - 5.2 any person being a member of the same household as the navigator or being a member of the navigator's family;
 - 5.3 the Insured; a member of the same household as the Insured or any person being a member of the Insured's family;
 - 5.4 any person in the employ of the Insured and in the course of such employment;
- 6. damage to any property:
 - 6.1 belonging to the navigator;
 - 6.2 leased, hired, lent or held in trust by or in the custody or control of the navigator;
 - 6.3 belonging to an employee of the navigator;
 - 6.4 belonging to a member of the same household as the navigator or a family member of the navigator;
 - 6.5 being transported in or on the Insured Vessel;
 - 6.6 belonging to the Insured; a member of the same household as the Insured or belonging to a member of the Insured's family;
 - 6.7 belonging to an employee of the Insured,

In respect of both defined events 1 and 2, the Company shall not be liable for:

- 7. any liability assumed by agreement or contract by the Insured (or in respect of defined event 2, the navigator) unless such liability would have attached to the Insured (or navigator) notwithstanding such agreement or contract;
- 8. damages in respect of judgements delivered or obtained in the first instance in the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part);
- 9. Costs and Expenses of litigation recovered by any claimant from the Insured which are incurred in and recoverable in the area described in 8 above;
- 10. any liability which arises whilst the Skipper (or other person in charge of the Insured Vessel with the Insured's knowledge and permission), at the time of the accident is in contravention of the Merchant Shipping Regulations 2007 (as amended or replaced from time to time) in respect of:
 - 10.1 not being in possession of a valid and applicable Certificate of Competence unless under the direct and constant guidance and supervision of a responsible person in possession of such Certificate of Competence;
 - 10.2 being under the influence of drugs or alcohol;
- 11. any liability which arises whilst the Insured Vessel, at the time of the accident is in contravention of the Merchant Shipping Regulations 2007 (as amended or replaced from time to time) relating to having a valid certificate of fitness;
- 12. any liability arising out of seepage, pollution, or contamination unless such seepage, pollution, or contamination is caused by a sudden, unintended and unforeseen occurrence;
- 13. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless such seepage, pollution, or contamination is caused by a sudden, unintended and unforeseen occurrence;
- 14. any liability which arises whilst the Insured Vessel and/or Insured Motor(s) are being used for any use that is not specified in the schedule under "Insured Vessel uses" as being covered;
- 15. any liability which is caused by, attributable to, or to the extent that it is aggravated by the Insured Vessel not being seaworthy;
- 16. death of or bodily injury of any person or loss of or damage to any such person's property whilst being conveyed in the Insured Vessel as a passenger (including whilst embarking thereon or disembarking therefrom);

17. **death of or bodily injury of any person (including a water-skier or a parasailor being towed behind the Insured Vessel) or loss of or damage to any persons property (including the property belonging to a water-skier or parasailor being towed behind the Insured Vessel) arising whilst the Insured Vessel is being used to tow a water-skier or a parasailor from the time such person leaves the Insured Vessel up until such person is safely on board of the Insured Vessel and has been disconnected from any harnesses and ropes;**

SPECIFIC CONDITIONS – SUB-SECTION 2

Fire extinguishers and extinguishing systems

It is a condition of this sub-section that any Insured Vessel must, in compliance with the Merchant Shipping (National Small Vessel Safety) Regulations 2007 (as amended or replaced from time to time), carry fire extinguishers and any Insured Vessel (other than a jet ski or wet bike) that is fitted with an inboard petrol motor(s), must be fitted with a remote controlled fire extinguishing system in the engine compartment. Such system must be maintained in efficient working order at all times and fire extinguishers must be serviced annually by an approved/accredited agent.

Insured amount

The maximum amount payable by the Company, inclusive of any Costs and Expenses, for any claim or number of claims related to any one event, shall not exceed the insured amount stated in the schedule against “Insured amount (per event)”.

