



ZURICH®

# Pleasurecraft Insurance

## Definitions

- 1. You/Your**  
The person or persons shown in the schedule under "Insured".
- 2. We/Us/Our/Zurich**  
Zurich Insurance Company South Africa Limited.
- 3. Period of Insurance**  
The period for which we have accepted or agreed to accept your first or renewal premium in consideration for indemnity in terms of this policy.
- 4. Vessel**  
The vessel named in the schedule comprising -  
the hull, superstructure, fittings, electrical machinery, engines, inboard motor(s), dinghy(s), gear and equipment (not electronic equipment) such as would normally be sold with the vessel as one unit. Outboard motor(s), tenders, launching dollies/trolleys and trailers and any radio(s), echo-sounders and similar type navigation and/or navigational and/or electronic equipment, any covers and safety equipment are not included unless separately declared and valued and included in the schedule and/or by endorsement.
- 5. Complete vessel**  
A complete vessel comprises the vessel named in the schedule and any outboard motor(s), tenders, launching dollies/trolleys and trailers and any radio(s), echo-sounders and similar type navigation and/or navigational and/or electronic equipment, any covers and safety equipment separately declared and valued and included on the schedule and/or endorsement.
- 6. Private residence**  
Private residence means the insured's permanent home used for domestic purposes and including all land within the boundaries of the premises thereof.
- 7. Replacement value**  
The Replacement Value shall mean:
  - (a) In respect of vessels not exceeding 4 years in age at time of loss or damage: The new replacement value thereof.
  - (b) In respect of vessels older than 4 years in age at time of loss or damage: The reasonable market value.
- 8. Mechanical or electrical or electronic breakdown (excluded under Section 1)**  
Damage to or failure of machinery, engines, motors, radio and navigation equipment, batteries and their connections (other than the shaft and propeller) unless caused by
  - (a) accidental incursion of water into the hull.
  - (b) the vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water, but excluding the intake of foreign matter into cooling system.
  - (c) accidents occurring whilst machinery, engines, equipment, batteries and their connections are being removed from or placed in the vessel or from or into a place of storage.
  - (d) malicious acts.
  - (e) fire or accidental damage whilst in store.
- 9. Warranty**  
Wherever the words "warranty" or "warranted" are used, the creation of a warranty is deemed to have taken place. A warranty must be exactly complied with otherwise we may avoid all liability from the date of the breach of warranty. It would be no defence for you to say that once the warranty had been broken you had remedied the position and complied with the warranty before the loss had occurred.

**10. In commission**

The period when the vessel is fitted out and available for your immediate use.

**11. Houseboat use**

A vessel is being used as a houseboat when she is not underway or navigating but is used whilst permanently on moorings or in her berth, by you or others, for living on board.

**12. Total loss (Actual and/or Constructive)**

- (a) An actual total loss occurs where the vessel insured is wholly destroyed and/or damaged or where you are irretrievably deprived wholly thereof and not otherwise.
- (b) A constructive total loss occurs where the insured vessel suffers an actual total loss as defined in (a) above or where it could not be preserved from such actual total loss without an expenditure which, if incurred, would exceed the insured sum of the vessel as appearing in the schedule.

**13. Semi rigid vessel**

A semi rigid vessel is a vessel utilising pontoons made of rubber or other material which are inflated under pressure with a rigid hull.

**14. Speed**

1 Knot = 1.852 km (1 852 metres) per hour.

**15. Personal effects**

Personal effects: Binoculars, sextants and nautical books, yachting and boating clothes, oilskins, sea boots, being the personal property of the insured or crews clothes provided by the insured.

**16. Special equipment**

Special equipment whether purchased with the vessel or not, is not restricted to but includes inter alia, music and radio systems, communication radios, navigational and other electronic and/or other similar equipment, anchors, special propellers, spare tanks, speedometers and other equipment.

# Pleasurecraft Insurance

## Jurisdiction clause



We hereby agree in consideration of the payment to us by or on your behalf of the premium specified in the Schedule to indemnify you against loss, damage, liability or expense in the manner hereinafter provided with the provision that the premium is payable on or before the inception date or renewal date as the case may be. We shall not be obliged to accept the premium tendered to us or to any intermediary after inception date or renewal date as the case may be but may do so upon such terms as we, at our sole discretion, may determine.

