

An important update to your Safe Anchor Pleasurecraft Policy

We wanted to let you know about an important change the Government has made as part of the Sentencing Amendment Act 2014 that will affect your Safe Anchor Pleasurecraft Policy.

What has changed?

Before, if you caused an accident, a court could only order you to pay for the property damage or emotional harm you caused. Now, you can also be ordered to pay for loss of income or treatment costs not covered by ACC. This won't replace ACC, but means that anyone injured can get a 'top up' if a court approves it.

What does this mean for you?

Because of this change to the Act, we've updated your Safe Anchor Pleasurecraft Policy. It now includes a benefit for reparation costs that you may be ordered to pay. This will come into effect the date your policy renews and we recommend you read the information in the table below so you are familiar with all the changes and what you are covered for. Then keep this document along with your latest policy documentation in a safe place.

We're here to help

If you have any questions or would like to know more about these changes, please call us on **0800 781 782**.

CHANGE SUMMARY TABLE

Section	Current wording	New wording
Introduction	Lumley General Insurance (N.Z.) Limited	Lumley, a business division of IAG New Zealand Limited
Benefits 'Section Three: Legal Liability'	<p>6 This <i>Policy</i> covers <i>You</i> or any other person using the <i>Insured Craft</i> with <i>Your</i> consent for:</p> <p>6.2 legal liability for physical or mental injury to or death of any person</p> <p><i>New clause</i></p>	<p>6 This <i>Policy</i> covers <i>You</i> or any other person using the <i>Insured Craft</i> with <i>Your</i> consent for:</p> <p>6.2 legal liability for Bodily Injury to any person</p> <p>6.3 legal liability to pay <i>Reparation</i> to a victim who has suffered <i>Loss of property</i> or <i>Bodily Injury</i> as a result of <i>You</i> or any other person insured under this <i>Policy</i> committing an offence in connection with use of the <i>Insured Craft</i>.</p> <p>Provided that:</p> <p>6.3.1 <i>You</i> or any other person entitled to cover under this benefit must tell <i>Us</i> immediately if <i>You</i> or they are charged with any offence in connection with the use of the <i>Insured Craft</i> which resulted in <i>Loss of property</i> or <i>Bodily Injury</i> to another person; and</p> <p>6.3.2 <i>We</i> must give <i>Our</i> written approval before any offer of <i>Reparation</i> is made.</p> <p>There is no cover for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:</p> <p>(a) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,</p> <p>(b) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,</p> <p>(c) a decision by the Accident Compensation Corporation to decline a claim or limit its liability in whole or in part and for any reason whatsoever.</p> <p>Nothing in this benefit should be taken as providing cover for any defence costs, court costs, levies or costs awarded for any offence.</p>

Section	Current wording	New wording
	7 Subject to the terms, conditions and limits of liability of this <i>Policy</i> , this <i>Policy</i> covers <i>You</i> against legal liability that <i>You</i> incur while in charge of any other craft used for pleasure purposes and arising from the same, except that <i>You</i> are not insured for <i>Your</i> liability for <i>Loss</i> to the craft that <i>You</i> are using.	7 Subject to the terms, conditions and limits of liability of this <i>Policy</i> , this <i>Policy</i> covers <i>You</i> against legal liability, including liability to pay <i>Reparation</i> , that <i>You</i> incur while in charge of any other craft used for pleasure purposes and arising from the same, except that <i>You</i> are not insured for <i>Your</i> liability for <i>Loss</i> to the craft that <i>You</i> are using.
Exclusions - What We Do Not Cover 'Exclusions to Section Three'	<i>New clause</i>	27 Offences Section Three of this <i>Policy</i> does not cover any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament including any Regulations, Rules or By-Laws made under any Act of Parliament.
Exclusions - What We Do Not Cover 'Exclusions Applying to All Sections of This Policy'	30 Drugs and Alcohol There is no cover under any part of this <i>Policy</i> for any <i>Loss</i> or liability caused directly or indirectly in any way whilst the <i>Insured Craft</i> is, to <i>Your</i> knowledge being operated by or is under the control of any person(s) affected by drugs, alcohol or other substance abuse.	30 Drugs and Alcohol 30.1 There is no cover if the <i>Insured Craft</i> is being used by or is in the control of any person who is under the influence of alcohol, drugs or other intoxicating substances. 30.2 There is no cover if, at the time of any event giving rise to a claim, the <i>Insured Craft</i> is attached to a motor vehicle that is being driven by or is in the charge of any person who: 30.2.1 is driving with an excess breath alcohol or blood alcohol concentration in terms of New Zealand Land Transport Law, whether or not a conviction is entered against that person, or 30.2.2 fails or refuses to permit a breath test or specimen of blood to be taken after having been lawfully required to do so, or 30.2.3 is under the influence of drugs or other intoxicating substances, or 30.2.4 fails or refuses to stop, or remain at the scene, following an <i>Accident</i> (as required by law). 30.3 This clause does not apply if the person in charge of the <i>Insured Craft</i> has stolen or converted the <i>Insured Craft</i> within the terms of New Zealand criminal law.
Claims: Your rights and obligations	<i>New clauses</i>	9 <i>You</i> or anyone else entitled to cover under this <i>Policy</i> must not negotiate, offer to pay or pay any <i>Reparation</i> , including but not limited to, offers made as part of any case management conference or sentencing hearing. (<i>Previous clause 9 is now clause 10</i>). 11 <i>You</i> or anyone else entitled to cover under this <i>Policy</i> must tell <i>Us</i> immediately if <i>You</i> or they are charged with any offence in connection with the use of the <i>Insured Craft</i> or any other craft used for pleasure purposes which resulted in <i>Loss</i> of property or <i>Bodily Injury</i> to another person.
Definitions	<i>New definitions</i> We, Us and Our Lumley General Insurance (N.Z.) Limited.	Bodily Injury The <i>Accidental</i> death of, or <i>Accidental</i> bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury. Reparation An amount ordered by a New Zealand Court to be paid to the victim of an offence under section 32 of the Sentencing Act 2002, but subject to any limit of liability under the Maritime Transport Act 1994. We, Us and Our Lumley, a business division of IAG New Zealand Limited.