



Boat Insurance Product disclosure statement and policy booklet



By choosing NRMA Insurance, you're choosing to get on with the life you enjoy – and stop thinking about the 'what ifs'.

NRMA Insurance has been helping people for many years. We want to make things simple when it comes to insurance – from being clear about what you're covered for, to less complicated claims.

This booklet tells you what you need to know about your insurance policy. If there's anything you don't understand or need help with, just give us a call on 132 132.

Boat Insurance Supplementary Product Disclosure Statements

QLD

These Supplementary Product Disclosure Statements (Supplementary PDS) update, and should be read with, the Boat Insurance Product Disclosure Statement and Policy Booklet (PDS) Edition 1. These documents together with your current Certificate of Insurance make up the terms and conditions of your insurance contract with us.

SUPPLEMENTARY PDS 1.1

This Supplementary PDS Edition 1.1 will apply to policies with a commencement date on or after 29 July 2007 or with a renewal effective date on or after 17 September 2007.

BASIC EXCESS (PAGE 43)

We have made a change to the basic excess section of your insurance policy. If your boat is attached to a motor vehicle you own, and the boat and motor vehicle suffer Accidental Damage in the same incident, we will waive your basic excess for your Boat Policy if we have agreed to pay your claim.

however

- your motor vehicle must be comprehensively insured with us, and you must have paid any applicable excesses under that policy
- the No Claim Discount on your Comprehensive Motor Vehicle Policy and the No Claim Bonus on your Boat Policy may be affected.



MATTERS OUTLINED ON PAGES 47 TO 48 UNDER THE HEADING “THINGS THAT MAY PUT YOUR CLAIM OR INSURANCE COVER AT RISK”

Pages 47 to 48 list exclusions under the heading “Things that may put your claim or insurance cover at risk” that apply to all cover under the PDS. They are in addition to:

- the General Exclusions outlined on pages 19 to 20 – the General Exclusions also apply to all cover under the PDS including liability cover
- the Liability Exclusions on page 21 – the Liability Exclusions apply to the Liability cover under the PDS
- any other exclusions and limits on cover contained in the PDS.

SUPPLEMENTARY PDS 1.2

This Supplementary PDS Edition 1.2 will apply to policies with a commencement date on or after 14 January 2008 or with a renewal effective date on or after 14 January 2008.

DISCOUNTS THAT YOU MAY BE ELIGIBLE FOR (PAGE 26)

Multi-Policy Discount

In recognition of the long and proud association between NRMA Insurance and NRMA Motoring & Services, we are pleased to let you know you may now be eligible for a further discount on your insurance products if you also hold an NRMA Motoring & Services Membership*.

If you hold an NRMA Motoring & Services Membership, in addition to the qualifying policies set out in the PDS, you will be eligible for a further discount on every NRMA Boat Insurance Policy you hold.

Continued next page

Any discounts we have applied will be shown on your current Certificate of Insurance. Please check your certificate to ensure you are getting the discounts you are entitled to and that your personal information is accurate, complete and up to date.

* excludes Club Care, Taxi and BusinessWise memberships. The National Roads and Motorists' Association Ltd ABN 77 000 101 506 (NRMA Motoring & Services) is separate and independent from NRMA Insurance.

SUPPLEMENTAY PDS 1.3

This Supplementary PDS Edition 1.3 will apply to policies with a commencement date on or after 28 September 2008 or with a renewal date on or after 10 November 2008.

DISCOUNTS THAT YOU MAY BE ELIGIBLE FOR (PAGE 26)

Multi-Policy Discount

We are pleased to let you know we have broadened the qualifying policies, set out in the PDS, for Multi-Policy Discount. Multi-Policy Discount will now apply to each NRMA Boat Insurance Policy you take out, when you also hold:

- an NRMA Home Insurance or NRMA Landlord Insurance Policy,
- and
- an NRMA Comprehensive Motor Insurance Policy (Motor Vehicle or Motorcycle), or
 - an NRMA Third Party Property Damage Motor Insurance Policy (Motor Vehicle or Motorcycle), or
 - an NRMA Third Party Fire & Theft Motor Insurance Policy (Motor Vehicle only),

Continued next page

and

- an NRMA CTP Greenslip (if your vehicle is registered in NSW).

Plus, if you also hold NRMA Motoring & Services Membership*, you will be eligible for a further discount on every NRMA Boat Insurance Policy you hold.

Any discounts we have applied will be shown on your current Certificate of Insurance. Please check your certificate to ensure you are getting the discounts you are entitled to.

* excludes Club Care, Taxi and BusinessWise memberships. The National Roads and Motorists' Association Ltd ABN 77 000 101 506 (NRMA Motoring & Services) is separate and independent from NRMA Insurance

3 STEPS TO RESOLVE A COMPLAINT (PAGE 35)

The external dispute resolution scheme is now administered by the Financial Ombudsman Service.

Choose what you would like to do

Find out how this policy works	3
Check what this policy covers	4
Call Helpline – 24 hour assistance	4
Take out insurance	23
Find out about your premium and any discounts	23
Change or cancel your Policy	23
Check your responsibilities – Duty of Disclosure	23
Make a claim	37
Find out about excess	37
Use the Glossary	49
Use the Index	52
Contact us	back cover

How this policy works

Boat Insurance provides cover for loss or damage to your boat or any part of it. This policy provides you with

- ▶ cover for the incidents listed on pages 6 to 11
- ▶ additional cover as set out on pages 11 to 13 when we agree to pay a claim for one of the incidents listed on pages 6 to 11, *and*
- ▶ options that can be added to your policy, which are
 - Contents Cover, page 14
 - Lay up Cover, page 15
 - Liability Cover for Waterskiing and Flotation Devices, pages 16 to 17, *and*
 - Racing Cover for Sailboats, page 18

When you take out an insurance policy with us, the cover we agree to provide on your boat is set out in your current *Certificate of Insurance*, and described in this Product Disclosure Statement and Policy Booklet (PDS), as well as any supplementary PDS we may issue. Together, they make up the terms and conditions of your insurance contract with us. Read them carefully and store them in a safe place.