### Jurisdiction Clause

This insurance is governed by the laws of South Africa and the courts of South Africa shall have jurisdiction in all matters arising hereunder.

### Section I - Loss of or damage to the vessel

#### 1. Insured Events

This section of your policy insures the vessel as described in the schedule against loss or damage caused by external accidental means, including

- (a) perils of the seas, rivers, lakes or other navigable waters,
  - (b) fire,
  - (c) jettison,
  - (d) piracy,
  - (e) collision with dock or harbour equipment or installation, land conveyance, aircraft or other aerial devices or articles dropped therefrom.
  - (f) earthquake or lightning;
- and provided such loss or damage has not resulted from lack of reasonable precautions by you this insurance also covers
- (g) accidents in loading, discharging or moving stores, gear, equipment, machinery;
  - (h) explosion;
  - (i) malicious damage.
  - (j) theft of the vessel (subject to Exclusion 2(a) below in respect of the theft of the complete vessel) or outboard motor(s) provided it is securely locked to the vessel by a security device in addition to its normal method of attachment; or, following upon forcible and violent entry into or exit from the vessel or place of storage, theft of machinery including outboard motor(s), gear or equipment.
  - (k) loss or damage to the vessel excluding motors and connections (but not strut shaft or propeller), electrical equipment, batteries and connections caused by
    - (i) latent defects in hull or machinery, breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the defective broken shaft part or burst boiler).
    - (ii) the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out on your behalf or in respect of the maintenance of the vessel.
  - (l) the expense of sighting the bottom after a grounding if reasonably incurred specially for that purpose even if no damage be found.
  - (m) in the event of the vessel being stranded, sunk, burned or in a collision, loss or damage to personal effects as covered by this insurance.

The sum insured stated in the schedule shall be the maximum amount payable by us in respect of such loss or damage but not exceeding the replacement value of the complete vessel and its accessories motors dinghy and any special equipment (as described in the schedule) at the time of such loss or damage.

#### 2. Exclusions

The following are excluded from this section of your policy:

- (a) We shall not be liable for loss as a result of theft of the complete vessel whilst left unattended at any time unless the complete vessel is
  - (i) within the securely walled/fenced and locked confines of your private residence;
  - (ii) at a recognised place of repair and/or service;provided always that such theft is accompanied by forceable and violent entry or exit to or from such private residence or place of repair/service unless an endorsement has been issued to the contrary.

- (iii) at a recognised marina or yacht club.
- (iv) at a yacht club provided complete vessel is securely immobilized when not in the water.
- (v) at a holiday/recreational venue provided complete vessel is securely immobilized when not in use.
- (b) Loss or damage resulting from want of reasonable precautions on your part.
- (c) Any cost and/or expense incurred as a result of wear and tear, depreciation, deterioration from use mechanical or electrical or electronic breakdown (including caused by intake of foreign matter into cooling system) and loss of use of any description.
- (d) Loss of or damage to sails or protective coverings split by the wind or blown away whilst set, unless in consequence damage to the spars to which the sails are bent or occasioned by the vessel being stranded, sunk burnt, on fire, in collision or in contact with any external substance (ice included) other than water.
- (e) Loss of or damage 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.
- (f) The cost of replacing or repairing any part condemned solely because of a fault in design or construction or any cost or expense incurred by reason of betterment or alteration in design or construction.
- (g) Loss of or damage to
  - (i) personal effects, not specifically included in the schedule, consumable stores, fishing gear, scuba and/or diving gear; or
  - (ii) moorings or any other equipment not specifically included in the schedule.
- (h) Theft of complete vessel from a boat dealers premises if left there for sale unless when kept in totally secure and locked-up premises provided always that such theft is accompanied by forceable and violent entry or exit to or from such premises.
- (i) Vessel's dinghy not permanently marked with name of insured vessel.
- (j) No claim shall be allowed in respect of loss or damage to the vessel or liability to any third party or any salvage services caused by or arising
  - (i) from the vessel being stranded, sunk, swamped, immersed or breaking adrift while left moored or anchored unattended off an exposed beach or shore or river bank.
  - (ii) while the vessel is being used otherwise than in accordance with the Description of Use.
- (k) Water-skis, ropes and all similar sporting equipment if insured whilst being used or being left unattended during use.
- (l) Glitter or graded colour finish of any kind whatsoever insofar as any insured damage requires a colour match respray and/or repaint.
- (m) Sheathing or repairs thereto, unless loss or damage has been caused by vessel being stranded, sunk, burnt, on fire or in collision or contact with any substance (ice included) other than water.
- (n) Loss of or damage to outboard motor(s) caused by dropping off or falling overboard unless the motor(s) are bolted or chained to a permanent fixture in the hull.