Should any one event give rise to a claim or claims which form the subject of indemnity by both a defined event and an extension or more than one extension under this sub-section, each shall apply separately and be subject to its own separate insured amount **provided always that the total amount of the Company’s liability for all such claims combined arising out of a single event shall be limited to the amount stated in the schedule against “Insured amount (maximum indemnity inclusive of extensions)”.**

Laid up periods

No refunds of premium will be made under this sub-section in respect of periods during which the Insured Vessel may be laid up.

Safety appliances and equipment

It is a condition of this sub-section that the Insured Vessel carry all safety appliances and equipment as set out in the Merchant Shipping (National Small Vessel Safety) Regulations 2007 (as amended or replaced from time to time),

Seaworthiness

All reasonable steps are to be taken to protect and maintain the Insured Vessel in a seaworthy condition as required by the laws and regulations prescribed by The South African Maritime Safety Association (SAMSA) regardless whether the Insured Vessel is operating in South African territorial waters or not.

CLAUSES AND EXTENSIONS – SUB-SECTION 2

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each extension and clause (but where applicable as indicated below, only if such extensions and clauses are stated as included in the schedule) **subject to any insured amounts or first amounts payable stated in the schedule under each extension.**

Cross liabilities

Where more than one Insured is named in the schedule, the Company will indemnify each Insured separately and not jointly, and any liability arising between such Insureds shall be treated as though separate policies had been issued to each, **provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the schedule** and the Company agrees to waive all rights which the Company may have or acquire against any one of such parties.

First aid treatment

The indemnity provided under defined event 1 shall include all sums which the Insured shall become legally liable to pay due to incorrect emergency first aid treatment administered or made available by the Insured on board the Insured Vessel or following an accident involving the Insured Vessel **provided that:**

1. **wrongful diagnosis is strictly excluded;**
2. **the maximum liability of the Company under this extension shall not exceed the amount stated in the schedule against “Insured amount (per event)” under “Insured Vessel liability”.**

Passenger liability (if stated as included in the schedule)

Specific exclusion 16 of this sub-section is deleted provided that **this extension shall not provide indemnity to the Insured for a claim arising out of the conveyance of:**

1. **fare paying passengers unless under “Insured Vessel uses” in the schedule, against “Transportation of fare paying passengers” it states that such use of the Insured Vessel is covered;**
2. **any passenger being a person in the employ of the Insured and arising from and in the course of such employment;**
3. **any passenger being a person that is a member of the same household as the Insured or being a member of the Insured’s family.**

If in the schedule under this extension against "Liability if another person navigates the Insured Vessel" cover is reflected as "Included", specific exclusion 16 is deleted provided that **this extension shall not provide indemnity to such other navigator for a claim arising out of the conveyance of:**

1. **fare paying passengers unless under "Insured Vessel uses" in the schedule, against "Transportation of fare paying passengers" it states that such use of the Insured Vessel is covered;**
2. **any passenger being a person in the employ of the navigator and arising from and in the course of such employment;**
3. **any passenger being a person that is a member of the same household as the navigator or being a member of the navigator's family;**
4. **the Insured, a member of the same household as the Insured or any person being a member of the Insured's family;**
5. **any person in the employ of the Insured and in the course of such employment;**

provided that the total liability of the Company under this extension for indemnity to the Insured and any navigator combined arising out of a single event, shall not exceed the insured amount stated in the schedule under this extension.

Sister ships

Should the Insured Vessel collide with or receive salvage services from another vessel belonging or partly belonging to the Insured, the Insured shall have the same rights under this sub-section as if such other vessel was not owned or partly owned by the Insured. In such cases, the liability for the collision or costs of salvage shall be referred to a sole arbitrator to be agreed upon between the Company and the Insured.