What this policy covers

Boat Insurance provides general cover against loss or damage to your boat or any part of it.

1 Boats – what we will cover	5
2 What you are covered for	
Accidental damage	6
Fire	6
Flood	7
Liability cover	8-9
Storm	10
Theft or attempted theft	10
Vandalism or a malicious act	11
Helpline – 24 hour assistance	22
3 Cover provided in addition when we pay a claim	
Emergency towing	11
Funeral expenses	12
Reasonable costs to minimise damage	13
Salvage costs	13
Submerged motors	13
4 Options that can be added to your cover	
Contents Cover	14
Lay up Cover	15
Liability Cover for Waterskiing and Flotation Devices	16-17
Racing Cover for Sailboats	18
5 What you are NOT covered for	
General exclusions	19-20
Liability exclusions	21

Boats – what we will cover

Your boat is made up of the hull,
plus any

- motors
- sails, *and*
- trailer

depending on the type of boat
you own.

There are separate agreed values for
each of these, and they are shown on
your current *Certificate of Insurance*.
Together they make up the total
agreed value.

If your boat or any part of it suffers
loss or damage caused by an incident
described on pages 6 to 11

we will

- ▶ repair or replace the
damaged item, *or*
- ▶ pay you the reasonable cost
of repairing or replacing the
damaged item, *or*
- ▶ pay you the agreed value for
the damaged item, *or*
- ▶ pay you the total agreed value

however

- ▶ the most we will pay for any item
is its agreed value
- ▶ the most we will pay for all items
is the total agreed value
- ▶ when we pay you the agreed value
for the hull, you have 14 days to
replace the hull or your Policy
comes to an end
- ▶ when we pay you the agreed value
for either the motors, sails or trailer
 - that item is no longer covered by
your Policy
 - the total agreed value of your Policy
shown on your current *Certificate
of Insurance* is reduced by the
agreed value for that item or items
- ▶ you will need to pay any excess
that applies
- ▶ your No Claim Bonus may
be affected.

Accidental damage

If your boat or any part of it

- suffers loss or damage caused by an accident, *or*
- sinks accidentally

we will

- ▶ repair or replace the damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the agreed value for the damaged item

however

- ▶ there are separate agreed values for the hull, motors, sails and trailer. In the event of a claim, the most we will pay for any one of these items is its agreed value.

The separate agreed values are listed on your current Certificate of Insurance

Fire

If your boat or any part of it suffers loss or damage caused by fire

we will

- ▶ repair or replace the damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the agreed value for the damaged item

however

- ▶ we will NOT cover loss or damage caused by bushfire within the first 48 hours after the start of this policy, *unless*
 - you purchased your boat immediately before you took out the policy, *or*
 - your Policy commenced immediately after another policy covering the same risk expired, without a break in cover
- ▶ there are separate agreed values for the hull, motors, sails and trailer. In the event of a claim, the most we will pay for any one of these items is its agreed value.

The separate agreed values are listed on your current Certificate of Insurance

Flood

If your boat or any part of it suffers loss or damage caused by flood

we will

- ▶ repair or replace the damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the agreed value for the damaged item

however

- ▶ we will NOT cover loss or damage caused by flood within the first 48 hours after the start of this policy, *unless*
 - you purchased your boat immediately before you took out this policy, *or*
 - your Policy commenced immediately after another policy covering the same risk expired, without a break in cover
- ▶ there are separate agreed values for the hull, motors, sails and trailer. In the event of a claim, the most we will pay for any one of these items is its agreed value.

The separate agreed values are listed on your current Certificate of Insurance

Liability cover – if you damage someone else’s property or injure them

If an incident occurs during the term of your Policy that causes

- death or bodily injury to other people, *or*
- loss or damage to someone else’s property

caused by the use of your boat, and you or any person allowed by you to control your boat are at fault

we will

- ▶ pay up to \$10 million (inclusive of GST) for all amounts which you, or any person allowed by you to control your boat, become legally liable to pay as compensation for claims arising from an incident that occurs during the term of your Policy
- ▶ cover legal costs when our lawyers act in connection with these claims

however

- ▶ the most we will pay in relation to any one incident is \$10 million (inclusive of GST)
 - any legal costs we pay in relation to a liability claim are over and above the \$10 million (inclusive of GST).
- ▶ liability cover does not extend to loss or injury to you or a person covered by your Policy. This means that you or a person covered by your Policy cannot claim liability cover for
 - death or bodily injury to you or any person covered by your Policy
 - damage to property which you or any person covered by your Policy own or have in your custody or control
 - death or bodily injury to any person allowed by you to control your boat, or damage to property that they own or have in their custody or control

Continued next page

*continued***Liability cover – if you damage someone else’s property or injure them****we will**

- ▶ pay up to \$10 million (inclusive of GST) for all amounts which you, or any person allowed by you to control your boat, become legally liable to pay as compensation for claims arising from an incident that occurs during the term of your Policy
- ▶ cover legal costs when our lawyers act in connection with these claims

however

- ▶ there is no liability cover for
 - a waterskier being towed by your boat, *or*
 - a person riding a flotation device being towed by your boat, *or*
 - you or any person allowed by you to drive your boat, or any observer nominated by the driver, for incidents involving a waterskier or person riding a flotation device being towed by your boat, *unless* you have chosen optional Liability Cover for Waterskiing and Flotation Devices and paid us any additional premium that applies.

