



## Direct Boat

Product Disclosure Statement and  
Marine Insurance Policy



This Policy is underwritten by QBE Insurance (Australia) Limited  
ABN 78 003 191 035 of 82 Pitt Street, Sydney.

QM/2438

POLICY



## About this booklet

This booklet contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. The PDS contains information about costs, our dispute resolution system, your cooling off rights and other relevant information, including other rights, terms, conditions, exclusions and obligations attaching to this product. Please read this booklet carefully.

Other documents may form part of the PDS. Any such documents will be dated and will include a statement identifying them as part of the PDS. If any major omissions, updates or corrections need to be made to the PDS a Supplementary PDS may be provided. In either case the relevant document will be provided to you with the PDS.

## Our agreement with you

This Policy Terms and Conditions and the Policy Schedule form the legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the Policy, during the period of insurance shown on your Policy Schedule or any renewal period. Please keep them in a safe place for future reference.

The exclusions in the section(s) headed “When you are not covered” and conditions in the section headed “General conditions” apply to all types of cover.

The excesses set out in the section headed “What you must pay if you make a claim – Excess” apply to all claims except where otherwise stated. The amount of any excess that applies to your Policy will be shown on your Policy Schedule.

If you require further information about this product, please contact your Financial Services Provider.

## About Trident

Trident Insurance Group Pty Ltd ABN 94 247 973 307, AFS Licence No. 237360 was formed in 1994 as an insurance services provider based in Western Australia. Since then its activities have expanded to include an Underwriting Agency service Australia wide.

Trident has entered into an arrangement with QBE enabling Trident to develop financial products and services that are distributed to Trident's customers.

This arrangement enables Trident to assess risks to be insured and issue insurance policies and handle claims on behalf of QBE.

## About QBE Australia

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and their clients.

## Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney.

Trident Insurance Group Pty Ltd ABN 94 247 973 307, AFS Licence No. 237360 is acting under a binding authority given to it by the Insurer. In arranging and effecting this Policy, Trident Insurance Group Pty Ltd will be acting under authority given to them by the Insurer. They will be acting as agent of the Insurer, not as your agent.

Other documents may form part of the PDS. Any such documents will be dated and will include a statement identifying them as part of the PDS. If any major omissions, updates or corrections need to be made to the PDS a Supplementary PDS may be provided. In either case the relevant document will be provided to you with the PDS.

The PDS is issued by Trident Insurance Group Pty Ltd on behalf of the Insurer.

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## Significant benefits and features

The following is a summary of the cover provided in the Boat Insurance Policy. Full details of the cover, exclusions and additional cover you can arrange is provided in the Policy Terms & Conditions. There are also exclusions that limit cover in certain circumstances. Please read the detail carefully to make sure it matches your expectations.

Description of cover provided	Additional extras you can obtain on request
<p>Section 1</p> <p>Loss of or damage to your boat</p> <ul style="list-style-type: none"> <li>Accidental damage or sinking</li> <li>Theft</li> <li>Malicious damage</li> </ul>	<ul style="list-style-type: none"> <li>Any dinghy or tender with a speed capability of more than 20 knots</li> <li>optional yacht racing extension to cover loss or damage to sails, masts, spars and standing and running rigging during racing.</li> </ul> <p>An additional cost may apply.</p>
<p>Section 2</p> <p>Third Party Liability</p> <ul style="list-style-type: none"> <li>Accidental death or bodily injury to a person other than you</li> <li>Accidental damage to other people's property</li> <li>Berth Holders Liability</li> <li>Property damage caused by or arising from sudden and accidental discharge caused by the use of your boat.</li> </ul> <p>You can select the level of cover you require \$5,000,000, \$10,000,000 or \$20,000,000.</p>	<p>You can apply for our optional water skiing and/or aquaplaning extension to cover:</p> <ul style="list-style-type: none"> <li>liability for you and the water skier (includes aquaplaning, barefoot skiing).</li> </ul> <p>An additional cost will apply.</p>

Description of cover provided	Additional extras you can obtain on request
<p>Section 3</p> <p>Personal Accident</p> <p>We will pay for death or bodily injury to you arising directly out of the use of the boat for private pleasure purposes or voluntary rescue work.</p> <ul style="list-style-type: none"> <li>death \$30,000</li> <li>temporary total disablement \$300 per week up to 100 weeks</li> <li>permanent total disablement \$30,000</li> </ul>	<p>This is included automatically.</p>
<p>Additional Benefits</p> <p>Other benefits of the Policy include:</p> <ul style="list-style-type: none"> <li>Agreed Value or Market Value Policy wording at our option</li> <li>Theft without evidence of visible and forced entry provided reasonable precautions are taken (except Personal Watercraft)</li> <li>Recovery or Removal of Wreck up to \$1,000,000</li> <li>Search Costs up to \$10,000</li> <li>Emergency Land Towing costs up to \$750</li> <li>Loss or damage to your Personal effects up to \$12,500 with a limit of \$1,000 per item</li> <li>Loss or damage to Sporting equipment up to \$10,000 with a limit of \$1,000 per item except when in use</li> </ul>	<p>These Additional benefits are included at no extra cost.</p>

Description of cover provided	Additional extras you can obtain on request
<p>Additional Benefits (continued)</p> <ul style="list-style-type: none"> <li>No excess applies whilst your boat is penned at a marina</li> <li>New for old on mechanical and electrical components of the motor up to 5 years of age</li> </ul>	<p>These Additional benefits are included at no extra cost.</p>

### The amount of any claim may be reduced

The amount of any claim made against the Policy may be reduced:

- where an excess applies. Any applicable excess will be shown in your Policy Schedule, or in the Policy booklet,
- if you have understated the value of your boat,
- where you have not requested the insured value of any item to be specifically specified in the Policy,
- if you do not adequately secure your boat.

### The product may not match your expectations

This product may not match your expectations (for example, because an exclusion applies). You should read the PDS and the Policy Terms and Conditions carefully. Please ask your Financial Services Provider if you are unsure about any aspect of this product.

### Your sum insured may not be adequate

If your boat is accidentally damaged or stolen the basis of claims settlement shall be:

### Total Loss

In the event of a total loss of the boat the insurer, at their option will:

- pay the amounts specified if the words 'agreed value' as shown in the Policy Schedule, or
- pay the amount of loss or damage up to the sum insured or its market value, whichever is the lesser, if the words 'market value' are shown in the Policy Schedule.

- replace your boat with a new boat of the same make, specifications, model or series so long as it is available in Australia and provided that it is less than 12 months old.

We will also pay any registration and/or stamp duty costs applicable.