Water-skiers or parasailors liability (if stated as included in the schedule)

Specific exclusion 17 of this sub-section is deleted **provided that this extension shall not provide indemnity to the Insured for:**

1. **any water-skier or parasailor also being a fare paying passenger unless under "Insured Vessel uses" in the schedule, against "Transportation of fare paying passengers" it states that such use of the Insured Vessel is covered;**
2. **any water-skier or parasailor in the employ of the Insured and arising from and in the course of such employment;**
3. **any water-skier or parasailor being a person that is a member of the same household as the Insured or being a member of the Insured's family.**

If in the schedule under this extension against "Liability if another person navigates the Insured Vessel" cover is reflected as "Included", specific exclusion 17 is deleted **provided that this extension shall not provide indemnity to such other navigator for:**

1. **any water-skier or parasailor also being a fare paying passenger unless under "Insured Vessel uses" in the schedule, against "Transportation of fare paying passengers" it states that such use of the Insured Vessel is covered;**
2. **any water-skier or parasailor in the employ of the navigator and arising from and in the course of such employment;**
3. **any water-skier or parasailor being a person that is a member of the same household as the navigator or being a member of the navigator's family;**
4. **any water-skier or parasailor being the Insured, a member of the same household as the Insured or any person being a member of the Insured's family**
5. **any person in the employ of the Insured and in the course of such employment;**

provided that the total liability of the Company under this extension for indemnity to the Insured and any navigator combined arising out of a single event, shall not exceed the insured amount stated in the schedule under this extension.

Cover is further extended by this extension so that the Company will also indemnify any person being a water-skier or parasailor being towed by the Insured Vessel (**up to the insured amount stated in the schedule against this extension**) in respect damages which such water-skier or parasailor shall become legally liable to pay consequent upon the death of or bodily injury to any other person, or damage to property of any other person arising from any accident caused by or through such activity **provided that:**

1. **this further extended cover shall not provide indemnity for damage to any property:**
 - 1.1 **belonging to the Insured, such water-skier or parasailor;**
 - 1.2 **leased, hired, lent or held in trust by or in the custody or control of the Insured, such water-skier or parasailor;**
 - 1.3 **belonging to an employee of the Insured or such water-skier or parasailor;**
 - 1.4 **belonging to a member of the same household as the Insured, such water-skier or parasailor or a family member of the Insured, such water-skier or parasailor;**
2. **this further extended cover shall not provide indemnity for death of or bodily injury to:**
 - 2.1 **any person in the employ of the Insured, such water-skier or parasailor arising from and in the course of such employment;**
 - 2.2 **any person being a member of the same household as the Insured, such water-skier or parasailor or being a family member of the Insured, such water-skier or parasailor;**
 - 2.3 **the Insured, notwithstanding that such water-skier or parasailor may be so legally liable;**
3. **such water-skier or parasailor is not entitled to indemnity under any other policy;**
4. **such water-skier or parasailor shall as though he or she were the Insured, observe, fulfil and be subject to the terms, exclusions and conditions of this policy in so far as they can apply;**

5. the total liability of the Company under this extension for indemnity to the Insured, any navigator and any such water-skier or parasailor combined arising out of a single event, shall not exceed the insured amount stated in the schedule under this extension.

SUB-SECTION 3 – INSURED VESSEL OCCUPANTS

DEFINED EVENTS – SUB-SECTION 3

Emergency expenses (if stated as included in the schedule)

The Company will pay for emergency expenses **up to the insured amounts stated in the schedule** for accidental bodily injury to any person inside or on the Insured Vessel arising out of the sinking or collision of the Insured Vessel with any object other than water.

Emergency Expenses means 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.

Trauma (if stated as included in the schedule)

The Company will pay the amount stated in the schedule to the Insured for occupant(s) of the Insured Vessel undergoing treatment by a registered professional counsellor following such person sustaining psychological trauma amounting to a Disability Event as a direct result of violence or threat of violence during theft, attempted theft or hijack of any Insured Vessel and/or Insured Motor **provided that:**

1. it is not possible to recover these expenses from any other insurance policy or facility;
2. the Company's liability shall not exceed for any one theft or hijacking event, the insured amount stated in the schedule.

A Disability Event means any event resulting in a person becoming so 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.

DEFINITIONS – SUB-SECTION 3

Insured Motor shall have the same meaning as defined in sub-section 1.

Insured Vessel shall have the same meaning as defined in sub-section 1.

Version 2	Product: Tourism	Country: South Africa
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