For details of optional Liability Cover for Waterskiing and Flotation Devices, see pages 16 to 17

For liability exclusions, see page 21

Storm

If your boat or any part of it suffers loss or damage caused by

- a violent wind, cyclone or tornado, *or*
- thunderstorm or hail which may be accompanied by rain or snow

we will

- ▶ repair or replace the damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the agreed value for the damaged item

however

- ▶ we will NOT cover loss or damage caused by storm within the first 48 hours after the start of this policy, *unless*
 - you purchased your boat immediately before you took out this policy, *or*
 - your Policy commenced immediately after another policy covering the same risk expired, without a break in cover
- ▶ there are separate agreed values for the hull, motors, sails and trailer. In the event of a claim, the most we will pay for any one of these items is its agreed value.

The separate agreed values are listed on your current Certificate of Insurance

Theft or attempted theft

If your boat or any part of it suffers loss or damage caused by theft or attempted theft

we will

- ▶ repair or replace the stolen or damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the stolen or damaged item, *or*
- ▶ pay you the agreed value for the stolen or damaged item

however

- ▶ there are separate agreed values for the hull, motors, sails and trailer. In the event of a claim, the most we will pay for any one of these items is its agreed value.

The separate agreed values are also listed on your current Certificate of Insurance

Vandalism or a malicious act

If your boat or any part of it suffers loss or damage caused by vandalism or a malicious act

we will

- ▶ repair or replace the damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the agreed value for the damaged item

however

- ▶ there are separate agreed values for the hull, motors, sails and trailer. In the event of a claim, the most we will pay for any one of these items is its agreed value.

The separate agreed values are listed on your current Certificate of Insurance

Emergency towing

If your boat requires emergency towing as a result of an incident described on pages 6 to 11, and we have agreed to pay your claim

we will

- ▶ pay up to a maximum of \$250 (inclusive of GST), for the cost of towing your boat to the nearest place where necessary repairs can be made

however

- ▶ you will need to pay any towing costs over and above \$250 (inclusive of GST)
- ▶ we will only pay these costs if your boat is unable to make a safe return from a journey on water, *or*
 - be safely towed on the trailer listed on your current *Certificate of Insurance*, *or*
 - be safely towed on the trailer usually used to transport your boat.

Funeral expenses

If you, or a member of your family die as a result of an incident described on pages 6 to 11, and we have agreed to pay you or your estate's claim

we will

- ▶ pay you up to \$10,000 (inclusive of GST) to assist you or your estate with funeral expenses

however

- ▶ the most we will pay during the term of this policy is \$10,000 (inclusive of GST)
- ▶ the death must be caused by the incident
- ▶ the death must occur within 90 days of the incident
- ▶ we will NOT pay funeral expenses if the incident was caused by you or a member of your family
 - committing suicide or attempting to commit suicide
 - being under the influence of alcohol or drugs
 - using your boat illegally
 - using your boat in relation to a race, trial or any contest of any form including club racing
 - using your boat in relation to employment of any form
 - waterskiing or using a flotation device, or any other towing apparatus
- ▶ we require a certified copy of the Death Certificate and any other evidence necessary to establish the circumstances of the death.

Reasonable costs to minimise damage

If you need to take action to

- minimise loss or damage to your boat
- remove your boat to safety, *or*
- destroy your boat if a lawful authority requires you to do so

as a result of an incident described on pages 6 to 11, and we have agreed to pay your claim

we will

- ▶ pay the reasonable costs of taking that action

however

- ▶ you will need our consent, *unless*
 - it is an emergency, *and*
 - it is not practicable to obtain our consent.

Salvage costs

If we wish to salvage your boat, or the law requires us to salvage it, as a result of an incident described on pages 6 to 11, and we have agreed to pay your claim

we will

- ▶ pay the reasonable costs of salvaging your boat

however

- ▶ if we pay you the agreed value, the boat or what is left of it becomes our property.

Submerged motors

If any of the motors in your boat become submerged as a result of an incident described on pages 6 to 11, and we have agreed to pay your claim

we will

- ▶ pay the reasonable costs incurred by you in taking immediate action to
 - dry all electrical equipment in the motor, *and*
 - clean and oil the motor

however

- ▶ we will only cover you if you or the person in control of the boat immediately took all possible action to preserve the motor or motors.

Options that can be added

– Contents Cover

If your boat has a lockable cabin, you can increase your cover to include contents up to a total of \$5,000 (inclusive of GST) by paying an additional premium.

This option will cover your contents against loss or damage caused by

- accidental damage
- fire
- storm
- theft or attempted theft through forced entry, *and*
- vandalism or a malicious act.

If you choose this option, the amount of cover will be shown on your current Certificate of Insurance

If you have this option, we will

- ▶ repair or replace the damaged item
- ▶ pay the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the contents sum insured shown on your current *Certificate of Insurance*

however

- ▶ you must have chosen this option and paid us any additional premium that applies
- ▶ the contents must have been in your boat in a lockable cabin at the time of the incident
- ▶ you need to provide receipts or other proof that you own the item
- ▶ the most we will pay for any one item is \$500 (inclusive of GST)
- ▶ we will NOT cover your contents if they are in your boat when it is entrusted to another person for sale
- ▶ if you make a claim for malicious damage or theft, you must report the incident to the Police and tell us the event number of the Police report
- ▶ you will need to pay any excess that applies
- ▶ your No Claim Bonus may be affected.

Options that can be added

– Lay up Cover

Lay up Cover allows you to reduce your premium by choosing to lay up your boat for a period during the year, provided you keep your boat

- on a trailer while it is not being used, *and*
- at the address shown on your current *Certificate of Insurance*

Lay up Cover will start from the first day of the month you nominate as the beginning of the lay up period, and end on the last day of the month you nominate as the end of the lay up period.