### Partial Loss

In the event of a partial loss of the boat we will pay for the reasonable costs of repair or replacement. If a damaged item is beyond repair, the amount that we will pay is limited to the actual value of the item compared with its age and condition. If the item is less than one year old, we will not apply depreciation in determining the amount paid to you. Any lost or damaged parts will become our property.

### Overdue premium

You must pay your premium on time otherwise your Policy may not operate.

If you have not paid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

For more detailed information regarding payment options refer to the Section headed 'How you can pay your premium' (on page 12) in the Policy Terms and Conditions.

### A claim may be refused

We may refuse to pay or reduce the amount we pay under a claim if you do not comply with the Policy conditions, if you do not comply with your Duty of Disclosure, or if you make a fraudulent claim.

### The cost of this insurance Policy

The total premium is the amount we charge you for this insurance Policy. It includes the amount which we have calculated will cover the risk, and any taxes and government charges. The premium and any taxes and government charges will be shown on your Policy Schedule.

When calculating your premium we take a range of rating factors into account. These factors, and the degree to which they affect your premium, will depend upon the information you provide to us.

The following factors have a significant impact on the calculation of your premium:

- make, model and type of boat
- construction

- maximum speed (powered craft)
- sum insured
- cruising navigational limits
- previous loss or claims history.

Premium payments are made annually. You should arrange your method of payment through your Financial Services Provider. A quote for premium may be obtained from your Financial Services Provider.

## Duty of Disclosure – What you must tell us

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. The Act requires that before a policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the Policy, and on what terms. Your Duty of Disclosure is different, depending on whether this is a new Policy or not.

### New business

Where you are entering into this Policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the specific questions we ask.

When answering our questions you must be honest.

- **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 the 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 never having worked.

### Renewals, variations, extensions and reinstatements

Once your Policy is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**

- that diminishes the risk
- that is of common knowledge
- that we know or should know in the ordinary course of our business as an insurer, or
- which we indicate we do not want to know.

- **If you do not tell us**

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may treat this Policy as never having worked.

## Privacy

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. We are bound by the Privacy Act 1988 (Cth.), when collecting and handling your personal information. QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it.

We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims you make or claims made against you. We will only use and disclose your personal information for a purpose you would reasonably expect.

We may need to disclose personal information to our reinsurers (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, our advisers and those involved in the claims handling process (including assessors, investigators and other insurers), for the purposes of assisting us and them in providing relevant services and products, or for the purposes of recovery or litigation. We may disclose personal information to people listed as co-insured on your policy and to family members or agents authorised by you. Computer systems and support services may be provided to us by related companies within the QBE Group that may be located overseas. We may also disclose information to organisations which conduct customer service surveys on our behalf. We will request your consent to any other purpose.

By providing your personal information to us, you consent to us making these disclosures. Without your personal information we may not be able to issue insurance cover to you or process your claim.

You also have the opportunity to find out what personal information we hold about you and, when necessary, correct any errors in this information. Generally we will do this without restriction or charge. For further information about our Privacy Policy or to access or correct your personal information, please contact The Compliance Manager, QBE Insurance (Australia) Limited, GPO Box 82 Sydney NSW 2001. Telephone: (02) 9375-4656 or Email: [compliance.manager@qbe.com](mailto:compliance.manager@qbe.com)

## The General Insurance Code of Practice

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice. The Code aims to:

- promote more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

## How to make a claim

Please contact your Financial Services Provider to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where you have told us about them beforehand and we have accepted your claim. Full details of what you must do for us to consider your claim are provided in the 'Claims' section of this booklet.

## Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the Financial Ombudsman Service (FOS), an ASIC approved external dispute resolution body.

FOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. QBE is bound by the determination of FOS but the determination is not binding on you.

We will provide the contact telephone number and address of the FOS office upon request.

## Taxation implications

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend that you seek independent professional advice.

## Cancelling your Policy

### How you may cancel this Policy

- You may cancel this Policy at any time by telling us in writing that you want to cancel it. You can do this by giving the notice to your Financial Services Provider.
- Where 'you' involves more than one person, we will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

### How we may cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing you in writing.
- We will give you this notice in person or send it to your address last known to us.

## The premium

We will refund to you the proportion of the premium for the remaining period of insurance.

## Cooling-off information

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this you may notify your Financial Services Provider electronically or in writing within 21 days from the date the Policy commenced.

This cooling-off right does not apply if you have made or are entitled to make a claim. Even after the cooling-off period ends, you still have cancellation rights however your Financial Services Provider may deduct certain amounts from any refund for administration costs or any non-refundable taxes.

## Providing proof

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of purchase, and
- valuations.

We may ask you for these if you make a claim. You must be able to prove to us that you have suffered a loss that is covered by this Policy before we will pay you for it.

We may ask you for these if you make a claim.

## Other party's interests

You must tell us of the interests of all parties (e.g. financiers, owners, lessors) who will be covered by this insurance. We will protect their interests only if you have told us about them and we have noted them on your Policy Schedule.

## How you can pay your premium

You can pay your premium in one payment by cash, cheque, credit card or bank transfer.

### Paying your premium

You must pay your premium by the due date. If we do not receive your premium by this date or your payment is dishonoured this Policy will not operate and there will be no cover.

### Paying your instalment premium

If you are paying your premium for the first time by instalments we will deduct instalments each month on the day of the month that you nominate as your payment date.

If you are renewing your Policy and you paid your previous Policy by instalments, we will continue to deduct instalments for your renewed Policy on the day of the month you previously nominated as your payment date, unless you tell us otherwise.

If you have nominated the 29th, 30th or 31st of the month as your payment date, we will deduct your instalment payment on the next day if those dates do not occur in a month.

Details of your instalments are shown on your Policy Schedule.

If your first instalment of premium when you take out your Policy or renew it is dishonoured, this Policy will not operate and there will be no cover.

We will not pay a claim under this Policy if, at the time the claim occurred, any instalment of premium has remained unpaid for 14 days or more.

If any instalment of premium has remained unpaid for 1 month, we may cancel this Policy. We will send you a notice giving you details of the action we intend to take and when any cancellation will become effective.

We are entitled to deduct from any amount we pay you under a claim any unpaid premium or instalment of premium.

If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if those details change. You must do this no later than 7 days before your next instalment is due.

## Preventing our right of recovery

If you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this Policy, we will not cover you under this Policy for that loss, damage or liability.

## How Goods and Services Tax affects any payments we make

The amount of premium payable by you for this Policy includes an amount on account of the GST on the premium.

