

# Boat Insurance Policy

*Product Disclosure Statement*



# Welcome to RACQ Insurance.

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*Thank you for insuring with RACQ Insurance.*

*We are delighted to have you as a customer. Please do not hesitate to contact us if you have any questions about insurance or need help in making a claim.*

*RACQ Insurance is one of the largest providers of motor vehicle and household insurance in Queensland. Customers have access to a network of branches and agents throughout Queensland and a 24 hour, seven day-a-week call centre.*

*If you need more information or help with any of our products or services you can contact us:*

- *7 days a week by telephone*

*Policy related enquiries      13 1905 or any Branch*

*Claims related enquiries      13 7202 or any Branch*

- *Visit any branch office during business hours*
- *Visit our website at [racqinsurance.com.au](http://racqinsurance.com.au)*

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# How this policy works

RACQ Insurance Boat Insurance Policy is designed to provide you with comprehensive cover for your property in the case of loss or damage as a result of an accident/event or theft.

This policy provides cover for:

- Comprehensive insurance
- The additional benefits for your property listed on pages 12 to 14
- Options that you can add to your policy by paying more:
  - Racing risks
  - Water skiers liability
- Third party liability insurance

All policy limits and values include all relevant statutory charges and taxes. This policy does not cover you for everything. For further details of the cover and the amounts we will pay for any claim, please read this Product Disclosure Statement (PDS).

If you decide to take out insurance with us, we will provide you with the cover you have chosen as described on your current certificate of insurance and this PDS.

We will send you a notice before the policy expiry date and we will tell you of any changes to this PDS in writing by providing you with a Supplementary PDS (SPDS).

# Important information about your policy

## Policy benefits

The table shown below is a summary of the policy benefits available, please read the PDS for details of the extent of cover provided.

### Comprehensive:

<i>Cover Provided</i>	<i>Benefit</i>	<i>Page</i>
<i>Accidental damage to other people's property</i>	Up to \$10,000,000	16
<i>Change of boat</i>	Up to 14 days cover for your replacement boat	12
<i>Contents</i>	Up to \$500	12
<i>Death benefit</i>	\$5,000	12
<i>Emergency expenses</i>	Up to \$500	12
<i>Hull inspection</i>	The cost to inspect your hull after stranding	13
<i>Loss of boat under 2 years old</i>	New boat of the same make and model including fitted equipment providing the insured boat is no more than 2 years old from date of original registration	13
<i>Minimise loss</i>	The cost to prevent or minimise further damage following an accident/event	13
<i>Personal property</i>	Up to \$500	14
<i>Recharge or replace safety equipment</i>	Up to \$500	14
<i>Transit cover</i>	Loss or damage to your boat whilst being towed or transported	14
<i>Transport costs</i>	The cost to move your boat to a place of safety after an accident/event	14

# Important information about your policy

## Third party liability:

Cover Provided	Benefit	Page
Accidental damage to other people's property	Up to \$10,000,000	16

## Policy discounts that you may be entitled to

Discount type	Benefit
Membership loyalty discount	You may be entitled to a premium discount of up to 17.5% based on your current RACQ Membership level.
Multi-policy discount	If you have three (3) or more qualifying policies/covers, currently with RACQ Insurance, you may be entitled to a premium discount of up to 5% for each qualifying cover.
No claim discount	You may be entitled to a no claim premium discount of up to 25% as a reward for a claims free record.

# *Important information about your policy*

The PDS and SPDS describe the types of insurance cover available to you. Please read these documents carefully and keep in a safe place along with your certificate of insurance.

The certificate of insurance is a separate document that forms part of your policy. It describes the type of insurance you have taken out and identifies the boat covered under your policy. It also specifies its parts, accessories and equipment, the limits of cover, additional benefits, the period of insurance, any special conditions, details of any excesses that apply and premium payment. Please check any certificate of insurance you receive when you start your policy and each time you vary or renew it.

RACQ Insurance Limited is the issuer of this insurance and is responsible for the obligations set out in our PDS and any SPDS documents.

## *Cooling-off period*

When you take out or renew a policy with RACQ Insurance we provide a cooling-off period of up to 21 days. The cooling-off period starts from the date and time this policy was issued, or from midnight immediately preceding any renewal date.

If you wish to take advantage of the cooling-off period and cancel this policy from the date and time this policy was issued, you must advise us during the cooling-off period and the premium paid for the policy will be refunded in full providing a claim has not been made.

# *Important information about your policy*

## *Duty of Disclosure*

The Insurance Contracts Act 1984 requires us to give you information about your insurance and for you to give complete and accurate information to us. Before entering a contract of insurance with us, and each time you vary or renew your policy, we will ask you a number of specific questions.

## *What you must tell us*

When answering our questions, you must be honest and you have a duty under law to tell us anything known to you, or which a reasonable person in the circumstances, would include in answer to the questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

## *Who needs to tell us*

It is important that you understand you are answering our questions in this way for yourself and anyone else whom you want to be covered by this policy.

## *If you do not tell us*

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as if it had never existed.

## *If you do not understand*

If you do not understand your duty, please contact us.