Lay up Cover will cover you for loss or damage caused by an incident described on pages 6 to 11, which occurs during the lay up period.

If you choose this option, it will be shown on your current Certificate of Insurance

If you have this option, we will

- ▶ repair or replace the damaged item
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the sum insured

however

- ▶ we will NOT cover your boat during the lay up period for incidents which occur while you are using the boat, or when the boat is not kept at the address shown on your current *Certificate of Insurance*, *unless*
 - you told us you were going to use the boat
 - we agreed to cover you for the use, *and*
 - you paid us any additional premium we asked for
- ▶ you will need to pay any excess that applies
- ▶ your No Claim Bonus may be affected.

Options that can be added – Liability Cover for Waterskiing and Flotation Devices

You can increase your liability cover to include cover for waterskiing or flotation devices by paying an additional premium.

This option extends the liability cover under your Policy to include liability cover for

- a waterskier being towed by your boat
- a person riding a flotation device being towed by your boat
- you or any person allowed by you to drive your boat, or any observer nominated by the driver, for incidents involving a waterskier or person riding a flotation device being towed by your boat

for claims arising from an incident that occurs during the term of your Policy.

If you have this option, it will be shown on your current Certificate of Insurance

If you have this option, we will

- ▶ pay up to \$10 million (inclusive of GST) for all amounts which a waterskier being towed by your boat becomes legally liable to pay as compensation for claims for
 - death or bodily injury to other people, *or*
 - loss or damage to someone else's property other than your boat caused by the waterskier while being towed by your boat
- ▶ pay up to \$10 million (inclusive of GST) for all amounts which a person riding a flotation device being towed by your boat becomes legally liable to pay as compensation for claims for
 - death or bodily injury to other people, *or*
 - loss or damage to someone else's property other than your boat caused by the person riding the flotation device while being towed by your boat
- ▶ cover legal costs when our lawyers act in connection with these claims

Continued next page

however

- ▶ the most we will pay in relation to any one incident is \$10 million (inclusive of GST)
 - any legal costs we pay in relation to a liability claim are over and above the \$10 million (inclusive of GST)
- ▶ liability cover does not extend to loss or injury to you or a person covered by your Policy. This means that you or a person covered by your Policy cannot claim under liability cover for
 - death or bodily injury to you or any person covered by your Policy
 - damage to property which you or any person covered by your Policy own or have in your custody or control
 - death or bodily injury to any person allowed by you to control your boat, or damage to property that they own or have in their custody or control
- ▶ you must have chosen this option and paid us any additional premium that applies

Continued next page

continued

Options that can be added – Liability Cover for Waterskiing and Flotation Devices

If you have this option, we will

- ▶ pay up to \$10 million (inclusive of GST) for all amounts which you, or any person allowed by you to drive your boat, or any person nominated by the driver of your boat to observe the person waterskiing or riding a flotation device being towed by your boat, becomes legally liable to pay as compensation for claims for
 - death or bodily injury to a waterskier being towed by your boat or a person riding a flotation device being towed by your boat, *or*
 - death or bodily injury to a person caused by a waterskier being towed by your boat, or by a person riding a flotation device being towed by your boat, *or*
 - damage to someone else's property other than your boat caused by a waterskier being towed by your boat, or by a person riding a flotation device being towed by your boat

however

- ▶ you will need to pay any excess that applies
- ▶ your No Claim Bonus may be affected.

For liability exclusions, see page 21

Options that can be added – Racing Cover for Sailboats

You can increase your cover to include loss or damage that occurs while you are racing only, by paying an additional premium.

If you are participating in twilight club racing where you do not use a spinnaker, the cover under your Policy will continue and you do not have to take out optional racing cover.

Optional Racing Cover for Sailboats will cover you for loss or damage caused by an incident described on pages 6 to 11.

If you choose this option it will be shown on your current Certificate of Insurance

If you have this option, we will

- ▶ repair or replace the damaged item, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged item, *or*
- ▶ pay you the sum insured

however

- ▶ you must have chosen this option and paid us any additional premium that applies
- ▶ we need to have agreed to the increased cover
- ▶ we will NOT cover your sailboat while you are racing in a Long Ocean Racing event, *unless*
 - you told us about the Long Ocean Racing event, *and*
 - we agreed to cover you for the event, *and*
 - you paid us any additional premium that applies
- ▶ you will need to pay
 - the basic excess, *or*
 - 25% of the cost to repair or replace the damaged item whichever is higher
- ▶ your No Claim Bonus may be affected.

What you are NOT covered for – general exclusions

we will NOT cover

- ▶ any boat which is capable of a speed exceeding 60 knots
- ▶ any motor if it is in, on or attached to a hull not covered by this policy
- ▶ the cost of repairing old damage
- ▶ loss which occurs because you cannot use your boat
- ▶ the lawful seizure, confiscation, nationalisation or requisition of your boat or any other item covered by this policy
- ▶ sails and protective covers split by wind or blown away while set, *unless*
 - damage is caused by your boat being stranded, sunk, burnt, on fire or in a collision

Continued next column

we will NOT cover

- ▶ loss or damage
 - to moorings
 - caused by vermin, rodents, insects, birds or marine barnacles
 - intentionally caused by you, or a person acting with your express or implied consent
 - that occurs because you did not take reasonable action to secure your boat after it suffered accidental damage, or was stolen and then found
 - caused by any cleaning, repairing, servicing or maintenance operation conducted on a non-commercial slipway, or scheduled to take more than five working days, *unless* you tell us in writing beforehand, and we agree to cover you

Continued next column

we will NOT cover

- ▶ the cost of fixing faulty repairs, *unless*
 - they were repairs done under this policy, we agreed to them, and they were carried out in relation to a claim
- ▶ your boat, while it is entrusted to another person for sale, or while it is on consignment, *unless*
 - you tell us beforehand and we agree to cover you