### 3. Section II - Liability to Third Parties

This clause only applies when a value is stated on the schedule.

- (a) We will indemnify you
  - (i) for and damages including costs and expenses that you become legally liable to pay and shall pay arising from the use of the insured vessel in respect of
    - (1) accidental death of or bodily injury to any person (excluding any member your family or any person in your employ).
    - (2) accidental loss or damage to any property other than property belonging to you or held in trust by you or in your custody or control.
    - (3) the cost of any actual or attempted raising removal or destruction of the wreck of the vessel or any neglect or failure to do so.
  - (ii) for any legal costs incurred for representation at any coroner's inquest or fatal accident enquiry or for contesting liability or taking proceedings to liability limits provided our consent in writing has been obtained.
  - (iii) for all accidental damages caused by any person (other than a person operating or employed by the operator of a shipyard marina repair yard slipway yacht club sales agency or similar organisation) navigating or in charge of the craft with your permission provided that
    - (1) indemnity shall not apply to claims made by any member of the same household as that person.
    - (2) such person is not entitled to indemnity under any other policy.
    - (3) such person shall observe fulfil and be subject to the terms conditions and exceptions of this policy in so far as they apply.

Our liability in respect of any one accident or series of accidents arising from one event or occurrence shall not exceed the amount stated in the schedule in respect of this section.

- (b) We will not pay for death of or bodily injury to
  - (i) a member of your family or household.
  - (ii) any person in your employ arising from and during such employment.
  - (iii) a passenger being carried in or upon entering or getting onto or alighting from the vessel.
  - (iv) any person who is engaged in water-skiing or aquaplaning while being towed by the vessel or preparing to be towed or after being towed until safely on board or ashore.
  - (v) any person who is engaged in a sport or activity other than water-skiing or aquaplaning while being towed by the vessel or preparing to be towed or after being towed until safely on board or ashore.
- (c) We will not indemnify you for any liability, cost or expense arising in respect of punitive or exemplary damages however caused.

#### 4. Section III – Liability to Passengers

This clause only applies when a value is stated in the schedule.

- (a) We will indemnify you for all damages including costs and expenses that you become legally liable to pay and shall pay arising from an accident caused by or through or in connection with the vessel in respect of
  - (i) death of or bodily injury to passengers whilst travelling upon or embarking or disembarking from the vessel.
  - (ii) damage to property belonging to the passengers whilst travelling upon the vessel.Our liability in respect of any one accident or series of accidents arising from one event or occurrence shall not exceed the amount stated in the Schedule in respect of this section.
- (b) We shall not pay for death of or bodily injury to
  - (i) a member of your family.
  - (ii) any person in your employ arising from and during such employment.
  - (iii) a fare-paying passenger.
- (c) We will not indemnify you for any liability, cost or expense arising in respect of punitive or exemplary damages however caused.

#### 5. General Clauses and Conditions

- (a) Cruising Range - as selected on the schedule
  - (i) Inland waters only within South Africa (including Durban Harbour and Knysna Lagoon) Namibia and Zimbabwe.
  - (ii) As above, including Coastal waters of South Africa and Namibia but restricted to
    - (1) craft under 6.75 metres day sailing only not exceeding 80 km from coastline.
    - (2) craft over 6.75 metres not exceeding 400 km from coastline.
  - (iii) Other: as specified in the policy schedule.
- (b) Under Insurance (Average Clause)

The amounts stated in the schedule constitute the basis for total loss settlements and reflect the replacement values of the vessel, her equipment or other items specified in the schedule. If the insured sum of the vessel is less than its replacement value at the time of insured loss or damage under Section 1, you are required to pay a proportionate share of the loss or damage as if you were the insurer of the amount not insured.
- (c) Deductible