# *Important information about your policy*

## *Personal information*

The personal information you give us is used to set-up and administer your Boat Insurance Policy. It is used to determine the extent of insurance risk that you have proposed and plays a role in determining fair and competitive premiums. If you make a claim, your personal information enables us to determine your entitlement. If you do not provide the information we request then this can either delay or prevent us from providing the insurance you want or allowing your claim. To obtain a copy of our Privacy Statement please visit our website at [www.racqinsurance.com.au](http://www.racqinsurance.com.au)

## *General Insurance Code of Practice*

The purpose of the General Insurance Code of Practice is to establish standards of practice for insurers that we at RACQ Insurance adhere to and support. You may obtain a copy of the Code from the Insurance Council of Australia website at [www.insurancecouncil.com.au](http://www.insurancecouncil.com.au) or by phoning them on 1300 728 228.

# Words / terms with special meanings

<i>Word / term</i>	<i>Meaning</i>
<i>Accessories</i>	Other equipment as described on your certificate of insurance located on your boat, which is portable and not permanently attached to the hull consisting of: <ul style="list-style-type: none"><li>• detachable boat canopies;</li><li>• tools supplied by your boat's manufacturer;</li><li>• anchors, oars and paddles;</li><li>• fish finders, marine radios, transceivers;</li><li>• portable safety equipment including emergency position indicating radio beacon (EPIRB);</li><li>• fire extinguishers;</li><li>• life jackets;</li><li>• mandatory life saving equipment.</li></ul>
<i>Accident/event</i>	Is an accident/event that is unexpected and unintended from your point of view.
<i>Authorised use</i>	The use of your boat for private, domestic and pleasure purposes including the use of your boat for voluntary marine search and rescue operations. This does not include using your boat: <ul style="list-style-type: none"><li>• for commercial purposes including hire or charter;</li><li>• in participation in power boat or water skiing races or time trials;</li><li>• for an unlawful purpose;</li><li>• in an unseaworthy or unsafe condition that was known to you or should have been reasonably known to you and the condition contributed to the accident/event;</li><li>• unregistered when it is required to be registered;</li><li>• for water skiing activities unless "Water skiers liability" appears on your certificate of insurance.</li></ul>
<i>Boat</i>	The boat described on your certificate of insurance including: <ul style="list-style-type: none"><li>• hull, including existing decks, cabins, and all permanently affixed deck and cabin hardware;</li><li>• motors including control equipment;</li><li>• accessories;</li><li>• built in safety equipment consisting of:<ul style="list-style-type: none"><li>• global positioning systems</li><li>• two way radios</li><li>• depth sounders</li></ul></li><li>• masts, spars and rigging; and</li><li>• sails.</li></ul>
<i>Computer equipment</i>	Computers, personal computers, associated hardware, computer programs and software.

# Words / terms with special meanings

<i>Word / term</i>	<i>Meaning</i>
<i>Contents</i>	The property located on your boat which belongs to you or your immediate family, limited to: <ul style="list-style-type: none"><li>• household portable kitchen appliances;</li><li>• bedding and manchester;</li><li>• utensils, crockery and cooking equipment;</li><li>• water proof gear; and</li><li>• unfixed furniture and furnishings.</li></ul>
<i>Excess</i>	An excess is an amount you have to pay us or bear towards the cost of a claim under your policy. Details of the amount and type of excess is shown on your certificate of insurance. See page 22 for the types of excess that may apply.
<i>Market Value</i>	What it would cost to buy a boat of similar make, model and condition, including the accessories and equipment, on the local second hand market at the time of loss, damage or theft.
<i>Personal property</i>	Personal items located on your boat which belong to you or your immediate family limited to: <ul style="list-style-type: none"><li>• clothing and clothing related accessories;</li><li>• shoes;</li><li>• sporting goods and fishing equipment; and</li><li>• portable electronic equipment excluding mobile phones and their accessories.</li></ul>
<i>Policy</i>	The contract includes: <ul style="list-style-type: none"><li>• your application for insurance and any application for renewal;</li><li>• this PDS;</li><li>• the certificate of insurance;</li><li>• any issued SPDS.</li></ul>
<i>Premium</i>	The amount you pay to obtain the insurance cover. It includes any compulsory government statutory charges, levies, duties and taxes where applicable.
<i>Terrorism</i>	An act, including but not limited to the use of force or violence and/or the threat thereof, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from the nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purposes, including the intention to influence any government and/or puts the public, or any section of the public in fear.
<i>Theft</i>	Stealing without forcible or violent entry.

# Words / terms with special meanings

<i>Word / term</i>	<i>Meaning</i>
<i>Total loss</i>	We consider it is uneconomical or unsafe to repair your property having regard for its: <ul style="list-style-type: none"><li>• market value or sum insured;</li><li>• assessed cost of repairs;</li><li>• assessed salvage value; or</li><li>• the property has been stolen and not recovered.</li></ul>
<i>Trailer</i>	The trailer described on your certificate of insurance which is designed to transport your boat.
<i>Water skiing activities</i>	A person being towed behind your boat on: <ul style="list-style-type: none"><li>• water skis;</li><li>• a surfboard;</li><li>• a boogie board;</li><li>• an aqua tube;</li><li>• a wakeboard;</li><li>• other similar flotation devices.</li></ul>
<i>We, us</i>	RACQ Insurance Limited A.B.N. 50 009 704 152 AFS Licence Number 233082
<i>You, your</i>	Person or persons shown as the policyholders on the certificate of insurance.
<i>Your property</i>	Your boat and your trailer.