When we pay a claim, your GST status will determine the amount we pay.

When you are:

- (a) not registered for GST, the amount we pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- (b) registered for GST, we will pay the sum insured/limit of indemnity or the other limits of insurance and where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a Damaged item insured under the Policy) we will pay for the GST amount.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled if you made a relevant acquisition. In these circumstances, the Input Tax Credit may be claimable through your Business Activity Statement (BAS).

You must advise us of your correct Australian Business Number & Taxable Percentage.

Any GST liability arising from your incorrect advice is payable by you.

Where the settlement of your claim is less than the sum insured/limit of indemnity or the other limits of insurance cover, we will only pay an amount for GST (less your entitlement for Input Tax Credit) applicable to the settlement. This means that if these amounts are not sufficient to cover your loss, we will only pay the GST relating to our settlement of the claim.

We will (where relevant) pay you on your claim by reference to the GST exclusive amount of any supply made by any business of yours which is relevant to your claim.

GST, Input Tax Credit (ITC), Business Activity Statement (BAS) and Acquisition have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

## Words with special meanings

Some key words and terms used in this Policy have a special meaning.

Word or Term	Meaning
Accident	an incident that is unforeseen and unintended and that causes loss or damage. This includes a series of accidents arising out of the one event.
Agreed value	the amount for which we have both agreed to insure your boat, equipment and accessories if the words 'agreed value' are shown in your Policy Schedule.
Anti theft device	professionally manufactured purpose designed anti theft device which does not include chains and/or padlocks.
Boat	the boat described in the current Policy Schedule. Your boat is comprised of: <ul style="list-style-type: none"> <li>the hull</li> <li>its motor(s), including fuel tanks (unless they form part of the hull)</li> <li>equipment and accessories</li> <li>its sails, masts, spars, standing and running rigging</li> <li>its trailer.</li> </ul>
Children's toys	an object designed to be played with by a child under the age of 10. This does not include electric or electronic toys.
Damage	any form of physical harm to the boat but does not include wear and tear or anything that was present before this Policy came into force.
Equipment and accessories	safety equipment installed or carried in accordance with statutory requirements and any other equipment intended for the use of or with the boat including: <ul style="list-style-type: none"> <li>the tender used with your boat</li> <li>anchors</li> <li>oars or paddles</li> <li>detachable canopies</li> </ul>

Word or Term	Meaning
Equipment and accessories (continued)	<ul style="list-style-type: none"> <li>• boat and motor covers</li> <li>• bilge pumps</li> <li>• life-saving equipment including life jackets</li> <li>• auto pilot</li> <li>• depth sounders</li> <li>• electronic navigation equipment including laptop computers that can be clearly demonstrated are used for navigation purposes</li> <li>• global positioning system</li> <li>• EPIRB (Emergency Position Indicating Radio Beacon)</li> <li>• two-way radios</li> <li>• fishing equipment</li> <li>• water skiing equipment</li> <li>• diving and water sporting equipment as shown in the Policy Schedule. Please also refer to the Section 'What is not covered'.</li> </ul>
Excess	<p>an excess is the amount of any claim which must be paid by you. If an excess is applicable to any Sections of your Policy the amount will be shown either on your Policy Schedule or within this Policy booklet.</p> <p>This amount shall be deducted from the amount payable on each claim.</p>
Family	includes your spouse or partner, the children, parents or other relatives of you or your spouse or partner who live permanently with you.
Hull	<p>the shell of the boat, deck, fixtures and fittings on deck or below deck that are not normally removable and would be normally sold with the boat. This includes household contents including bedding and manchester, crockery, cutlery, kitchen appliances and utensils, unfixed furniture and furnishings permanently kept on the boat for your personal use, provided they are not separately insured.</p> <p>Note: Refer to the Section 'What is not covered'.</p>

Word or Term	Meaning
Indemnity	to place you in the same financial and/or material position as you were in immediately before your loss. Indemnity does not mean new for old unless stated. The insurer can deduct an amount for wear and tear, depreciation or betterment.
Latent defect	any flaw in the material used in the construction of the hull and superstructure, motors/machinery, sails, masts, spars, standing and running rigging of the boat that is now known by you and is not discoverable by a competent tradesperson carrying out normal inspection.
Legal liability	<p>your legal responsibility arising out of the use of the boat to pay compensation for death, injury or damage to other people (including members of your family) or their property. This responsibility only arises if you have done something wrong or you are at fault.</p> <p>Note: Refer to the Sections 'What you are not covered for – Liability' and 'When you are not covered'.</p>
Market value	the cash purchase price of a boat of the same age, type and condition (including non-standard accessories) at the time of loss if the words 'market value' are shown in your Policy schedule.
Miscellaneous equipment	miscellaneous equipment that would be normally sold with the boat including galley equipment, manchester and tools kept permanently on the boat.
Motor(s)	<p>includes:</p> <ul style="list-style-type: none"> <li>• inboard motors</li> <li>• outboard motors</li> <li>• stern drive units</li> <li>• jet units</li> <li>• gear boxes</li> <li>• propellers</li> <li>• shafts</li> </ul>

Word or Term	Meaning
Motor(s) (continued)	<ul style="list-style-type: none"> <li>• skegs</li> <li>• portable fuel tanks and lines</li> <li>• wiring harness</li> <li>• instruments (e.g. tachometer)</li> <li>• control cables</li> <li>• generators.</li> </ul>
Omission	a failure to act and includes a failure to do or say something.
Period of insurance	the period for which the cover under your Policy is in force. You will find this period of insurance set out in your Policy Schedule.
Permanent total disablement	means you have been unable to carry out any occupation for which you are fitted by reason of your education, training or experience for a period of at least 12 consecutive months and you remain unable to do so for a continuous indefinite period solely and directly as a result of the injury.
Personal effects	<p>as listed below:</p> <ul style="list-style-type: none"> <li>• clothing</li> <li>• mobile phones, prescription glasses and sunglasses</li> <li>• waterproof gear, bags</li> <li>• food or beverage coolers</li> <li>• shoes</li> <li>• wallets or purses excluding cash and credit cards</li> <li>• toilet articles</li> <li>• hats or caps</li> <li>• keys or pens</li> <li>• portable MP3 players.</li> </ul> <p>Please also refer to the Section 'What is not covered'.</p>
Personal Watercraft (PWC)	a personal watercraft is a vessel designed to be operated by a person standing, sitting astride or kneeling on. It uses waterjet propulsion and has an engine in a watertight compartment.