The amount payable under this section for each and every loss or damage to your vessel arising from any one event shall be reduced by the amount of the deductible shown in the schedule except in the case of an actual or constructive total loss (not resulting from an accident in the surf) which shall be payable in full without application of the deductible.
- (d) Breach of Warranty

Should you breach any warranty in terms of this policy or under the proposal all benefits under this policy shall be forfeited. Should any warranty in respect of any other person referred to in this policy be breached, then all benefits under this policy shall be similarly forfeited.
- (e) Compliance with Policy Terms

Should you not comply with the terms of this policy then all benefits under this policy shall be forfeited. In the event of there being an obligation for any other person to comply with the terms of this policy and should they similarly fail to comply with such terms of this policy then all benefits hereunder shall be similarly forfeited.

- (f) Replacement of Gear and Equipment  
Prior to the application of, and in addition to any deductible in terms of Clause 5(c), deductions on account of new material replacing old may be made by us at our discretion in respect of loss of or damage to
- (i) sails, masts, spars, standing and running rigging, protective covers and batteries.
  - (ii) outboard/inboard motors whether or not insured by separate valuation under this insurance.
- No settlement shall however exceed the values declared for insurance.
- (g) Pollution  
If your vessel is damaged by an insured event in terms of Section I and subsequently becomes a pollution hazard or threat, we shall pay for any loss or damage to your vessel directly caused by any Governmental Authority acting to prevent or minimise such pollution hazard or threat.
- (h) Other Vessels Owned  
If the vessel should come into collision with or receive salvage services from another vessel owned wholly or in part by you, you will have the same rights under this policy as you would have if the other vessel was owned by someone else. In such a case, the liability for the collision or cost of salvage services shall be referred to a sole arbitrator to be agreed upon between you and us should no reasonable agreement be reached between you and us.
- (i) Additional Insurance  
Unless specifically agreed by us you may not arrange any other or additional insurance on the vessel whilst this policy is in force.
- (j) Medical Expenses  
If you, your spouse or any member of immediate family sustain injury caused by violent, accidental, external and visible means as a direct result of the vessel sinking or overturning or being in collision with any external object other than water, we will pay your medical expenses in connection with such injury up to the sum of R400,00 (Four Hundred Rand) in respect of each person injured subject to a maximum of R1 000,00 (One Thousand Rand) any one occurrence.
- (k) Facts Omitted and Misrepresented  
This policy or any subsequent renewal will be null and void from inception:
- (i) If you or anyone acting on your behalf have obtained cover through the omission, mis-representation or suppression of any facts, truths or circumstances known to you or which reasonably you could be expected to know and which to the best of your knowledge and belief could have influenced our assessment and acceptance of the risk or offer of renewal.
  - (ii) If you deliberately omit, misrepresent or suppress any facts, truths or circumstances in support of a claim under this policy.
- In any such event, you shall lose all your rights under this policy, or any subsequent renewal, and we shall be entitled to retain the full premium.
- (l) Assignment or Transfer of Insurance  
This insurance is a contract personal to you and is not assignable or transferable unless agreed in writing between you and us.
- (m) Sale or Transfer of Ownership  
If the vessel is sold or transferred to new ownership then, unless we agree in writing to continue the insurance, this policy shall become cancelled from the time of sale or transfer which ever event first occurs. If, however, the vessel has left her moorings or is at sea at the time of sale or transfer of ownership such cancellation will, if required by you, be suspended until she has arrived at the next port of call within the territorial limits and is anchored or moored in good safety.
- (n) Continuation  
If the vessel is at sea or in distress or at a place of refuge at the time this insurance expires, we shall continue to insure the vessel until she has arrived at the next port of call within the territorial limits and anchored or moored in good safety.
- (o) Cancellation
- (i) We may at any time by giving thirty days notice in writing or by telex, facsimile or other similar communication to you or your representative, cancel this Policy, in which case we will re-pay on demand a proportion of the premium of the unexpired risk under the Policy. You may likewise terminate this Policy at any time by giving us thirty days notice in similar fashion, in which event the last premium paid less the customary short period charge will be refunded on demand.
  - (ii) If the vessel is sold or transferred to new ownership, this policy shall become cancelled from the time of sale or transfer and a pro rata daily return of premium will be made to you.
  - (iii) If a total loss is paid during the currency of the policy, this policy shall become cancelled and you will not be entitled to any return of premium in respect of the unexpired period as the policy will have fulfilled its commitment.