# Comprehensive insurance

## Settling your claim

If *Boatcover comprehensive insurance* is shown on your certificate of insurance, we insure you against loss or damage to your property caused by an accident/event or theft, during the period of insurance. We may choose at our option to:

- repair or replace your property; or
- pay you the reasonable cost to repair or replace your property as at the time of the accident/event or theft.

If your property is a total loss, pay you or any financier who has a financial interest in the property the lesser of:

- the market value of your property at the time of the accident/event or theft; or
- the sum insured shown on your certificate of insurance.

We may require you to contribute to the cost of replacement or repairs if as a result of the replacement or repairs your property is in a better condition than before the accident/event.

If we pay the maximum amount for loss or damage, your policy ends automatically. You are not entitled to any refund of premium. If you have been paying by monthly direct debit instalments, we will deduct from the claim payment an amount equal to the outstanding monthly instalments for the period of insurance shown on your certificate of insurance.

We are entitled to claim the wreck if your property is a total loss and we pay you the market value of your property or the sum insured whichever is lesser.

The terms and conditions of this policy apply to a financier or other credit provider in the same manner as they apply to you.

# Comprehensive insurance

## What is not covered

- ✘ any amount exceeding the sum insured shown on your certificate of insurance;
- ✘ any excess shown on your certificate of insurance;
- ✘ your boat if designed for a speed of more than 50 knots;
- ✘ sails split by wind or blown away when set (unless your boat has been stranded or has collided with another object);
- ✘ loss or damage to sails, masts, spars and rigging if your boat is a yacht or sailing boat whilst engaged in racing (unless your certificate of insurance shows that "Racing Risks" cover applies);
- ✘ loss or damage to your boat if it is a power boat whilst engaged in racing;
- ✘ loss or expense incurred in correcting or rectifying a design or construction fault or defect to any part of your boat;
- ✘ any loss incurred because you cannot use your boat;
- ✘ any unrepaired damage which occurred before a total loss;
- ✘ theft of your boat (including your trailer) if left unattended on land and you have not taken reasonable steps to make sure it is secure;
- ✘ wear and tear, electrolysis, osmosis, rusting or other types of corrosion;
- ✘ damage caused by insects or vermin;
- ✘ depreciation;
- ✘ any reduction in the value of your boat following repairs;
- ✘ any loss or damage that occurred before you insured your property with us;
- ✘ damage to the tyres of your trailer caused by application of brakes or by punctures, cuts or bursting;
- ✘ loss or damage to paintwork that does not match the manufacturers specifications;
- ✘ loss or damage to motors, electrical machinery, batteries or equipment, except if the loss or damage occurs as a result of:
  - your boat being submerged because of heavy weather;
  - your boat being sunk, stranded, burnt or collides with anything except water or air;
  - the items being stolen following forcible entry or being forcibly removed from your boat;
- ✘ loss or damage to your property that occurs more than 200 nautical miles from the Australian mainland or Tasmanian mainland.

# Comprehensive insurance

## Additional benefits we provide for you

We provide you with these additional benefits if we have agreed to accept your claim.

<i>What is covered</i>	<i>What is not covered</i>
<p><b>Change of boat</b></p> <p>If you sell your boat and replace it with a similar type of boat during the period of insurance, we cover the replacement boat for 14 days from the date of its purchase if you:</p> <ul style="list-style-type: none"><li>• tell us within 14 days of buying the new boat; and</li><li>• pay any additional premium we require.</li></ul>	<p>We will not pay for:</p> <ul style="list-style-type: none"><li>✘ any amount in excess of the market value or the purchase price of the replacement boat whichever is the lesser, until we agree on a new sum insured.</li></ul>
<p><b>Contents</b></p> <p>We will pay up to \$500 for any one claim for your contents belonging to you, or for which you are legally liable for if:</p> <ul style="list-style-type: none"><li>• your certificate of insurance shows that your boat is covered for comprehensive insurance; and</li><li>• your boat is lost or damaged as a result of an accident/event or theft and we have allowed your claim for such loss or damage; and</li><li>• your contents were in your boat at the time of the accident/event or theft and was lost or damaged as a result of the same accident/event or theft.</li></ul>	<p>We may deduct from the payment an amount for wear and tear and depreciation.</p>
<p><b>Death benefit</b></p> <p>If you suffer an accidental injury which results in your death as a direct result of loss or damage to your property and we have allowed your claim for such loss or damage, we will pay \$5,000 towards your estate.</p>	<p>We will not pay:</p> <ul style="list-style-type: none"><li>✘ more than one death benefit within any one period of insurance;</li><li>✘ where death occurs more than 90 days from the date of the accident/event.</li></ul>
<p><b>Emergency expenses</b></p> <p>We will reimburse up to \$500 for your reasonable travel and accommodation expenses incurred when your boat or your trailer can not be used following loss or damage as a result of an accident/event or theft which occurs more than 100 kilometres from your home, and we have allowed your claim for such loss or damage.</p>	