Word or Term	Meaning
Policy Schedule	<p>the most recent document we give you. We give you a Policy Schedule when you:</p> <ul style="list-style-type: none"> <li>• first buy the Policy from us,</li> <li>• change any part of the Policy or any personal details relevant to it, or</li> <li>• renew the Policy with us.</li> </ul>
Premium	the amount you pay for the insurance provided by this Policy, including any taxes and other government charges. (This is different from the excess that you pay when making a claim).
Sail, masts, spars, standing and running rigging	<p>sails, masts, spars, booms and fittings, spinnaker poles, standing and running rigging.</p> <p>Note: Refer to the Section 'What you are not covered for'.</p>
Salvage	<p>either:</p> <p>(a) what is left of the boat after it has suffered loss or damage, or</p> <p>(b) the action of saving the boat in a time of peril.</p>
Sporting equipment	fishing equipment (including rods, reels, tackle and other similar equipment), diving equipment (including regulators, tanks and buoyancy compensation devices), kayaks, canoes and wave skis and/or water ski equipment used for the purpose of recreational purposes and owned by you.
Temporary total disablement	means you are unable to carry out all the normal duties of your occupation solely and directly as a result of the injury.
Tender	an auxiliary boat (or dinghy) (capable of being and usually carried on deck or on davits on your boat or which is towed behind your boat) and the outboard motor normally attached, that is used as a lifeboat or means of transportation between your boat and the shore, or for both purposes. A tender must be marked with the registration number of your boat and not registered in its own right.

Word or Term	Meaning
Theft	a person has taken your boat, equipment and accessories without your knowledge, prior consent or agreement, with the intention of permanently depriving you of them.
Total loss	if the boat is damaged beyond an amount which we consider economical to repair or the loss of the entire boat.
Total sum insured	the amount we insure your boat for and is the total of the agreed or market value for all of the boat's hull, motors, equipment and accessories, sails, masts, spars, standing and running rigging and trailer, whether individual sums insured are specified for these items by you or not.
Trailer	the trailer described in the Policy Schedule and its winch, including power winch.
Unrepaired damage	damage to the boat sustained during the currency of the Policy which is unrepaired at the expiry of the Policy and which you do not intend to repair.
Water skiing and/or aquaplaning	travelling on the surface of water, either barefoot, or on water skis or similar devices designed for that purpose while being towed by your boat.  Note: Refer to the Sections 'What you are not covered for – Liability' and 'When this water skiing and/or aquaplaning extension does not cover you'.
We, our, us	QBE Insurance (Australia) Limited, ABN 78 003 191 035 through its agent Trident Insurance Group Pty Ltd ABN 94 247 973 307, AFS Licence No. 237360.

Word or Term	Meaning
Yacht racing risks	taking part in a sporting event organised by a club or association. Cover applies only when we have agreed to grant the optional yacht racing risk extension or yacht club social racing risk extension and you have paid the premium. This will be shown in your Policy Schedule. Note: Refer to the Sections 'What you are not covered for – Loss of or damage to your boat' and 'When you are not covered'.
You, your	any of the person or persons named as the insured in your Policy Schedule including any person allowed by you to control your boat. If more than one person is named as the insured in the Policy Schedule, we will treat an act, omission, statement or a claim by any one of those persons as an act, omission, statement or a claim by all of them.

## Section 1 – Cover for your boat

### What you are insured for

We will cover your boat described in your Policy Schedule including:

- the hull
- motors
- equipment and accessories
- sails, masts, spars, standing and running rigging
- trailer, and
- personal effects (or those of any passenger on your boat)

while it is navigating or in transit within mainland Australia and Tasmania and including Australian and Inland coastal waters of up to 250 nautical miles (unless otherwise stated in your Policy Schedule), and including while the boat is at any marina, slipway or location when laid-up ashore or engaged in any voluntary rescue work.

### What you are not insured for

We will not cover:

- any boat, being a combination of hull and motor, which is capable of a speed exceeding 60 knots
- moorings
- money, credit cards, watches, jewellery, cameras, pagers, consumable stores, compact discs, audio or video tapes.

### What can be covered additionally (on application)

We may agree to cover you for the following items on application. If we agree we will show them in your Policy Schedule:

- any dinghy or tender used with your boat capable of a speed exceeding 20 knots
- sporting equipment for water skiing, fishing, diving or any other water sports (excluding while in use) other than what is covered under Additional benefit "Sporting equipment" on page 28 of this Policy.

Note: These items are not automatically covered unless agreed in writing by us.

Please remember that you will have to pay any excess shown on your Policy Schedule, or in the Policy booklet.

### What you are covered for – Loss of or damage to your boat

We will cover you for:

- (a) Accidental damage
- if your boat is damaged accidentally
  - if your boat sinks accidentally, provided it was in seaworthy condition at the time of sinking.
- (b) Theft (excluding Personal Watercraft)
- of the entire boat including trailer, outboard motor(s), equipment and accessories
  - of part of the boat including trailer, outboard motor(s), equipment and accessories from:
    - the boat, or
    - the place of storage of the boat, trailer, outboard motor(s) or the equipment and accessories.

In the event of a claim it will not be necessary for you to demonstrate that there is physical evidence of visible and forced entry, but it is a condition of this cover that you are at all times required to take reasonable measures to prevent theft e.g. placing equipment/accessories or outboard motors temporarily removed from the boat in a secure place of storage.

- (c) Malicious damage if your boat is damaged maliciously
- (d) Theft of Personal Watercraft (PWC)
- Theft of your PWC whilst stored ashore in a key locked garage or yard provided there is physical evidence of visible and violent and forcible removal from the entry to the place of storage.
  - Theft of your PWC whilst on a trailer, but only if your PWC and trailer was immobilised by an anti theft device and provided there is physical evidence of visible and violent and forcible removal of both the trailer and the anti-theft device.
  - theft of your PWC whilst stored ashore on a pontoon, wharf or moored provided that your PWC was immobilised by an anti theft device and provided there is physical evidence of visible and violent and forcible removal of both PWC and the anti theft device.

It is a condition of this cover that you at all times are required to take reasonable measures to prevent theft e.g. placing equipment/accessories motors temporarily removed from the PWC in a secure place of storage.

- (e) Other damage

Loss or damage caused by:

- a latent defect within the hull or motors (excluding the cost and expense of replacing or repairing the defective part) causing loss or damage to your boat, provided the loss or damage has not resulted from lack of due diligence by you
- negligence of skipper master and/or crew provided the loss or damage has not resulted from lack of due diligence by you
- negligence of the repairers (excluding you) provided the loss or damage has not resulted from lack of due diligence by you.