Continued next page

*continued***What you are NOT covered for****– general exclusions****we will NOT cover**

- ▶ loss or damage
 - to your boat caused by, or as a result of, your boat having more than the maximum number of passengers or a load in excess of that recommended by the manufacturer
 - caused while your boat is being transported by a commercial carrier, or being loaded or unloaded in connection with such transportation, *unless* you tell us in writing beforehand, and we agree to cover you

*Continued next column***we will NOT cover**

- ▶ loss or damage caused by or arising from
 - depreciation
 - wear, tear, rust, other forms of corrosion, or osmosis
 - mechanical, structural or electrical failures
 - faulty design or workmanship in the boat
 - radioactivity or the use, existence, or escape of any nuclear fuel, nuclear material or nuclear waste
 - any war, whether war has been formally declared or not, or hostilities or rebellion
 - any act of terrorism that involves any biological, chemical or nuclear pollution or contamination
 - pollutants or contaminants that discharge or escape

*Continued next column***we will NOT cover**

- ▶ loss or damage
 - to your boat caused by, or as a result of, your boat being used in a race, trial, test or contest, *unless* you have chosen the optional Racing Cover for Sailboats, and your claim is covered under that option.

This option is explained on page 18

What you are NOT covered for – liability exclusions

we will NOT cover

- ▶ death or bodily injury to you or a person covered by your Policy
- ▶ damage to property which you or any person covered by your Policy own or have in your custody or control
- ▶ any person allowed by you to control your boat for
 - death or bodily injury, *or*
 - damage to property that they own or have in their custody or control
- ▶ incidents that did not occur during the term of your Policy

Continued next column

we will NOT cover

- ▶ you or any person covered by your Policy if liability arises from death or bodily injury to
 - any person employed by you under a contract of service, and you are required by law to hold Compulsory Workers Compensation insurance to cover that liability
 - a person, and you are required by law to hold Compulsory Third Party (CTP) insurance to cover that liability

Continued next column

we will NOT cover

- ▶ you or any person covered by your Policy where liability arises
 - from any intentional act or omission by you or any person covered by your Policy, or a person acting with your express or implied consent
 - from the use of a trailer while it is attached to a motor vehicle
 - while your boat was being used for charter or let out on hire, *unless* you have told us about the use, we have agreed to cover you, *and* you have paid any additional premium we asked for.

Helpline 132 900 – 24 hour assistance

Helpline is a telephone service that provides assistance and advice 24 hours a day, seven days a week.

You need to contact us **BEFORE** using any of the services or benefits that Helpline offers.

help at home

If you or a family member are at home and have a mishap, however large or small, we will

- ▶ arrange for a qualified tradesperson to give you expert advice and assistance over the phone
- ▶ arrange for a reliable tradesperson to give an estimate of the likely repair costs

help while travelling

If you or your family are away from home in Australia, you can use our telephone service to receive assistance

- ▶ with travel advice and directions
- ▶ with booking accommodation or changing travel arrangements
- ▶ with transferring funds to and from financial institutions, or clothing between family members in the event of an emergency
- ▶ with cancelling credit and access cards, and reissuing lost or stolen tickets, through our emergency message service

Continued next column

help with illness or injuries

If you or your family are in Australia and suffer an illness or are injured, we will

- ▶ provide phone access to a trained nurse who may
 - direct you to a local doctor or medical facility
 - monitor the medical treatment of the family member who is in hospital
 - communicate with relatives or friends on your behalf
- ▶ arrange and pay for trauma counselling
 - provided you have contacted us beforehand and we have agreed to pay. The most we will pay in total is \$1,000 (inclusive of GST)

however

we do NOT cover

- ▶ any fees, charges or costs except for trauma counselling up to \$1,000 (inclusive of GST).

Taking out insurance

	page
How to take out insurance	
Choose the right insurance	24
What you may need to tell us when you apply	25
Find out about your premium	
How we work out your premium	25
Discounts you may be eligible for	26
How to pay your premium	27–28
Change or cancel your Policy	
21 day cooling-off period	29
You want to make changes to your Policy	29
You want to cancel your Policy	29
We want to cancel your Policy	30
We want to give you written notice	30
You replace your boat	30–31
Check your responsibilities	
Your ‘Duty of Disclosure’ – what you must tell us	32
General Insurance Code of Practice	32
Privacy of your personal information	33–35
3 steps to resolve a complaint	35
Credit provider’s rights	36

Choose the right insurance

Boat insurance provides cover for your boat or any part of it against loss or damage.

Your boat is made up of the hull, plus any

- motors
- sails, and
- trailer

depending on the type of boat you own

If you choose boat insurance

- ▶ we cover your boat for its agreed value if it suffers loss or damage as a result of the incidents described on pages 6 to 11, and provide additional cover if we agree to pay a claim as described on pages 11 to 13
- ▶ we attach separate agreed values to the hull, motors, sails and trailer of your boat. Together they make up the total agreed value of your boat
- ▶ we choose whether to repair or replace the items damaged, or pay you the cost of doing so
- ▶ our basic cover does not include contents, racing cover for sailboats, lay up cover or liability cover for waterskiing and flotation devices

however

- ▶ you can increase your cover to include optional Contents Cover, Racing Cover for Sailboats, or Liability Cover for Waterskiing and Flotation Devices by paying an additional premium

These options are explained on pages 14, 16, 17 and 18

- ▶ you can modify your cover to include Lay up Cover by nominating a period during which you will keep your boat on a trailer at the address shown on your current *Certificate of Insurance*. This will reduce your premium.