✘ Not covered

# Comprehensive insurance

## Additional benefits we provide for you

<i>What is covered</i>	<i>What is not covered</i>
<p><b>Hull inspection</b></p> <p>We will pay for the cost to inspect the hull after your boat is stranded even if no damage is evident provided that we have authorised the inspection.</p>	
<p><b>Loss of boat under 2 years old</b></p> <p>We will replace your boat with a new boat of the same make and model and its fitted equipment if it is readily available locally, if:</p> <ul style="list-style-type: none"><li>• we consider it is a total loss after an accident/event or theft;</li><li>• you purchased it new and you are its original owner, and at the time of the loss it is no more than two years old from the date of the original registration or purchase date, whichever is earlier; and</li><li>• any financier who is shown on your certificate of insurance who has a financial interest in your boat and to whom you owe money agrees in writing; or</li><li>• if a boat of the same make and model is not readily available within Australia, then we will pay you the actual purchase price you originally paid for your boat excluding any extended warranties and uninsured accessories.</li></ul>	<p>We will not pay for:</p> <ul style="list-style-type: none"><li>✘ replacement of your boat if your boat had existing damage from other causes before the accident/event which led to your claim.</li></ul>
<p><b>Minimise loss</b></p> <p>We will pay for the cost to prevent or minimise any further damage to your boat following an accident/event, including the removal or destruction of the wreck of your boat if it is a danger to other boats provided that we have authorised these costs.</p>	

✘ *Not covered*

# Comprehensive insurance

## Additional benefits we provide for you

<i>What is covered</i>	<i>What is not covered</i>
<p><b>Personal property</b></p> <p>We will pay up to \$500 for any one claim for your personal property belonging to you, or for which you are legally liable for if:</p> <ul style="list-style-type: none"><li>• your boat is lost or damaged as a result of an accident/event or theft and we have allowed your claim for such loss or damage; and</li><li>• your personal property was in your boat at the time of the accident/event or theft and was lost or damaged as a result of the same accident/event or theft.</li></ul>	<p>We will not pay for:</p> <ul style="list-style-type: none"><li>✘ personal property that is lost overboard;</li><li>✘ loss or damage to sporting equipment whilst in use;</li><li>✘ jewellery, property used for business or trade, computer hardware or software;</li></ul> <p>We may deduct from the payment an amount for wear and tear and depreciation.</p>
<p><b>Recharge or replace safety equipment</b></p> <p>We will reimburse up to \$500 for any one claim for the cost incurred to recharge fire extinguishers and replace distress flares as a result of an accident to your boat.</p>	
<p><b>Transit cover</b></p> <p>We will cover you for loss or damage to your boat whilst being towed or transported between places in Australia.</p>	<p>We will not pay for:</p> <ul style="list-style-type: none"><li>✘ loss or damage which is covered by any other policy of insurance taken out by a carrier of your boat.</li></ul>
<p><b>Transport costs</b></p> <p>We will pay for the cost incurred to move your boat to the nearest place of safety after an accident/event providing we have authorised these costs.</p>	

✘ *Not covered*

# Comprehensive insurance

## Optional covers for extra peace of mind

The covers outlined in this section are optional and do not apply unless you have asked for them and we agree to cover you. Additional premiums apply for each cover. Your certificate of insurance will show which covers operate. All optional covers are subject to the terms and conditions of this policy.

<i>What is covered</i>	<i>What is not covered</i>
<p><b>Racing risks</b></p> <p>We will cover you for two-thirds of the cost of replacing or repairing sails, masts, spars, standing and running rigging on your boat which have been lost or damaged while racing.</p> <p>This optional cover applies if:</p> <ul style="list-style-type: none"><li>• your boat is a yacht or sailing boat; and</li><li>• you have paid the extra premium.</li></ul>	<p>We will not pay for any loss or damage to your boat whilst it is engaged in:</p> <ul style="list-style-type: none"><li>✘ blue water racing more than 20 nautical miles off the Australian mainland or the Tasmanian mainland;</li><li>✘ a race with a total race distance of more than 100 nautical miles.</li></ul>
<p><b>Water skiers liability</b></p> <p>We will cover you for legal liability incurred by you or anyone else involved in water skiing activities while in charge of or control of, or being towed behind your boat.</p> <p>This optional cover applies if:</p> <ul style="list-style-type: none"><li>• there is a competent observer on board your boat, in addition to the person in control of your boat; and</li><li>• you have paid the extra premium.</li></ul>	<p>We will not pay for any legal liability resulting from:</p> <ul style="list-style-type: none"><li>✘ death or injury of the people named on the certificate of insurance;</li><li>✘ accidents which occur while using a ski ramp, para-sail or other aerial devices;</li><li>✘ accidents which occur while barefoot skiing.</li></ul>

✘ Not covered

# Third party liability insurance

## What is covered

If *Boatcover comprehensive insurance* or *Boatcover third party liability insurance* is shown on your certificate of insurance, we insure you, or any person in charge of your boat, for up to \$10,000,000 for all the amounts you are legally liable to pay another person in compensation for:

- death or bodily injury;
- loss or damage to their property (including loss of use), resulting from an accident/event occurring during the period of insurance and directly caused by the use of your property.

If your boat is a yacht or sailing boat, you are covered for legal liability arising from an accident/event while racing your boat.