- (f) Search costs or expenses reasonably incurred by you for hire, charter or any aircraft to be utilised in search of your boat presumed lost or in distress. The maximum amount we will pay is \$10,000 for any one event.
- (g) Transit damage if your boat is accidentally damaged during transit on its own trailer by road, rail or ship, provided your boat is designed to be normally carried by a boat trailer and you are complying with all statutory requirements
- (h) Damage caused to your boat by any governmental authority in order to prevent or minimise a pollution hazard or threat of such a hazard resulting from damage to your boat, provided this has not resulted from a lack of due diligence by you
- (i) Recovery or removal of wreck costs if your boat is damaged or sinks accidentally, and we agree to recover it or the law requires that it must be removed, we will pay the reasonable costs of the removal/recovery of the wreck. These costs are recoverable in addition to the sum insured of your boat and are subject to a limit of \$1,000,000

This cover will not apply if separate Protection and Indemnity policy cover is in force.

- (j) Other expenses if your boat gets into difficulties or is damaged accidentally, we will pay the reasonable cost of taking action to:
- minimise loss or damage, or
  - remove the boat to safety (including emergency towing), or
  - dry all the electrical equipment in the motor(s), or
  - clean and oil the motor(s)
  - land towing costs to take your boat to the nearest repairer in an emergency following a loss (provided your boat is designed to be towed by a trailer), limited to a total amount payable of \$750 for all claims during the period of insurance. The excess shown in the current Policy Schedule shall not be deducted from a claim for these costs
  - boat inspection costs if your boat is stranded, we shall pay the reasonable costs of inspecting the hull to see if it is damaged and the excess shown in the current Policy Schedule shall not be deducted.

You do not need our authority to take such action if it is an emergency and you are unable to contact us to obtain authority.

However, you must advise us as soon as possible after the action has been taken.

These costs are recoverable in addition to the sum insured of your boat. The additional amount we will pay is limited to the sum insured of your boat shown in your Policy Schedule.

Please remember that you will have to pay any excess shown on your Policy Schedule, or in the Policy booklet.

### **What you are not covered for – Loss of or damage to your boat**

We will not cover you for:

- loss of any outboard motor(s) when they are secured to the boat in a manner other than that specified or recommended by the manufacturer
- theft of your boat or any part of it by persons to whom you have loaned your boat
- loss or damage intentionally caused by you or a person acting with your express or implied consent, unless required by law
- depreciation
- loss or damage caused by normal wear & tear
- loss or damage caused by timber rot, delamination, osmosis, deterioration, vermin and/or marine growth
- loss or damage caused by rusting or other forms of corrosion, or electrolysis
- loss or damage caused by lack of maintenance
- mechanical, structural, electrical or electronic failures. We will pay the resultant damage to your boat due to the failure, but we will not pay for the cost of repairing or replacing the item that failed
- the cost of repairing or replacing any part of the boat which is defective and the defect is caused by fault or error in design or construction or faulty workmanship
- financial, emotional or psychological loss which occurs because you can not use your boat
- accidental loss or damage to fishing gear, diving equipment, tools and/or water ski equipment while in use

- damage to sails and protective covers caused by the force of wind unless there has also been damage caused to the masts, spars or the boat
- damage to sails, masts, spars, standing and running rigging while your boat is racing, unless you pay an additional premium and we agree to provide the optional yacht racing risk extension or yacht club social racing risk extension and have shown it on your Policy Schedule
- any claim arising directly or indirectly from pollution or contamination by any substance
- any fine or penalty.

### How much we pay – Loss of or damage to your boat

If your boat is accidentally damaged or stolen the basis of claims settlement shall be:

#### Total loss

In the event of a total loss of the boat the insurer, at their option will:

- pay the amounts specified if the words 'agreed value' are shown in the Policy Schedule, or
- pay the amount of loss or damage up to the sum insured or its market value, whichever is the lesser, if the words 'market value' are shown in the Policy Schedule.
- replace your boat with a new boat of the same make, specifications, model or series so long as it is available in Australia and provided that it is less than 12 months old. We will also pay any registration and/or stamp duty costs applicable.

#### Partial loss

In the event of a claim, the maximum amount we will pay you for each item lost or damaged is the agreed sum insured for that item. If specified by you, there is an agreed sum insured for each of:

- the hull
- the motor(s)
- sails, masts, spars, standing and running rigging
- trailer, and
- equipment and accessories.

Individual items of equipment and accessories have an agreed sum insured where specified by you.

These agreed sum insured values will be shown on your Policy Schedule.

Where you have not specified a separate sum insured for either a part of the boat as above, or an individual item, then the maximum we will pay is the current market value of the part or item.

However, the maximum amount payable will not exceed the total sum insured under any circumstances. Any amount payable will be reduced if the total market value of the boat including all items listed above exceeds the total sum insured shown in the Policy Schedule by more than 20%. The amount payable will be reduced in proportion to the difference between the market value of the whole boat and the total sum insured.

We will, at our option:

- repair or replace the item involved, or
- pay you the reasonable cost of repairing or replacing the item involved, or
- pay you the sum insured (where specified) of the item involved and take ownership of any salvage, or
- pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage.

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed sum insured, then depreciation may apply and the amount payable is determined by:

- comparing the value of an item with an item of similar age and condition, or
- establishing the actual cost of an item of similar age and condition.

When we take the option of repairing an item, the amount that we pay is limited by the actual value of the item being repaired compared with its age and condition.

If your boat is less than one year old, we will not apply depreciation in determining the amount paid to you.

#### New for old

- new for old on mechanical and electrical components of the motor up to 5 years of age which can not be satisfactorily repaired up to the motor sum insured.

## Additional benefits

### We give the following Additional benefits:

#### Children's toys

The insurer shall pay up to \$200 to replace children's toys if these are accidentally damaged as a result of their use or enjoyment whilst on board your boat.

Please remember if you make a claim, you will have to pay an excess. Please refer to 'What you must pay if you make a claim – Excess' on page 37 of this booklet.

#### Sporting equipment

The insurer agrees to provide additional cover to you for:

- (a) Accidental damage to your sporting equipment while on your boat (excluding while in use).
- (b) Theft of your sporting equipment provided there is visible evidence of forcible and violent entry:
  - into the boat, or
  - into the normal place of storage of the boat or equipment.

The maximum amount the insurer will pay is \$10,000 in total with a limit of \$1,000 on any one item.

Please remember that you will have to pay any excess shown on your current Policy Schedule.

#### Personal accident cover

If you suffer bodily injury as a result of an accident during the period of insurance which arises directly out of the use of your boat, and that results within six (6) calendar months in either:

- death
- temporary total disablement
- permanent total disablement.

