

## Guidelines for Insurance required for National events

Yachting New Zealand has updated its regulations regarding insurance requirements for National events.

This aims to ensure yacht clubs, their staff, volunteers and sailors are protected in case of an accident or incident which occurs during a National event.

**4.5.4 Yachting New Zealand approval of National Championships and Other Major Events** now states:

“The Organising Authority is required to hold adequate insurance to cover the Organising Authority, its officers, employees, and any members or other volunteers assisting the Organising Authority in conducting the event, against any claims by third persons arising from the event. This shall include:

- current Public Liability insurance to a minimum of \$5,000,000. This cover must have no marine and/or watercraft restrictions.
- 3<sup>rd</sup> party liability insurance for vessels operated by the Organising Authority for the event.

It is highly recommended that Organising Authorities require competitors to be insured with valid marine third-party liability insurance of a minimum of \$1,000,000 for dinghies and a minimum of \$5,000,000 for keelboats.”

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*Disclaimer:*

*The information provided below is intended as guidance only. Organising Authorities and sailors are ultimately responsible and should therefore seek advice regarding their own cover from their own insurance broker.*

### **Organising Authority insurance – Public Liability and 3rd party liability insurance for vessels operated by the Organising Authority**

Public liability insurance provides cover against the risk of damages to third party property or persons within the scope of the club’s activities. It can be extended to cover acts or omissions within their duties (such as the setting of a course).

Many clubs will have some form of public liability insurance in place and as with any insurance contract, the scope of the cover and the exclusions that might apply will vary depending on the insurance company, and the activities of the insured that are covered by the insurance.

3rd party liability insurance for vessels operated by the Organising Authority may be covered under a public liability policy, or under a specific marine hull and 3<sup>rd</sup> party liability policy for the vessel itself.

Where an Organising Authority is using borrowed vessels, it is the responsibility of the Organising Authority to ensure they are adequately insured to cover 3rd party claims.

We recommend clubs check with their broker to ascertain that they have the required breadth of cover as required by the Yachting New Zealand Regulation 4.5.4, as ‘off-the-shelf’ policies will not always meet the requirements of a yacht club and their marine activities.

Consider the following:

- Does your current cover have any exclusions or restrictions relating to watercraft and/or waterborne activities (as opposed to land-based activities)?

- Are volunteers, race officials, club officers, contracted employees (such as coaches) suitably included as an 'insured' person in the policies definitions?
- What amount of cover does your public liability insurance provide? (i.e. \$5,000,000)
- Do you have 3<sup>rd</sup> party liability cover for vessels operated by the Organising Authority? (either included as part of your public liability cover, or a separate policy)

### **Individual (competitor) Insurance – Third Party Liability**

Yachting New Zealand highly recommend that all competitors be insured with valid marine third-party liability insurance with a minimum of \$1,000,000 for dinghies and a minimum of \$5,000,000 for keelboats. This should be extended to include racing cover.

This insures competitors against property damage, bodily injury and legal costs resulting from their own actions, to a third party. It does not cover losses to their own boat and equipment.

This provides peace of mind to competitors and the Organising Authority that if damage caused by another competitor occurs, that their costs are covered.

There is a clause in the standard notice of race that requires competitors to be insured with valid marine third-party liability insurance. We recommend Organising Authorities include this clause in the Notice of Race for an event or series. This is standard practice for World Sailing events and other events internationally.

### **Frequently Asked Questions**

**Given your club has the required cover specified in the Regulation:**

**If a competitor hits another competitor and causes damage, is this covered by the club's policy?**

No, this is the responsibility of the competitor at fault.

**If a competitor hits the start boat and causes damage, is this covered by the club's policy?**

No, this is the responsibility of the competitor at fault.

**If a volunteer driving a safety boat hits a competitor and causes injury or damage, is this covered by the club's policy?**

If the volunteer was carrying out their role in a reasonably expected manner and they have authority from the Club to be operating the boat, it will be covered under the vessel's third-party liability policy, or the club's public liability policy depending on what insurance has been arranged.

**If a competitor hits a moored boat when sailing out to race area and causes damage, is this covered by the club's policy?**

No, this is the responsibility of the competitor at fault.

**If a competitor causes damage to a ferry driving through the race area, is this covered by the club's policy?**

If it is determined that the race committee has put the competitors in a position where they caused damage to third party (i.e. set the race course through a known ferry/shipping route), it is the fault of the race committee then the Club will ultimately be held responsible for any damage caused and their insurance would respond.

**If a competitor sustains damage as a result of the race course being set over a reef, is this covered by the club's policy?**

If it is determined that the race committee has put the competitors in a position where damage is caused (i.e. set the race course over a known reef), it is the fault of the race committee then the Club will ultimately be held responsible for any damage caused and their insurance would respond.

**If a volunteer is launching a patrol boat and causes injury or property damage to a member of the public, is this covered by the club's policy?**

If the volunteer was carrying out their role in a reasonably expected manner and they have authority from the Club to be operating the boat, it will be covered under the vessel's third-party liability policy, or the club's public liability policy depending on what insurance has been arranged.

**If a volunteer driving a patrol boat causes an injury to a member of the public e.g. a swimmer, on their way out to the course area, is this covered by the club's policy?**

If the volunteer was carrying out their role in a reasonably expected manner and they have authority from the Club to be operating the boat, it will be covered under the vessel's third-party liability policy, or the club's public liability policy depending on what insurance has been arranged.

**What happens if there is an incident involving a boat which has been loaned to the Organising Authority for the regatta?**

The boat owner's insurance should respond. The Organising Authority should be confirming that the boat owner has adequate insurance in place. There should be some form of agreement between the Organising Authority and the boat owner as to who is responsible for the excess in the case of a claim.

Some insurance policies may be extended to cover loaned boats; clubs should check with their broker as to what is covered under their policy.

**What does ACC cover in the event of an accident causing injury?**

For details about what ACC covers, see <https://www.acc.co.nz/>.