## What is not covered

- ✘ any amount that exceeds \$10,000,000 less any excess that may apply. This is the maximum we pay regardless of the number of claims arising out of or resulting from one accident/event and is inclusive of all legal costs including those we incur;
- ✘ blue water racing more than 20 nautical miles off the Australian mainland or the Tasmanian mainland, or more than a total race distance of 100 nautical miles;
- ✘ power boat racing;
- ✘ water skiing activities unless the optional cover "Water skiers liability" cover applies (see Water skiers liability on page 15);
- ✘ an agreement, any liability which would not have been imposed if the agreement had not been made;
- ✘ *Not covered*

# *Third party liability insurance*

## *What is not covered*

- ✘ liability of which you incur as an employer or under any workers compensation legislation;
  - ✘ property belonging to you or in your custody or control or in the custody or control of any person covered by your policy;
  - ✘ property belonging to any relative or friend who normally lives with you;
  - ✘ any injury you sustain or your death, or injury to or death of anyone else who is in charge of your boat;
  - ✘ any claim made against you by a co-owner of the boat;
  - ✘ any claim made by you against anyone else in charge of your boat;
  - ✘ loss or damage that occurs more than 200 nautical miles from the Australian mainland or the Tasmanian mainland.
- ✘ *Not covered*

# When you are not covered – general exclusions

## Application of exclusions

These general exclusions apply to all sections of your policy. The provisions of this section apply to you or any other person in charge or control of your boat.

<i>Exclusions</i>	<i>When you are not covered</i>
<i>Driver</i>	<p>Whatever type of insurance you have, you and any other person in charge of or driving your boat, are not covered, if at the time of an accident/event you or that person:</p> <ul style="list-style-type: none"><li>✘ was under the influence of any alcohol or drug or both;</li><li>✘ had in their breath or blood an amount of alcohol or drug equalling or exceeding that limit prescribed by law;</li><li>✘ refused to take a legal test for alcohol or drugs;</li><li>✘ did not have the appropriate licence when required by law to have one or was not complying with its conditions;</li><li>✘ was not permitted by law to be in charge of your boat or a vehicle towing it.</li></ul> <p>However, you will be covered if you were not the driver or the person in charge of or in control of your boat at the time of the accident/event, and the person in charge of or in control of your boat was not named as an insured on your certificate of insurance and was not:</p> <ul style="list-style-type: none"><li>• a family member; or</li><li>• a person who resides with you; and</li><li>• you can satisfy us that you did not know, and could not reasonably have been aware, of any of these circumstances.</li></ul>
<i>Other interest</i>	Your policy does not cover the interest of another person in your boat unless that interest is shown on your certificate of insurance.

✘ Not covered

# When you are not covered – general exclusions

## Application of exclusions

Exclusions	When you are not covered
General	<p>You or any person in charge of or in control of your boat is not covered under any part of your policy for loss, damage, theft or legal liability that:</p> <ul style="list-style-type: none"><li>• arises directly or indirectly out of:<ul style="list-style-type: none"><li>✗ your boat being used for a purpose that is not an authorised use;</li><li>✗ your intentional acts or the intentional acts of a person in charge of your boat;</li><li>✗ failure by you or a person in charge of your boat to take reasonable precautions for the safety and security of your boat;</li><li>✗ the lawful seizure, confiscation or requisition of your boat;</li><li>✗ war or other acts of foreign enemy (whether war is declared or not), revolution or other civil disturbances;</li><li>✗ an act of terrorism directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with biological, chemical, or nuclear weapons, pollution or contamination caused by the aforementioned;</li><li>✗ radioactivity or the use, existence or escape of nuclear fuel, material or the action of nuclear fission;</li><li>✗ pollution, contamination or the presence of asbestos or other airborne contaminants.</li></ul></li><li>• failure of any computer processor or electronic system to process any form of data including day or date functions properly and accurately. However if any computer equipment or processor fails to process day or date functions properly and accurately and as a result, accidental damage occurs to your boat, then we will pay for such damage subject to the other terms of this policy, but we won't pay for:<ul style="list-style-type: none"><li>✗ damage to the computer itself;</li><li>✗ damage to the processor itself or any item containing the processor;</li><li>✗ the cost of repairing or modifying any computer equipment or processor so that functions relating to days or dates are properly and accurately processed.</li></ul></li></ul>

# Important information about the cost of this policy

## How we calculate your premium

Rating criteria	Affect on premium
Boat type	Boat repair and parts costs, handling and safety equipment can vary between makes, this can impact the number and cost of claims and therefore the premium that we may charge.
Storage location	Likelihood of boat theft or malicious damage can vary dependant on location and if the boat is stored in a secure location or moored.
Sum insured	The sum insured selected for the hull, motors, trailers, accessories and safety equipment will impact on the premium level. A higher sum insured generally means an increased premium.
Claims history	Previous claims history can be indicative of the likelihood of future claims.

## How your premium can change

Action	Your premium may increase if:	Your premium may decrease if:
You change your boat	Your new boat is worth more or has additional accessories installed.	Your new boat is worth less.
You change where you store the boat	You change the suburb where you store your boat to a suburb that has a history of theft or malicious damage.	You change the suburb where you store your boat to a suburb with a low risk of theft or malicious damage.
No claim discount	You are entitled to a lower no claim discount.	You are entitled to a higher no claim discount.
You change your policy options	You add Racing risks option or Water skiers liability option.	You remove Racing risks option or Water skiers liability option.