We will pay in the event of your:

- death – the sum of \$30,000
- temporary total disablement – the sum of \$300 per week, up to a maximum of 100 weeks
- permanent total disablement – the sum of \$30,000.

To qualify for payment you must obtain and follow advice of a qualified medical practitioner (other than you or your family) as soon as possible after the accident.

#### Penned boat benefit clause

Where the boat is penned or berthed in its usual marina, private jetty or pontoon, we will cover you for loss or damage to the boat while:

- penned in a berth,
- while moored on a jetty/pontoon, or
- berthed in an air berth.

The excess shown in the current Policy Schedule shall not be deducted.

#### Power boat association time trials

We will provide cover if your boat is participating in time trials conducted under the control or regulation of the Power Boat Association to a maximum speed of 30 knots.

#### Personal effects

If your personal effects suffer physical loss or damage caused by an accident or theft you are covered up to a total sum of:

- \$200 any one item for mobile phones, prescription glasses or sunglasses;
- \$1,000 any one item and \$12,500 in total for all other personal effects;

arising from an accident or theft.

The insurer will at its option:

- repair or replace the personal effects involved, or
- pay you the reasonable cost of repairing or replacing the personal effects involved.

Please remember if you make a claim, you will have to pay an excess. Please refer to 'What you must pay if you make a claim – Excess' on page 37 of this booklet.

#### Options you can choose for additional premium

The following options may be obtained on application, and for an additional premium:

#### Optional yacht racing risk extension

##### What you are additionally covered for

If we have agreed to cover you for yacht racing risks and shown it in your Policy Schedule, we will provide

additional cover to you for loss of or damage to your boat including its:

- sails, or
- masts, or
- spars, or
- standing and running rigging

while your boat is racing.

We will only cover you when your boat is operating within the following navigational limits:

- moored boats
  - within 250 nautical miles of your boat's home port
- trailer boats
  - within 250 nautical miles of the place where your boat was last launched, within Australian Territorial Waters.

You should advise us if you need wider navigational limits for racing.

#### **When you are not covered**

We will not cover you for any racing outside of the areas set out above, unless you have our agreement in writing.

#### **How much we pay under this optional cover**

If an item is lost or damaged while your boat is racing, we will, at our option:

- repair or replace the item involved, or
- pay you the reasonable cost of repairing or replacing the item involved, or
- pay you the agreed sum insured (where specified) of the item involved and take ownership of any salvage, or
- pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage.

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed value, then depreciation will apply and the amount payable is determined by:

- comparing the value of an item with an item of similar age and condition, or
- establishing the actual cost of an item of similar age and condition.

#### **Excess payable under this extension**

For boats with a sum insured value of \$100,000 and below, the excess to claims under this additional cover will be that shown in your current Policy Schedule increased by 150% for each and every claim.

For boats with a sum insured of \$100,001 and above, the excess applicable to claims under this additional cover will be:

- (a) sails, masts, spars, standing and running rigging less than 5 years old, the excess is 20% of the value of the claim for sails, masts, spars, standing and running rigging subject to the minimum excess shown in your current Policy Schedule
- (b) sails, masts, spars, standing and running rigging more than 5 years old, the excess is 30% of the value of the claim for sails, masts, spars, standing and running rigging subject to the minimum excess shown in your current Policy Schedule.

The sections of the Policy called

- 'What you are not covered for – Loss of or damage to your boat'
- 'What you are not covered for – Legal liability'
- 'When you are not covered'

also apply to this extension.

#### **Optional yacht club social racing risk extension**

If we have agreed to cover you for yacht club social racing risks and shown it in your Policy Schedule, we will provide additional cover to you for loss or damage to your boat including its:

- sails, or
- masts, or
- boom, or
- standing and running rigging

while your boat is being raced in yacht club social races not exceeding 25 nautical miles from your boat's home port.

This cover excludes spinnakers and/or extras.

#### **How much we pay**

If an item is lost or damaged while your boat is racing in yacht club social races, we will, at our option:

- repair or replace the item involved, or

- pay you the reasonable cost of repairing or replacing the item involved, or
- pay you the agreed sum insured or market value (where specified) of the item involved and take ownership of any salvage, or
- pay you the current market value of the item (where there is no agreed sum insured) and take ownership of any salvage.

When we decide either to replace an item, or to pay the cost of replacing an item which has no agreed sum insured, then depreciation will apply and the amount payable is determined by:

- comparing the value of an item with an item of similar age and condition, or
- establishing the actual cost of an item of similar age and condition.

#### **Excess payable under this extension**

For boats with a sum insured value of \$100,000 and below, the excess to claims under this additional cover will be that shown in your current Policy Schedule increased by 150% for each and every claim.

For boats with a sum insured of \$100,001 and above, the excess applicable to claims under this additional cover will be:

- (a) sails, masts, spars, standing and running rigging less than 5 years old, the excess is 20% of the value of the claim for sails, masts, spars, standing and running rigging subject to the minimum excess shown in your current Policy Schedule
- (b) sails, masts, spars, standing and running rigging more than 5 years old, the excess is 30% of the value of the claim for sails, masts, spars, standing and running rigging subject to the minimum excess shown in your current Policy Schedule.

The sections of the Policy called

- 'What you are not covered for – Loss of or damage to your boat'
- 'What you are not covered for – Legal liability'
- 'When you are not covered'

also apply to this extension.

## **Section 2 – Legal liability cover**

### **What you are covered for – Legal liability**

#### **1. Operating your own boat**

We cover you and any person allowed by you to control your boat against legal liability for:

- accidental death or bodily injury to a person other than you
- accidental death or bodily injury to you when another person allowed by you is in control of your boat
- accidental damage to other people's property caused by ownership or use of your boat.

#### **2. Operating a substitute boat**

We will cover you against legal liability for:

- accidental death or bodily injury to a person other than you
- accidental damage to other people's property caused by the use of the substitute boat provided that:
  - you have permission from its owner, and
  - your boat is not being used at the time, and
  - you or any member of your family do not own or have an interest in the substitute boat.

If you are entitled to cover under any other Policy we will only be liable under this Section for the amount your liability exceeds the limits of cover under any other Policy.

### 3. Sudden and Accidental Discharge, Release or Escape of Fuel or Lubricants

We will cover you or any person allowed by you to control your boat (within the requirements of any law) against legal liability for:

- actual physical damage to property caused by sudden and accidental discharge, emission, spillage, or leakage upon or into waters or land of oil, petroleum products, effluent or sewage from your boat provided the discharge, emission, spillage or leakage does not arise from your wilful negligence or misconduct or wilful negligence or misconduct of any person allowed by you to control the boat.