This option is explained on page 15

What you may need to tell us when you apply

Before we can insure your boat, we may need you to provide additional information

We may need the following

- ▶ your Australian Business Number (ABN) and input tax credit entitlement if you are in a business that is registered or required to be registered for GST purposes
- ▶ the finance contract if you have finance on your boat
- ▶ purchase receipts
- ▶ insurance records or renewals of previous policies
- ▶ any other details that may affect our decision to provide you with cover

however

- ▶ we will tell you if we require this information.

How we work out your premium

Your insurance premium is based on the likelihood of a claim being made on your Policy in the future.

If you have a lower chance of making a claim then you will generally pay a lower premium compared to a customer who has a higher chance of making a claim.

There are a number of factors that are a good indicator of the possibility of a claim being made.

We calculate your premium using the following factors

- ▶ the type of boat
- ▶ how and where the boat is kept
- ▶ the maximum speed capability of your boat
- ▶ the agreed value
- ▶ the age of the youngest operator
- ▶ the owners insurance and claims history
- ▶ any additional cover you have chosen
- ▶ the discounts you may be eligible for
- ▶ the excess you have chosen

however

- ▶ the total cost will also include any applicable levies and government taxes, such as GST, duties, or charges.
For the total amount, see your current Certificate of Insurance

Discounts you may be eligible for

Customers that take out boat insurance with us may be eligible for one or both of the following discounts

- Multi-Policy Discount
- No Claim Bonus

We calculate the discounts that apply to your Policy before we will tell you what your premium will be.

All discounts are applied before government and other charges are applied.

Any discounts will be shown on your current Certificate of Insurance

Multi-Policy Discount

- ▶ applies to each Boat Insurance Policy you take out, when you also hold the following with us
 - a Comprehensive Motor Vehicle Insurance Policy*, *and* in some states or territories, a Comprehensive Motorcycle Insurance Policy*
 - a Home Buildings and/or Contents Policy*, *and*
 - a Compulsory Third Party (CTP) Insurance Policy with us (only required in NSW)

** A Product Disclosure Statement and Policy Booklet (PDS) for our Motor Insurance and Home Insurance is available by contacting us, and you should consider what the PDS says before you decide to acquire, or to continue to hold a policy*

No Claim Bonus

- ▶ you may receive a saving on your premium depending on the number of years you have held your Policy without making a claim

however

- ▶ on existing policies, the discount applies from the first renewal after you qualify
- ▶ Business Insurance, Farm Insurance and Motor Fleet policies do not entitle you to a Multi-Policy Discount.

Paying your premium – annually or monthly

You can pay your premium

- annually – in one lump sum by cash, cheque, credit card, BPAY or EFTPOS; *or*
- by monthly instalments by direct debit from your credit card or bank, credit union or building society account. The option to pay your premium by monthly instalments may not always be offered to you.

The total of your monthly payments may be more than if you had paid annually

When you pay your premium

▶ annually, and your annual payment is dishonoured or not received by the due date noted on your current *Certificate of Insurance*

▶ by monthly instalments, and you are paying your premium for the very first time

- ▶ by monthly instalments, and the very first monthly instalment
- is dishonoured on its due date, *or*
 - is rejected on its due date, *or*
 - is otherwise unable to be deducted by us from the nominated credit card or account on its due date, *or*
 - is not received by the due date noted on your current *Certificate of Insurance*

then

▶ this policy will not operate and you will NOT be covered if you make a claim.

▶ we will deduct the first two monthly instalments on the first due date specified in your current *Certificate of Insurance*. We regard this payment as the very first monthly instalment, and then all other monthly instalments will be deducted on the remaining due dates specified in your current *Certificate of Insurance*. These are the due dates for each instalment. If a date specified in your current *Certificate of Insurance* is not a business day, we will deduct the relevant instalment on the next business day.

▶ this policy will not operate and you will NOT be covered if you make a claim.

Continued next page

*continued***Paying your premium –
annually or monthly****When you pay your premium**

- ▶ by monthly instalments, and you are renewing your Policy

then

- ▶ we will deduct the first monthly instalment on the first due date specified in your current *Certificate of Insurance*, and then all other monthly instalments will be deducted on the remaining due dates specified in your current *Certificate of Insurance*. These are the the due dates for each instalment. If a date specified in your current *Certificate of Insurance* is not a business day, we will deduct the relevant instalment on the next business day.

- ▶ by monthly instalments, and any instalment other than the very first monthly instalment
 - is dishonoured on its due date, *or*
 - is rejected on its due date, *or*
 - is otherwise unable to be deducted by us from the nominated credit card or account on its due date, *or*
 - is not received by the due date noted on your current *Certificate of Insurance*

- ▶ if the monthly instalment remains unpaid for 14 days after its due date, we will refuse a claim for incidents that occur 14 days after the due date
- ▶ if the monthly instalment remains unpaid for one month after its due date, we will cancel the policy from midnight on the last day of that one month period.

- ▶ by monthly instalments, and the account or credit card details nominated by you change or you wish to change them

- ▶ you must contact us to update those details at least two business days before your next monthly instalment is due.

21 day cooling-off period

If you are not satisfied with your Policy, you have a cooling-off period that allows you to cancel your Policy within 21 days of the policy start date. You can do this by notifying us within 21 days of the policy start date.

If you do so, we will

- ▶ give you a full refund of the premium you have paid

however

- ▶ your cooling-off period does not apply once you make a claim under your Policy.

You want to make changes to your Policy

If you want to change your Policy or any details of it

we will

- ▶ make the change ONLY if we agree

however

- ▶ you need to contact us first
- ▶ you need to pay us any additional premium that applies
- ▶ we need to issue you another current *Certificate of Insurance*.

You want to cancel your Policy

If you want to cancel your Policy

we will

- ▶ deduct from the premium you paid an amount that covers
 - the period that you have been insured for, *and*
 - our cancellation fee
 then pay you what is left of the premium

however

- ▶ you must contact us first
- ▶ if you are paying your premium by monthly instalments, you must pay us any monthly instalments due but unpaid, and our cancellation fee. We will deduct these amounts by way of direct debit from the account or credit card you have previously nominated for monthly instalment deductions.