- (p) Premiums
  - (i) Returns
    - No return of premium shall be made for amounts less than R250.
  - (ii) Payment by Instalments
    - (1) If this policy is issued or renewed subject to the premium being paid by instalments our liability may cease in the event of non-payment of any instalment by the date due.
    - (2) In the event of cancellation of this policy for any reason, you shall not be required to pay further instalments of premium from the date of cancellation and shall not be entitled to any pro rata return of premium due under the conditions of this policy.
    - (3) Full Premium in the Event of Total Loss
      - It is understood and agreed that in the event of a claim for total loss or constructive total loss of the vessel arising in terms of this policy the full annual premium less the amount of premium already paid shall become due and payable forthwith and will be deducted from the amount payable.
- (q) Automatic Insured Value Increase
  - At renewal each year the sum insured will be automatically increased by an inflationary factor as advised by us but it remains your responsibility to ensure that the sum insured is correct and adequate.
- (r) Motor-propelled vessels with a speed capability greater than 17 knots
  - (i) General exclusion 7(c) will not apply to any vessel insured hereunder which has a speed capability greater than 17 knots and such speed capability has been declared to us and recorded in the schedule warranted that when vessel is under way you or another competent person are on board and in control of the vessel.
  - (ii) We will not pay under this clause
    - (1) for loss of or damage to the vessel or additional covers or legal liability or medical expenses
      - a. arising while the vessel is racing or participating in speed tests or any trials in connection therewith.
      - b. caused by or arising from the vessel being stranded, sunk, swamped or breaking adrift while left moored or anchored unattended off an exposed beach or shore.
    - (2) for loss of or damage to the vessel's rudder, propeller, strut, shaft, machinery, engines, motors, batteries and their connections unless the loss or damage is caused
      - a. by the insured vessel being stranded, sunk, burnt, on fire or in collision with another vessel pier or jetty.
      - b. by being immersed as a result of heavy weather.
      - c. by fire in place of storage ashore.
      - d. whilst being removed from or placed in the vessel.
    - (3) for loss of or damage to the vessel's rudder, propeller, strut, shaft, electrical machinery, engines, motors caused by collision with a submerged object.
    - (4) for loss or damage caused by or arising through 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 gallery, with either an automatic fire extinguishing system or one having controls at the steering wheel. This clause is not applicable to vessels less than 6,75 metres in length where adequate handheld extinguishers only are required.
    - (5) for loss of or damage caused by or arising through fire or explosion to a vessel where the vessel is less than 6,75 metres in length where there are no adequate handheld extinguishers.
    - (6) warranted that any fire extinguishing system (including fire extinguishers) must be properly installed and maintained in efficient working order.

## 6. Duties as Owner Warranty

- (a) It is warranted that you, your servants, your agents and the users of the vessel
  - (i) take all reasonable steps to maintain the vessel, outboard motors, trailers and other insured property in a proper state of repair and seaworthiness and roadworthiness.
  - (ii) act with reasonable precaution to avert or minimise any possible loss or damage recoverable hereunder. We will contribute to costs properly and reasonably incurred by you in compliance with this clause
- (b) General average, salvage charges, collision defence and attack costs, and cost for contesting liability as covered by Sections II & III are not recoverable under this clause.
- (c) The sum recoverable under this clause 6 shall be in addition to a loss otherwise recoverable under this insurance but in no circumstances shall the total amount recoverable exceed the sum insured of the insured property claimed for.

- (d) **Survey Warranty**  
When the insured vessel becomes 10 years old prior to any inception of cover we shall require to be provided with an up-to-date, independent, professional seaworthy survey report, the survey being undertaken whilst the vessel is out of the water and at your expense. Thereafter survey reports must be submitted to us every two years.
- (e) **Launching Through Surf Warranty**  
It is warranted that when the vessel is being launched through the surf, the vessel should be fitted with at least two motors in workable and readily usable condition.
- (f) **Department of Transport Regulations Warranty**  
It is warranted that the vessel shall not be used by you nor allowed nor caused to be used in contravention of any regulations relating to pleasurecraft, as amended from time to time, as published in terms of the Merchant Shipping Act 1951.
- (g) **Seaworthiness Warranty**  
It is warranted that you shall at all times maintain and keep the complete vessel in a proper state of repair and sea worthiness/road worthiness and shall at all times exercise all due care and diligence in the crewing of the vessel.
- (h) **Breach of Law and Regulation Warranty**  
It is warranted that the vessel shall not be used by you nor allowed nor caused to be used in contravention of any law or regulation promulgated by any authority.