# Important information about the cost of this policy

## Policy costs and charges

<i>Excess</i>	Details of the amount and type of excess is shown on your certificate of insurance. See page 22 for the types of excess that may apply.
<i>Cancellation fee</i>	<p>If you cancel your policy during the period of cover (apart from the 21 day cooling-off period) and you have paid an annual premium then the refund will be calculated on a pro rata basis for the unexpired period of cover less 10% for administrative costs (a maximum fee of \$80.00 would apply, with a minimum fee of \$10.00 when the pro rata cancellation refund is under \$100.00).</p> <p>There is no refund if you have been paying monthly.</p>
<i>Pay by the month</i>	<p>If you choose to pay by the month using the direct debit method, an annual fee may apply. The applicable fee or fees are shown on your certificate of insurance.</p> <p>Please note our premium discounts do not apply to such fees.</p>
<i>Contribute to the cost of repairs</i>	<p>We may require you to contribute to the cost if the repairs put your property in a better condition than before the damage occurred.</p> <p>For example: if the hull of your boat was corroded and needed to be repaired following damage caused by an accident/event, then we may ask you to contribute to the repairs.</p>
<i>Claim costs that you may have to bear</i>	Where a claim is made that would otherwise be covered by your policy, but the claim amount (assessed by us) is less than the excess you have to pay, we will not manage or pay these claims.

# When excesses apply

## What types of excess may apply

When you make a claim and you are required to pay an excess to us, we tell you when to pay that excess, how to pay it and we may direct you to pay it to a third party on our behalf. In some cases, we may deduct the excess from the benefit we pay you including when we pay the maximum amount following a total loss. Depending on the circumstances of your claim, you might have to pay more than one type of excess.

<i>Basic excess</i>	The standard excess amount you have to pay on each claim you make under your policy.
<i>Listed driver excess</i>	Is additional to other applicable excesses and is shown next to or corresponding with a person named on your certificate of insurance. You have to pay that excess if that person was driving or was in charge of your boat at the time of an accident/event.

If an excess is shown on your certificate of insurance it will apply to any claim made by you for:

- loss, damage or theft of your boat;
- a third party legal liability claim including a claim made under either the Racing risks or Water skiers liability optional covers.

## Reimbursement of excess

Where we exercise a right to recover costs from another party, depending on the extent of such recovery you may be entitled to reimbursement of part or all of any excess you have paid.

# *When excesses apply*

## *When is an excess not payable*

You do not have to pay an excess if:

- we determine that the driver of another boat or vehicle was at fault for the accident giving rise to your claim and you supply:
- the correct name and current address of that driver; and
- the registration details and description of the other boat or vehicle.

## *Direction to pay excess*

In the case of a repair or the supply of goods and services, unless we advise you otherwise, you are required to pay the excess, if any, to us or to the repairer as our agent when you pick up your property. When you make a claim under your policy, we will advise you to pay the excess either to the repairer or directly to us. Your appointment as our agent is for the sole purpose of paying to the repairer or supplier the excess which you owe us.

# *Claims information and requirements*

## *How to make a claim*

If your property is damaged or stolen, or an event happens that might lead to a claim simply call us on 13 7202 or go into any RACQ Branch office.

Our consultants are available to help you 24 hours, 7 days a week. We will explain what the claim process is, organise an assessment of your property and explain the repair process. We will also advise you of what you need to do to assist the efficient progress of your claim.

In most cases a claim form is not required. You will be provided with one if it is required.

If you are registered for Goods and Services Tax (GST), you must provide us with your Australian Business Number (ABN) and Input Tax Credits (ITC) percentage before your claim can be lodged.

## *What you must do*

If an event happens that might lead to a claim, you or any person in charge of or driving your boat must:

- do everything you reasonably can to limit the loss, damage or liability and to prevent or minimise any further loss, damage or liability;
- if your motor has been submerged, arrange to have it flushed out, oiled and its electrical equipment and other components dried.

The cost in carrying out these procedures will be covered in addition to the sum insured, provided we have authorised these costs.

# Claims information and requirements

## What you must do

- immediately tell the police if a criminal act might be the cause of the loss, damage or theft and cooperate with us and relevant authorities in prosecuting the alleged offender;
- send us your completed claim form including a copy of any police report as soon as possible;
- immediately send us any correspondence you receive about the claim. This includes telling us if you become aware of any pending court proceedings or offers of settlement;
- give us any information, written statements, evidence and help we may need in defending, prosecuting and investigating the claim. This may include asserting all rights against any person nominated by us and attending an interview with our assessor, investigator, any agents appointed by us, such as a solicitor or attending court to give evidence;
- promptly respond to any correspondence you receive from us.

## What you must not do

If you are making a claim you must not:

- carry out repairs or dispose of any damaged property unless advised by us;
- authorise repairs to anyone's property;
- admit liability to anyone;
- negotiate, pay, settle or agree to settle a claim with anyone.

## What we may do

If an event happens that causes loss or damage, or incurring of a legal liability, we may:

- take over and conduct in your name or the name of any person entitled to cover under your policy, the defence or settlement of any claim. We have sole discretion in how the defence is conducted or a claim is settled;

# *Claims information and requirements*

- represent you or any person entitled to cover under your policy, at any inquest or official enquiry and undertake the defence in any court of any alleged offence in connection with an event covered by your policy.

## *What can affect your entitlement*

If you do not comply with any condition of your policy, or certificate of insurance, it can affect how much we pay.

If the insured property is not kept in good condition or reasonable care is not taken to safeguard it from loss or damage, this may affect how much we pay.

If you or any other person makes a false or fraudulent claim, we can refuse to pay it. In either case we may also cancel the policy, as permitted by law.