This extension of cover excludes:

- death, bodily injury or illness
- contractual or assumed liability
- any loss of use or consequential loss
- fuel or lubricants not being used in connection with the operation of your boat at the time of the loss
- breach of any Federal, State or Local legislation regulating or controlling the discharge, spillage, emission or leakage of oil or any other substance into navigable waters or elsewhere or removal of or liability for discharge, spillage emission or leakage.

We will pay no more than \$500,000 for any one accident or series of accidents caused by the one event including legal expenses for this cover.

### 4. Berth Holders liability

We will cover you for any legal liabilities imposed upon you by the Terms and Conditions of a lease or agreement for the provision of a berth or mooring or storage facility for your boat.

#### What you are not covered for – Legal liability

##### Operating your own or a substitute boat

We will not pay the costs of your liability or any person allowed by you to control your boat (within the requirements of any law) for:

- loss of or damage to any property owned by you or in your custody or control or the property of any other person covered by this Policy

- bodily injury to, or the illness or death of a person who is covered (or should have been covered) by any compulsory compensation insurance, including any compulsory third party boat insurance
- death or bodily injury caused by the activity of scuba diving
- death or bodily injury or property damage intentionally caused by a person covered by this Policy
- loss or damage to third party property arising from the trailer being towed by or breaking away from or accidentally becoming detached from the towing vehicle
- the towing of persons or objects in the air, including parasailing
- water skiing and/or aquaplaning unless you have chosen the optional water skiing and/or aquaplaning extension and it is shown in your Policy Schedule
- any tradesperson or company engaged by you for the repair, service or maintenance of your boat
- any claim arising directly or indirectly from pollution or contamination by any substance except as otherwise specifically covered elsewhere in the policy
- actions that are brought against you in a court or tribunal outside Australia or a court or tribunal that applies laws other than the law of a State or Territory of Australia
- any fine or penalty
- aggravated, exemplary or punitive damages.

#### How much we pay – Legal liability

We will pay the costs of:

- compensation, and
- legal fees and expenses

that you are liable for.

We will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.

#### Limit on what we will pay – Legal liability

The maximum we will pay is the amount shown in your Policy Schedule in total for all claims that arise from any one accident. This maximum amount includes all legal fees and expenses.

## Liability option you can choose for additional premium

The following Liability option may be obtained on application, and for an additional premium:

### Optional water skiing and/or aquaplaning extension

#### What you are additionally covered for

If we have agreed to cover you and shown it in your Policy Schedule and you have paid any additional premium we ask for, we will cover you or any person allowed by you to control your boat and the person acting as an observer (within the requirements of any law) against legal liability for:

- accidental death or bodily injury to a water skier or aquaplaner (including you) towed by your boat
- accidental death or bodily injury to any person caused by a water skier or aquaplaner being towed by your boat, or
- accidental damage to another person's property caused by a water skier or aquaplaner being towed by your boat.

We will also cover a water skier or aquaplaner towed by your boat against the water skier's or aquaplaner's legal liability to others for accidental:

- death or bodily injury to a person, or
- damage to property other than your boat

caused by the water skier or aquaplaner while being towed by your boat.

#### When this water skiing and/or aquaplaning extension does not cover you

We will not pay the costs of liability arising out of:

- water skiing or aquaplaning when there is not a legally competent observer in addition to the driver on board your boat at the time of the accident
- water skiing or aquaplaning when an aerial device or ski ramp is being used
- water skiing or aquaplaning when a ski mast, ski pole, ski tower are being used unless it is professionally designed, manufactured and installed
- competition water skiing
- towing or using air chairs
- towing of any person by personal watercraft that breaches waterways regulations

- towing of any device not designed and professionally manufactured for the purpose of being towed behind a boat (e.g. surfboards or tyre tubes).

The Sections of the Policy called

- 'What you are not covered for – Legal liability'
- 'When you are not covered'
- 'How much we pay – Legal liability'
- 'Limit on what we will pay – Legal liability'

also apply to this extension.

## What you must pay if you make a claim – Excess

For most claims you make on this Policy, you will have to pay the excess which is shown on your Policy Schedule or, unless specifically mentioned in your current Policy Schedule, an excess mentioned in this booklet.

If you make a claim for loss or damage to your personal effects or children's toys the excess will be \$100 for each and every claim for personal effects.

## When you will NOT have to pay an excess

You will NOT have to pay an excess for claims:

- for total and/or constructive total loss of your boat;
- arising out of death or bodily injury under the Personal accident or Liability cover
- for land towing or boat inspection costs under 'Other expenses' (on page 24)
- paid under the Penned boat benefits clause.

You will not have to pay an excess if you are claiming an amount which is more than the excess for the incident that the insurer agrees was not your fault or the fault of:

- the person in control of the boat
- the driver of the vehicle towing your boat, or
- any other person in or on your boat;

provided you give us the name and address of the person responsible for the incident.

## When you are not covered

### General exclusions applying to all sections of this Policy

This Policy excludes loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

- ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos
- any chemical, biological, bio-chemical, or electromagnetic weapon.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above exclusions.

### Additional exclusions applying to all sections of this Policy

We will not cover you or any person allowed by you to control your boat when:

1. your boat is outside the cruising limits described in your Policy Schedule.
2. your boat was being operated:
  - at a speed greater than 60 knots
  - with a motor more powerful than recommended by the hull manufacturer for the hull specifications
  - with more than the maximum number of passengers or load recommended by the hull manufacturer.
3. your boat was in the control of you or any person with your express or implied consent while under the influence of alcohol or of any drug or had a percentage of alcohol or drugs in your/their breath or blood in excess of the percentage permitted by law in the place where the loss, damage or liability occurred.

But we will cover you if you were not on board the boat at the time and can clearly demonstrate that you had no reason to suspect that the person in control would be under the influence of alcohol and any drug or had a percentage of alcohol or drugs in excess of legal limits.

4. your boat was under the control of a person not licensed under the applicable law:

But we will cover you if the person:

- was not named as one of the insured in your Policy Schedule, and
  - you can clearly demonstrate you had no reason to suspect that person was unlicensed.
5. your boat was being used in racing, speed tests or trials, unless you pay an additional premium and we agree to provide the optional yacht racing risk extension or yacht club social racing risk extension.
  6. your boat was being used for an unlawful purpose.
  7. your boat was being used for hire or charter, or for payment or reward at the time of the accident or loss unless we specially agree to cover this use and specify the cover in your Policy Schedule

8. your boat was being towed on a trailer and the driver with your express or implied consent was not licensed to drive a vehicle in accordance with law.