We want to cancel your Policy

If we want to cancel your Policy, for a reason other than non-payment of a monthly instalment

we will

- ▶ provide you with written notice, if required
For details of how we provide you with written notice, see section below
- ▶ refund your unused premium after deducting an amount that covers the period that you have been insured for

however

- ▶ if you are paying your premium by monthly instalments, you must pay us any monthly instalments due but unpaid. We will deduct these amounts by way of direct debit from the account or credit card you have previously nominated for monthly instalment deductions.

For a list of things that may put your policy at risk, see pages 47 to 48

We want to give you written notice

If we need to provide you with any written notice regarding your Policy

we will

- ▶ deliver it personally, *or*
- ▶ send it to your last known address, *or*
- ▶ deliver it by fax or electronically where it is permitted by law

however

- ▶ it is important that you tell us of any change of address as soon as possible.

You replace your boat

If you have sold or given away your boat or part ownership of your boat, then your Policy comes to an end without any notice to you.

If as a result, you require a refund

we will

- ▶ deduct from the premium an amount that covers
 - the period that you have been insured for, *and*
 - our cancellation fee

however

- ▶ you need to tell us that you no longer own or totally own your boat, otherwise
 - your Policy will come to an end without any notice to you, *and*
 - you will not be covered.

Continued next page

You replace your boat

If you replace your boat or any of the hull, motors, sails or trailer listed on your current *Certificate of Insurance*

we will

- ▶ transfer this policy to your
 - replacement boat from the time you bought it, *or*
 - replacement hull, motors, sails or trailer from the time you bought them

however

- ▶ we need to agree to cover the replacement boat, or any of the hull, motors, sails or trailer
- ▶ we will no longer cover the old boat, or any of the old hull, motors, sails or trailer
- ▶ you need to
 - contact us and supply details within 14 days of acquiring the replacement boat, or any of the hull, motors, sails or trailer, *and*
 - pay us any additional premium that applies

otherwise your Policy will come to an end without any notice to you and you will not be covered
- ▶ we decide whether the agreed value of the replacement boat, or any of the hull, motors, sails or trailer will be
 - the price you paid for the replacement boat, or any of the hull, motors, sails or trailer, *or*
 - our estimate of their value.

Your Duty of Disclosure – what you must tell us

When you take out, amend or renew a policy with us, you have an obligation to answer our questions truthfully, and provide us with any information that could reasonably affect our decision to insure you. This is called your Duty of Disclosure.

When you answer our questions

- ▶ you must answer honestly
- ▶ you are answering for yourself, any other insured and for anyone else that you want to be covered by the policy
- ▶ you have a responsibility to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the questions
- ▶ we will use your answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms

however

- ▶ if you do not answer our questions in this way we may
 - reduce a claim,
 - 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 been in place.

The General Insurance Code of Practice

The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The Code aims to improve

- ▶ the quality, comprehension and accuracy of policy documents and other information provided to consumers
- ▶ employee and representative training and supervision
- ▶ claims handling and dispute resolution.

Our commitment to you

We support the Code and are committed to continually reviewing our operations to ensure compliance.

Privacy of your personal information

We are committed to handling your personal information in accordance with the Privacy Act.

We need to collect, use and disclose your personal information in order to consider your application and to provide the cover you have chosen.

You can choose not to give us some or all of your personal information, but this may affect our ability to provide you with cover.

When you provide your personal information to us

- ▶ you acknowledge and consent to us collecting and using your information
 - to consider your insurance application and any subsequent application for insurance
 - to underwrite and price any policy issued by us or our related entities
 - to calculate and offer discounts
 - to issue you with a policy
 - to administer the policy
 - to investigate, assess and pay any claim made by or against you
- ▶ and for these purposes, you acknowledge and consent to us collecting your personal information from, and disclosing it on a confidential basis to
 - our related entities
 - our distributors
 - NRMA Motoring & Services* (NSW/ACT customers only)
 - other insurers

Continued next column

continued from previous column

- insurance reference bureaux
- law enforcement agencies
- investigators and recovery agents
- lawyers
- assessors
- repairers and suppliers
- advisers *and/or*
- the agent of any of these

When you provide your personal information to us about another person

- ▶ you must be authorised to do so, *and*
- ▶ you must inform that person, unless informing them would pose a serious threat to the life or health of any individual
 - who we are,
 - how we use and disclose their information, *and*
 - that they can gain access to that information.

**NRMA Motoring & Services is the trading name of National Roads & Motorists' Association Limited ABN 77 000 010 506, a separate and unrelated company*

Privacy of your personal information – for marketing purposes

Your personal information helps us to provide you with a range of leading insurance products and services.

We may also use your personal information to offer you additional products and services.

How we handle your personal information is explained in our Privacy Charter.

When you provide your personal information to us

- ▶ you acknowledge and consent to us collecting and using your personal information on a confidential basis to
 - contact you for market research
 - provide you with information and offers about products and services we offer
 - provide you with information and offers about products and services offered by NRMA Motoring & Services* (NSW/ACT customers only) and their related entities, our related entities and by other organisations and to any agent of these that we promote
- ▶ you acknowledge and consent to us disclosing your personal information on a confidential basis for these marketing purposes to
 - our related entities
 - NRMA Motoring & Services* and its related entities (NSW/ACT customers only)
 - the agent of any of these

however

- ▶ you must inform us if you do not want your personal information disclosed or used for these marketing purposes.

For contact details, see back cover

**NRMA Motoring & Services is the trading name of National Roads & Motorists' Association Limited ABN 77 000 010 506, a separate and unrelated company*

Privacy of your personal information – our Privacy Charter

How we handle your personal information is explained in our Privacy Charter.