We do not have to accept a claim if your annual premium is overdue or if a monthly premium instalment is at least 14 days overdue.

## *Financial claims scheme*

The purpose of the Financial claims scheme is to protect policyholders of a general insurer from potential loss due to the failure of an institution. You may be entitled to a payment under the Financial claims scheme. Access to the scheme is subject to eligibility criteria. For further information about the scheme this can be obtained from the APRA website at [www.apra.gov.au](http://www.apra.gov.au) or the hotline on 1300 131 060.

# *We take customer satisfaction seriously*

If you have a complaint concerning this product, our services or a privacy issue:

## ***Talk to us first***

- The first thing you should do is call 13 7202 and speak to one of our staff;
- If your complaint relates specifically to a claim, speak with a claims officer;
- If the staff member is unable to resolve your complaint to your satisfaction, you may ask to speak to a team leader or manager.

## ***If you are still not satisfied:***

*Seek an internal review*

- At your request the matter can be referred to our Internal Dispute Resolution Committee who will conduct a full review of your complaint and advise you of the committee's decision within 15 business days.

## ***If you are still not satisfied:***

*Seek an external review*

- RACQ Insurance is a member of a disputes resolution service, known as The Financial Ombudsman Service Limited. The service will not accept a dispute unless you have first tried to resolve it with us.
- If we do not resolve your dispute to your satisfaction, you can contact the service, which is set up to assist policyholders resolve their dispute. It is a free service to you and, although paid for by the general insurance industry, is a totally independent and impartial body. We agree to accept their determination as final.
- You can contact the service by:
  - Phoning: 1300 780 808 for the cost of a local call
  - Writing to: *The Financial Ombudsman Service Limited, GPO Box 3, Melbourne, Victoria 3001*
  - Email: [info@fos.org.au](mailto:info@fos.org.au)
  - Website: [www.fos.org.au](http://www.fos.org.au)

The information is also available on our website at [www.racqinsurance.com.au](http://www.racqinsurance.com.au)

# No claim discount (NCD)

When your certificate of insurance shows that your boat is covered by this policy for comprehensive insurance, we allow you a no claim discount on your premium when you renew your policy if you have not made a claim during a prior period of insurance. If you do not make any claims over several consecutive years, your no claim discount can increase in steps each year until it reaches the maximum discount of 25%.

Also we will allow this discount to apply in those cases where you lodge a claim and we determine that the driver of another boat or vehicle was at fault for the accident giving rise to your claim and you supply:

- the correct name and current address of that driver; and
- if a boat or vehicle is involved, the registration details and description of the other boat or vehicle.

*This table will demonstrate how the no claim discount will apply:*

<i>Your current NCD level</i>	<i>You have had one or more at fault claims during the current period of insurance</i>	<i>You have had no at fault claims during the current period of insurance</i>	<i>Your NCD at the next renewal</i>
0%	Yes*	-	0%
0%	-	No	15%
15%	Yes*	-	0%
15%	-	No	20%
20%	Yes*	-	15%
20%	-	No	25%
25%	Yes*	-	20%
25%	-	No	25%

*\* Each at fault accident during the term of insurance may affect your rating by 1 NCD for each claim.*

# General conditions

## *The agreement between you and us*

Your insurance cover is a legal contract between you and us. We agree to give you the insurance set out in the PDS for the premium paid by you.

The contract includes:

- your application for insurance and any application for renewal;
- this PDS;
- the certificate of insurance;
- any issued SPDS.

The insurance is only for the cover for which you have a certificate of insurance and only for the period of insurance indicated on the certificate. It is also subject to the conditions contained in the PDS or SPDS and on the certificate of insurance.

If two or more persons are named as the policyholders on the certificate of insurance, each of them are responsible both individually and together for:

- the completeness and accuracy of information in any application forms, statements, claims or documents supplied by any one of them to us; and
- compliance with the conditions of the policy.

## *What you must do*

You and any person in charge of or driving your boat must:

- make sure that any person you permit to be in charge of your boat understands your and their obligations under the policy and complies with the conditions as far as they apply to them;
- keep your boat and its accessories in good condition and take reasonable care and precautions to safeguard them from loss or damage;
- in the event of an accident/event or theft, not leave your boat unattended without taking proper precautions to prevent further loss or damage;

# General conditions

## What you must do

- not navigate your boat after it is damaged before necessary repairs have been carried out (we are not liable for any further damage if you do);
- comply with all the conditions set out in your PDS, SPDS and certificate of insurance;
- keep evidence of the purchase and value of your property. You may be required to provide proof of ownership and evidence of its value if you make a claim under this policy;
- comply with any relevant laws in the region where you are using your boat;
- promptly comply with requirements of public authorities;
- tell us immediately if:
  - there is any material change to the boat or modifications which depart from the manufacturer's specifications;
  - there is any change in the use of your boat;
  - you change the place where you usually keep or moor your boat;
  - you change your residential or mailing address;
  - you or any person who drives or is in charge of your boat:
    - is convicted of any criminal offence;
    - had any loss of licence, cancellation, disqualification or suspension of your/their boat licence even if set aside on appeal, or amended licence conditions imposed;
  - you take out any other insurance which provides the same or similar cover provided by this policy.