## 7. General Exclusions

### **This Policy does not insure any loss, damage, additional covers, legal liability or medical expenses**

- (a) **During use**  
whilst the vessel is
  - (i) being used for any purpose other than private and pleasure.
  - (ii) let out on hire or charter or for reward or when being used as a houseboat.
  - (iii) being towed on water except
    - (1) when in need of assistance.
    - (2) for customary towage in connection with laying up or fitting out or repairs.
  - (iv) towing or salvaging a vessel other than one in distress.
  - (v) towing or salvaging a vessel (whether or not in distress) under a contract arranged prior to commencing towing or salvaging.
- (b) **Cruising Range**  
Whilst the vessel is outside the cruising range limits specified in the schedule.
- (c) **Speed**  
**(This general exclusion is applicable separately to the named vessel and her dinghies and only when motor-propelled)**  
If the vessel or any of her dinghies has a speed capability greater than 17 knots unless Clause 5(r) has been added to the policy and such speed capability has been declared to us and is recorded in the schedule.
- (d) **Transit Risks**  
Whilst the vessel is being carried or is in transit on land (other than whilst being manoeuvred by hand) unless otherwise indicated on the schedule.
- (e) **Sonic Booms**  
Damage caused by pressure waves from aircraft and other aerial devices travelling at sonic or supersonic speeds.
- (f) **Radioactive Contamination**  
Of whatsoever nature directly or indirectly caused by or contributed to by or arising from
  - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
  - (ii) radioactive, toxic explosive or other hazardous properties or any nuclear assembly or nuclear component thereof.
  - (iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction radioactive force or matter.
 This general exception shall be paramount and shall override anything contained in this insurance or any clauses attached hereto now or afterwards which are inconsistent with the provisions of this clause.
- (g) **South African Special Risk Insurance Association (SASRIA)**  
Applicable only to vessels in commission or laid up within South Africa or its territorial waters.

- (i) Related to or caused by
  - (1) civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the above.
  - (2) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war.
  - (3) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege, insurrection, rebellion or revolution.
  - (4) any act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence any State or Government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence.
  - (5) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause or to bring about any social or economic change, or in protest against any State or Government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof.
  - (6) any attempt to perform any act referred to in clause 7(g)(i)(4) or 7(g)(i)(5) above.
  - (7) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clauses (1) to (6) above.

If we allege that by reason of clauses (1) to (6) of this exception, loss or damage or expense or liability is not covered by this policy, the burden of proving the contrary shall rest on you.

- (ii) Caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this policy applies.
- (h) Strikes and Political Acts Exclusion
 

In no case shall this insurance cover loss damage liability or expense caused by

  - (i) strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions.
  - (ii) any terrorist or any person acting from a political motive.
- (i) War Exclusions
 

In no case shall this insurance cover loss damage liability or expense caused by

  - (i) war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
  - (ii) capture, seizure, arrest, restraint or detainment (barratry and piracy excepted), and the consequences thereof or any attempt thereat.
  - (iii) derelict mines, torpedoes, bombs or other derelict weapons of war.
- (j) Warranted that this Policy excludes loss of or damage to the interest hereby insured caused by political confiscation, seizure, appropriation, expropriation, deprivation, requisition for title or use or wilful destruction by/or under the order of any Government (whether civil, military or de facto) and/or public or local authority.