But we will cover you if you were not in the vehicle at the time and can clearly demonstrate that you had no reason to suspect that the driver was unlicensed.

9. your boat is being transported on a trailer, unless the boat is designed and built for that purpose.
10. your boat is being loaded or unloaded or transported by a commercial carrier unless you tell us beforehand in writing, and we agree in writing to cover you.
11. the boat is being used for permanent living accommodation unless you tell us beforehand in writing, and we agree in writing to cover you.
12. you do not keep the boat in good order and repair, or in a proper state of seaworthiness and in compliance with any statutory requirements (e.g. Waterways Authority Regulations) including the mooring for your boat or any boat covered by this policy not being:
- of a suitable design and weighting for the boat;
  - appropriately sited; and
  - in good order and regularly maintained on an annual basis.
13. your boat is undergoing major hull repair or alteration (e.g. extending the length of the boat, major refurbishment of deck, cabin and hull or replacing inboard engines) unless you tell us beforehand in writing, and we agree in writing to cover you.

## General conditions

The following General conditions apply to all Sections of this Policy.

### Changing your Policy

If you want to make a change to this Policy, the change becomes effective when:

- we agree to it, and
- we give you a new Policy Schedule detailing the change.

### Other interests

You must not transfer any interests in this Policy without our written consent.

Any person whose interests you have told us about and we have noted on your Policy Schedule is bound by the terms of this Policy.

### Automatic reinstatement

When we pay a claim for your boat or an item under this Policy, the sum insured for your boat or that item is automatically reinstated to the amount shown in the current Policy Schedule, provided you:

- give us written details of the replacement boat or item(s) within 14 days of buying them, and
- pay us any additional premium that we ask for.

### Keeping us informed

You must tell us as soon as possible:

- if there is any significant change in the condition or use of your boat which may affect our decision to insure it
- if any event happens that could mean you will make a claim and/or a claim may be made against you by another person, you must tell us within 30 days of the event happening.

If you do not keep us informed we may do the following:

- refuse to pay your claim, or
- reduce the amount we pay you for your claim under your Policy, or
- cancel your Policy.

## If more than one person is insured by this Policy

Please remember if more than one person is insured by this Policy, an act, omission, statement or claim by any one of the insured people has the same effect as an act, omission, statement or claim by all of those people.

## Your duty to co-operate

In the event of a claim, any benefits that this Policy gives you depend on you giving us full details of your loss and any help that we require, including further written statements and documents we consider relevant. We may also require you to attend Court to give evidence.

You must help us even after we have paid your claim. We may attempt to recover the amount of our payment from the person who caused you to suffer loss or damage, or we may want to defend you if it is alleged that you caused loss or damage to someone else.

You must send to us immediately any letters, demands, notices or Court documents you receive relating to an accident that resulted or could result in a claim.

## Notices

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally, or
- if it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

## Purchase of a 'new' boat

If you replace the boat or any item shown in your Policy Schedule and we agree to cover the replacement, the Policy covers it:

- from the time you bought it, and
- up to the same value as your agreed sum insured, and
- no longer covers the old boat or item.

We will give you this cover for the 'new' or replacement boat or item only if:

- you give us written details of it within 14 days of buying it, and
- you pay us any additional premium that we ask for.

In giving you this cover, we will consider either the price you paid for the hull, motors, equipment and accessories, sails, masts, spars, standing and running rigging and its trailer, or our valuation as the agreed sum insured of that item.

## If you sell or give away your boat

If you sell or otherwise give away your boat or part-ownership in a boat and do not tell us:

- the cover under this Policy ceases immediately without any notice to you from the time of sale or you otherwise give away your boat.

When you tell us that you no longer own the boat, we will:

- refund to you what is left of the premium you paid by deducting an amount which covers the period for which you have been insured with us.

If you are giving up an interest as lessor, mortgagee or owner under a hire purchase agreement, you do not have to tell us.

## Law & Practice

Any dispute arising from this Policy will be determined by the courts, and in accordance with the laws of the State or Territory of Australia where your boat is normally based or located.

## Other insurance policies

If at the time of an accident another Policy is in force covering the same risk, we will only pay the amount in excess of the amount that is recovered under those Policies, limited to the sum insured shown in your Policy Schedule.

## Claims

### What you must do

For us to consider your claim, you must:

- promptly take all reasonable and responsible precautions to prevent any further loss or damage to your boat including electrical equipment and components which have been submerged. In the case of a motor this means, the flushing out, oiling and drying out of the motor and all other electrical equipment and components
- make a report to the Police if there is injury, malicious damage and theft or attempted theft of your boat
- contact us and tell us details of what has happened
- complete our claim form and any other form we ask you to complete, and take it or mail it to our Claims Department at any of our offices.

### What you must NOT do

You must not authorise repairs to your boat without our consent.

Only we have the right to settle or defend a claim against you by another person.

If we agree you have a claim, only we have the right to:

- make or accept any offer or payment, or in any other way admit you are liable
- settle or attempt to settle any claim, or
- defend any claim.

### When we may refuse a claim

#### We may refuse a claim if amongst other things:

- you do not do what your duty to disclose facts (Duty of Disclosure) requires you to do
- in the application or when making a claim, you:
  - are not truthful
  - have not given us or refuse to give full and complete details, or
  - have not told us something when you should have.

- you do not at all times take reasonable care to:
  - prevent theft of the boat, outboard motor(s) or the equipment and accessories
  - protect your boat against any initial or further loss or damage
  - keep your boat in good condition
  - prevent death, bodily injury, or illness to other people, or loss or damage to their property, and
  - obey any statutory requirements that safeguard people or their property.
- you do not give us the documents and information we may need to help us decide on any amount that we may pay you
- you do any of the following without our knowledge and consent:
  - make or accept any offer or payment, or in any other way admit you are liable
  - settle or attempt to settle any claim, or
  - defend any claim.
- you do not as soon as possible make a report to the Police about:
  - any injury, or
  - any malicious damage to your boat, or
  - any theft or attempted theft of your boat.
- you must give us a written statement from the Police saying that you reported such an event to them.

### What we do

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If we do this we will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.

**What can affect a claim**

We will reduce the amount of a claim by the excess shown in the Policy Terms and Conditions or on the Policy Schedule.

We may refuse to pay a claim if you are in breach of your Duty of Disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to the Policy Schedule.

We pay only once for loss or damage from the same event covered by this Policy even if it is covered under more than one Section of the Policy.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent, or
- any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this Policy.