If any of these things occur we may charge an extra premium or impose an excess at any subsequent renewal of your policy. In some cases we may reduce the amount of a claim, refuse to pay a claim and/or cancel your policy.

If you or any person insured by this policy does not tell us everything relevant or if you or they mislead us, we may:

- refuse to pay a claim or reduce the amount we pay; and
- cancel this policy; and
- if fraud is involved, we may treat this policy as if it never existed.

# *General conditions*

## *Payment of premium*

The premium is the amount you pay to obtain the insurance cover. The certificate of insurance shows the amount of premium and whether you are paying annually in advance or by monthly instalments.

If you are paying:

- annually - you must pay by the due date;
- by monthly instalments - you must pay each instalment by the due date.

## *Non payment of premium*

If you have not paid the premium by the due date shown on the certificate of insurance or the interim cover certificate, this policy will not come into force. In that case, you will have to reapply to us for insurance cover.

If you are paying your premium by monthly instalments and any instalment payment is overdue for a period of at least 14 days, we may refuse to pay a claim.

If after payment of the first instalment, any subsequent instalment payment is overdue by a period of at least one month, your policy will be cancelled from the date the instalment was due to be paid. We will send a letter to your last known address advising you of the reason, effective date and time of such cancellation.

## *Your agreement to pay additional premium*

You agree to pay any additional premium resulting from a claim made under this policy between the time a certificate of insurance inviting renewal of your policy is issued and the actual renewal date.

If you have not paid the required additional premium in full for a change you have requested to your policy within 14 days, we will reduce your period of insurance cover to correspond with the amount you have already paid.

# *General conditions*

## *Policy comes into force*

This policy comes into force on and from the first date of the period of insurance shown on the certificate of insurance or interim cover certificate issued to you, provided you have paid the annual or instalment premium shown on your certificate of insurance.

## *Variation*

You may ask us to change a provision of your policy. The change or addition takes place only when we confirm it in writing to you or endorse it on your policy or certificate of insurance, and you pay any additional premium that we require.

## *Waiver*

A provision is only waived if we give you the waiver in writing.

## *Cancellation*

### *By you*

Apart from any rights you may exercise under the “Cooling-off period” provisions of this policy you may cancel your policy by advising us in writing. The cancellation takes effect on the date we receive your request see page 21.

### *By us*

We may cancel your policy at any time as permitted by law after giving you notice in writing. We refund any premium paid less an amount for the period for which you were insured.

## *Avoidance*

In some cases, we may avoid the policy from its inception if there is on your part fraud, misrepresentation during negotiations, failure to disclose information or other breaches of your policy as set out in the Insurance Contracts Act 1984.

# *Pay by the month option*

You can arrange for your bank, credit union or building society to debit an automatic payment from your account each month. All you need to do is ensure you have enough money in your account to cover the payments. Your first payment will be deducted approximately 10 days after advising us of your account/credit card details. The second and subsequent payments will be deducted on your monthly payment date. Two payments may be deducted in the first month, depending on your monthly payment date.

Where the due date falls on a non-business day in Sydney and Melbourne, we will debit the amount on the next business day. If you are uncertain when the debit will be processed to your account, you should contact your financial institution directly.

## *How to apply*

If you would like to pay your RACQ Insurance premiums by the month, simply call us on 13 1905.

## *Renewal process*

You will be sent a renewal certificate prior to the expiry of your policy so you can check the details. Monthly instalments will continue to be debited to your account unless you notify us in writing to vary these arrangements.

## *Important information*

You may cancel your direct debit request, stop or defer an individual debit amount by writing to us at Reply Paid 4, RACQ Insurance Limited, Pay by the month, Springwood Q 4127. We must receive your notification at least 14 days prior to the next due date to process your request in time.

Your direct debit amount may vary if you make any policy alterations.

# Pay by the month option

## Important information

If debits are returned unpaid by your financial institution we will either attempt to debit from your nominated account again or we will contact you to arrange another way of paying. We reserve the right to cancel the direct debit arrangement if 3 or more debits are returned unpaid by your financial institution.

The following terms and conditions apply when you elect to pay your premium by this direct debit method:

- if your bank account details change you will need to tell us not less than 14 days before your next monthly instalment is due;
- if your credit card details change you must contact us not less than 2 business days before your next monthly instalment is due;
- when you have paid the first instalment, insurance cover commences on and from the first date of your period of insurance shown on your certificate of insurance;
- if any instalment payment is overdue for a period of at least 14 days, we may refuse to pay a claim;
- if an instalment of the premium remains unpaid for a period of at least 1 month, the policy is automatically cancelled.

On renewal you will be sent a notice prior to the expiry date of this policy. At that time, unless you need to make any changes, you need take no action as your policy will be automatically renewed.



## Contact Us

For further information or assistance call us 24 hours every day on 13 1905, visit us at [www.racqinsurance.com.au](http://www.racqinsurance.com.au) or drive safely to your nearest RACQ branch.



**RACQ**  
**Insurance**

**RACQ Insurance Limited**

ABN 50 009 704 152

AFS Licence Number 233082

2649 Logan Road, Eight Mile Plains, Qld 4113

RACQ Insurance products are sold only by RACQ Operations Pty Ltd  
ABN 80 009 663 414 and our network of RACQ Insurance authorised representatives

Preparation Date: 21<sup>st</sup> September 2010

Effective Date: 6<sup>th</sup> January 2011