## 8. Claims and Accidents

### General Conditions and Procedures

- (a) Notification of Claims
  - (i) On the happening of an event which may give rise to a claim under this policy prompt notice must be given to us so that a surveyor may be appointed if so desired.
  - (ii) Full information of the occurrence must be given in writing as soon as possible thereafter with names and addresses of witnesses and any third party claimants.
  - (iii) You must send to us as soon as possible, and prior to you replying thereto, all claims, letters, summonses, writs or documents which you receive from third parties and give us whatever assistance and information we may require.
- (b) Fraud
 

If any claim under this policy be in any respect fraudulent or if any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefit under this policy or if any loss, destruction, damage or liability is occasioned by a wilful act by you or with your connivance, all benefits under this policy in respect of such claim shall be forfeited, and in addition we shall

  - (i) have the right to a refund of any amount paid to you or any other person prior to the fraudulent event or act.
  - (ii) not be obliged to pay any claim lodged before or after such fraudulent event or act.
- (c) Repairs and Tenders
 

We shall have a right to nominate the place of repair or repairing firm and may also take tenders or may require tenders to be taken for the repair of the vessel. Any additional expenses arising from compliance with our requirements shall be refunded to you.

(d) Reinstatement

We may choose to reinstate or replace any part of the insured property damaged or destroyed instead of paying the amount of the loss or damage in money. If we elect to reinstate or replace any property you shall at your expense produce and give to us all such plans, documents, specifications, valuations and information as we may reasonably require. We shall not be bound to reinstate or replace exactly or completely but only as circumstances permit and in reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the sum insured thereon.

(e) Constructive Total Loss

In ascertaining whether the vessel is a constructive total loss the sum insured will be taken as the repaired value, and nothing in respect of the damaged or break-up value of the vessel or wreck will be taken into account. No claim for constructive total loss based on the costs of recovery and/or repair of the vessel shall be coverable unless such cost would exceed the sum insured. No settlement shall exceed the sums insured specified in the schedule.

(f) Time Bar

- (i) No claim (other than a claim under the liability sections II & III if applicable) shall be payable after the expiry of 12 months or such further time as the company may allow in writing from the happening of any event unless the claim is subject to pending legal action.
- (ii) In the event of a claim being rejected and legal action not being commenced within 6 months after such rejection, all benefits afforded under this policy in respect of any such claim shall be forfeited.

(g) Unrepaired Damage

In no case shall we be liable for unrepaired damage in addition to a subsequent total loss sustained during the period of insurance shown in the schedule.

(h) Other Insurances

In the event of any claim arising under this policy which is also recoverable under any other insurance we shall not be liable for more than our rateable proportion of such claim.

(i) Our Rights after an Event

- (i) On the happening of any event in respect of which a claim is or may be made under this policy we and every person authorised by us may without thereby incurring any liability and without diminishing our right to rely upon any conditions of this policy
  - (1) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence by you to us to do so. You shall not be entitled to abandon any property to us whether taken possession of by us or not.
  - (2) take over and conduct in your name the defence or settlement of any claim and prosecute in your name for our own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by you without our written consent.
- (ii) You shall, at our expense, do and permit to be done all such things as may be necessary or reasonably required by us for the purpose of enforcing any rights to which we shall be or would become subrogated upon indemnification to you whether such things shall be required before or after such indemnification.
- (iii) In respect of any section of this policy under which an indemnity is provided for liability to third parties we may in the case of any event pay to you the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and we shall thereafter not be under further liability in respect of such event.
- (iv) If you do not or anyone acting on your behalf does not comply with our requirements and hinders or obstructs us in doing any of the abovementioned acts then all benefit under this policy shall be forfeited.

(j) Repatriation Clause

It is hereby declared and agreed that in the event of a claim occurring in a country other than the Republic of South Africa the vessel will be returned to the Republic of South Africa for assessment at your own expense.

- (k) Flushing of Motor(s)  
In the event of the immersion of the motor(s) in water it is your duty to ensure that such motor(s) is/are immediately flushed out and restarted as soon as possible.
- (l) Racing Classification  
In the event of a recoverable claim, liability hereunder being limited to the cost of repair, replacement or reinstatement as described elsewhere in the policy, it is without reference to any classification and we do not guarantee the insured vessel's eligibility and/or acceptance for classification and/or registration in any racing and/or cruising association, club or class.  
This provision only applies to policies with an annual premium greater than R250.  
In the event of no claim arising under this policy, the same having been in force for 12 consecutive months or more and provided it is renewed for a further 12 months, the renewal premium will be reduced as follows:
- | <i>Period policy has been in force without a claim</i> | <i>No Claim Discount</i> |
|--|--------------------------|
| 1 year   | 5%                       |
| 2 consecutive years                                    | 10%                      |
| 3 consecutive years                                    | 15%                      |

