

# An important update to your Police Fire & General Insurance – Pleasurecraft Cover

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 Police Fire & General Insurance – Pleasurecraft Cover.

## 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 Police Fire & General Insurance – Pleasurecraft Cover. 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	This is your insurance policy which is underwritten by Lumley <i>Insurance</i> .	This is your insurance policy which is underwritten by Lumley, <i>a business division of IAG New Zealand Limited</i> .
SECTION 4.2: LEGAL LIABILITY 'What you are insured for'	<p>This insurance will cover you, or any other person using the boat with your consent, for legal liability for loss to someone else's property or bodily injury to any person during the period of insurance that is the result of any accident caused by the use of the boat.</p> <p><i>New clause</i></p>	<p>This insurance will cover you, or any other person using the boat with your consent <i>who is not otherwise insured</i>, for:</p> <ul style="list-style-type: none"> <li>• legal liability for loss to someone else's property or bodily injury to any person during the period of insurance that is the result of any accident caused by the use of the boat.</li> <li>• legal liability to pay reparation to a victim who has suffered accidental loss of property or bodily injury as a result of your or any other person insured under this section committing an offence during the period of insurance in connection with use of the boat.</li> </ul> <p>Provided that:</p> <ol style="list-style-type: none"> <li>(a) you or any other person entitled to cover under this benefit must tell us immediately if you or they are charged with any offence in connection with the use of the boat, which resulted in loss of property or bodily injury to another person; and</li> <li>(b) we must give our written approval before any offer of reparation is made.</li> </ol> <p>There is no cover under this benefit for any amounts that are covered under the Accident Compensation Act 2001 (Act), or would be covered but for:</p> <ol style="list-style-type: none"> <li>(a) a failure by the victim to correctly notify a claim to the Accident Compensation Corporation within the time required under the Act,</li> <li>(b) the victim's decision, for whatever reason, not to claim any amount he or she would be entitled to claim under the Act,</li> </ol>

Section	Current wording	New wording
	<p>This Section 4.2 is extended to cover you while in charge of any other boat used for pleasure purposes which is otherwise subject to the terms and conditions of this section.</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> <p>This Section 4.2 is extended to cover you while in charge of any other boat used for pleasure purposes <b>used with the owner's consent</b> which is otherwise subject to the terms and conditions of this section.</p>
<p>SECTION 4.2: LEGAL LIABILITY 'What you are not insured for'</p>	<p><i>New clause</i></p>	<p>2. This insurance does not cover you for:</p> <ul style="list-style-type: none"> <li>• any legal defence costs or court costs arising from the prosecution of any offence under any Act of Parliament.</li> </ul>
<p>Special conditions (applying to Section 4.1: Cover for the boat; and Section 4.2: Legal liability)</p>	<p><i>New conditions</i></p>	<p>Your obligations If anything happens that may lead to a claim under this policy, you or anyone else entitled to cover under this policy must:</p> <ul style="list-style-type: none"> <li>• tell us immediately if you or they are charged with any offence in connection with the use of the boat or any other boat used for pleasure purposes which resulted in loss of property or bodily injury to another person</li> <li>• obtain our agreement before you or they negotiate, offer to pay or pay any reparation, including but not limited to, offers made as part of any case management conference or sentencing hearing.</li> </ul>
<p>Special exclusions (applying to Section 4.1: Cover for the boat; and Section 4.2: Legal liability)</p>	<p>This policy does not cover claims:</p> <ul style="list-style-type: none"> <li>• that arise whilst the boat is: <ul style="list-style-type: none"> <li>- operated or the trailer is towed by a person who is under the influence of alcohol or drugs</li> </ul> </li> </ul>	<p>Alcohol or drugs There is no cover for loss or liability under this policy if the boat is being used by or is in the control of any person who is under the influence of alcohol, or any intoxicating substance or drug.</p> <p>There is no cover for loss or liability under this policy if at the time of any event giving rise to a claim, the boat is attached to a motor vehicle that is being driven by or is in the charge of any person who:</p> <ul style="list-style-type: none"> <li>• is under the influence of alcohol, or any intoxicating substance or drug, or</li> <li>• has a proportion of alcohol in his/her breath or blood higher than allowed by law: <ul style="list-style-type: none"> <li>- if the driver dies from injuries received in an accident, the proportion of alcohol in any blood sample taken from his/her body is agreed to be conclusive proof that the proportion in his/her blood at the time of the accident was not less than this amount</li> <li>- the result of any evidential breath test or analysis of blood is agreed to be conclusive proof that the proportion of his/her breath or blood at the time of the accident was not less than this amount</li> <li>- a certificate of conviction for a driving offence involving alcohol is agreed to be conclusive proof that the requirements of this exclusion have been satisfied.</li> </ul> </li> <li>• has refused to supply any sample of breath or blood or undergo any test when required to do so by anyone authorised by law.</li> </ul>

Section	Current wording	New wording
		<ul style="list-style-type: none"> <li>fails or refuses to stop, or remain at the scene, following an accident (as required by law).</li> </ul> <p>This clause does not apply if the person in charge of the boat has stolen or converted the boat within the terms of New Zealand criminal law.</p>
DEFINITIONS	<i>New definitions</i>	<p><b>Bodily injury</b> means the accidental death of, or accidental bodily injury to any person, including sickness, disease, disability, shock, fright, mental anguish or mental injury.</p> <p><b>Reparation</b> means 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.</p>