## 9. Standard Additional Risks Endorsements

**The following endorsements apply only if they are specifically activated in the schedule.**

- (a) Transit Risks
- (i) Section 1 of this policy is extended to cover the vessel whilst only in the course of transit by road or rail, including loss or damage during loading and unloading from the conveyance within the transit limits specified in the schedule, but no claim shall be allowed in respect of
- (1) scratching bruising and/or denting and the cost of consequent repairs or refinishing.
  - (2) any liabilities in respect of Sections II and III of the policy whilst in transit.
- (ii) Warranted that the insured vessel is conveyed on a purposebuilt, properly constructed roadworthy trailer and properly and adequately secured to such trailer for intended transit.
- (b) Yacht Racing Risks  
This policy is extended to cover the cost of repairing or replacing sails, masts, spars, standing and running rigging lost or damaged by an event covered by Section 1 whilst the vessel is racing, but we shall only pay two thirds of such costs up to a maximum of two thirds of the value specified in the schedule.  
If 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 then we shall pay repair or replacement costs in full after the deduction of any deductible per Clause 5(c) and of depreciation in the terms of Clause 5(f) Replacement of Gear and Equipment. Amounts recoverable shall be calculated on the basis of the value specified in the schedule.  
Exclusions 2(d) and 2(e) of Section 1 of the policy are deemed to have no effect upon cover provided by this endorsement.  
Notwithstanding the provisions of General Clause 5(i) it is warranted that no additional insurance is or shall be placed covering any part of the cost of repair and replacement not recoverable in the terms of this endorsement.
- (c) Submerged Objects Cover for Motor-propelled Vessels with Speed Capability in excess of 17 knots  
The cover provided by Clause 5(r) is extended by the deletion of the Submerged Objects Exclusion contained in sub-clause 5(r)(ii)(3) provided that we will not pay for loss or damage caused by the intake of foreign matter into the cooling system of the machinery engines or motor.
- (d) War and Strikes Extension  
This policy includes War and Strikes cover as per the Institute War and Strikes Clause - Yachts, (Clause 329) as attached.
- (e) Waterskiers Extension  
Liabilities incurred by or to waterskiers are hereby included and clause 3(b)(iv) is deemed deleted.

## 10. The following Conditions Limitations and/or Exclusions apply to this Policy in respect of:

- (a) Sailboards
- (i) We will not pay for
- (1) any loss or damage or liability incurred as a result of the use of Wave Jumpers, Trick Boards or similar varieties.
  - (2) loss or disappearance of sails and/or other parts (excluding hull, mast or wishbone) unless such loss or disappearance follows upon forcible and violent entry into a locked compartment forming part of a locked motor vehicle or locked trailer or locked storage ashore.

- (3) loss or damage or disappearance of a sailboard or any part thereof whilst on a roofrack or roof of any motor vehicle (including on a trailer) when left unattended in the open.
  - (4) loss or damage occurring due to roofrack coming adrift from vehicle and/or method of fastening the equipment to roofrack breaking or becoming undone.
  - (5) loss or damage to mast wishbone or sails during use.
  - (6) Notwithstanding the fact that the amount stated in the schedule be of greater value, it is hereby agreed that liability in respect of each of Clauses 3 and 4 (Sections II & III) will be limited to R250 000 in any one accident or series of accidents arising from one event or occurrence.
- (b) Semi Rigid Vessels and/or Fully Inflatable Vessels
- (i) in the event of tearing and/or ripping of the fabric of the pontoons of the vessel or craft consequent upon the occurrence of an insured peril, we shall only be liable for the patching or repair of such tear or rip.
  - (ii) it is also specifically stated that under no circumstances will submerged objects cover as per clause 9(c) be applicable to any fully inflatable vessel or craft.
  - (iii) notwithstanding the fact that the amount stated in the schedule be of greater value, it is hereby agreed that liability in respect of each of Clauses 3 and 4, (Sections II & III) will be limited to R250 000 in any one accident or series of accidents arising from one event or occurrence.