Our Privacy Charter includes information on

- ▶ how to contact us regarding privacy
- ▶ how to change, cancel or re-activate your marketing consent
- ▶ how to access your personal information.

To get a copy of our Privacy Charter

- ▶ visit our website to view a copy, or pick up a copy at any of our offices.
- For contact details, see back cover*

3 steps to resolve a complaint

1 Talk to us first

- ▶ if you have a complaint, the first thing you should do is speak to one of our staff.
- ▶ if the staff member is unable to resolve the matter for you, you may request to speak to a manager.

If you are still not satisfied with the decision, you can go to step 2

2 Seek an internal review

- ▶ if the matter is still not resolved, the manager will refer you to the appropriate internal complaints handling department. Our internal complaints handling department will conduct a review of your complaint.

If you are still not satisfied with the decision, you can go to step 3

3 Seek an external review

- ▶ if you are still not happy, you can seek an external review of our decision. We can provide you with information on some options available to you so that you can decide which one suits you best. You may wish to take your complaint to a legal adviser, or the independent external body, Insurance Enquiries and Complaints Ltd (IEC).

Credit provider's rights

If you have borrowed money to buy your boat or any part of it, using your boat or any part of it as security, you may be required to note the credit provider's interest in your boat.

This may also apply if you lease, or have a hire purchase agreement on your boat.

If this is the case, and the credit provider is noted on your current *Certificate of Insurance*, the cover you have chosen extends to them and the conditions and exclusions also apply to them, in which case

we will

- ▶ consider the boat used as security to be under mortgage
- ▶ decide whether to cash settle a claim under your Policy. If we decide to cash settle your claim, we will pay the credit provider the smallest of
 - the sum insured shown on your current *Certificate of Insurance*, less any excess and unpaid premium
 - the reasonable cost of repairing your boat, less any excess, *or*
 - the balance then owing to the credit provider under the loan, lease or hire purchase agreement

however

- ▶ our ability to pay the claim may be affected if the credit provider fails to provide us with the information we require
- ▶ we will treat any statement, act, omission or claim by you as a statement, act, omission or claim by the credit provider
- ▶ if we pay the credit provider, we no longer have an obligation to you under the claim for the amount paid to them. We may try to recover the amount of that payment if someone else was at fault. We will do this in either your name or the credit provider's name
- ▶ this policy does NOT cover the credit provider's interest in your contents
- ▶ if the credit provider is entitled to the salvage of your boat as a result of a claim, then we will pay you or the credit provider the agreed value, less our estimated salvage value of the boat, and less any excess and unpaid premium.

Claims

Making a claim	page
How to make a claim	38
What you must tell us	39
Your responsibilities	39
Proof of loss and ownership	40
Reporting a theft or vandalism to the police	40
Inspections and quotes	41
If you are in a business	41
Excess – the type of excess you may pay	43
If someone is making a liability claim against you	42
Settling claims	
Settling claims – contents	44
Settling claims – hull, motors, sails or trailer	44
When we pay you the agreed value for the hull	45
When we pay you the total agreed value	46
Things that may put your claim at risk	47–48

How to make a claim

If your boat suffers loss or damage call us immediately, 24 hours a day, 7 days a week

For contact details, see back cover

we will

- ▶ ask you a series of questions, or ask you for detailed written information
- ▶ give you immediate advice and assistance with your claim
- ▶ if necessary, require you or any person covered by your Policy to be interviewed by us
- ▶ tell you if you need to pay any excess and how to pay it

To find out about your excess, see page 43

if you do not co-operate

- ▶ we may not pay your claim
- ▶ we may not be able to defend you against claims made by others for any incident
- ▶ you may increase costs by delaying the processing of the claim. We will NOT cover any increases in costs that arise due to this delay

remember

- ▶ a claim made by any one of the persons named as an insured on your current *Certificate of Insurance* is a claim made by all of them
- ▶ you must have paid your premium before we will pay any claim.

To check what this policy covers, see page 4, and also check your current Certificate of Insurance

What you must tell us

We need information from you before we can process your claim

you must

- ▶ promptly pass on all information about the claim to us
 - a claim made by any one of the persons named as an insured is a claim made by all of them
- ▶ pass on any additional information that we or one of our suppliers or recovery agents request

otherwise

- ▶ we will be unable to process your claim.

Your responsibilities

You have a responsibility to co-operate fully with us, even if we have already paid your claim

you must

- ▶ provide us with all the information, documents and help we need to deal with your claim
- ▶ immediately send us any letters, notices or court documents that you receive about any incident which has resulted or could result in a claim against you
 - otherwise we may not be able to defend you against claims made by others for any incident
- ▶ not abandon damaged property to us if we pay a claim under your Policy

For a list of other things that may put your claim or cover at risk, see pages 47 to 48

we may

- ▶ require you or any person covered by your Policy to be interviewed by us
- ▶ require you or any person covered by your Policy to give evidence in court
- ▶ attempt to recover the amount we have paid to you from someone else, if we find they are responsible for your loss or damage. If so, we will do this in your name
- ▶ defend you or any person covered by your Policy if it is alleged that loss, damage or injury was caused
- ▶ take possession of any damaged property and deal with it in a reasonable manner.

Proof of loss and ownership

When you make a claim you may need to provide us with proof of loss and ownership

we may ask you to

- ▶ provide proof of ownership for any item you are claiming for, including your boat and trailer and any fittings you have added to them
- ▶ provide proof of the value of the items being claimed
- ▶ produce receipts, valuations, model and serial numbers
- ▶ provide the Hull Identification Number – the HIN or boat code
- ▶ provide the registration numbers if your boat and trailer are registered
- ▶ provide the serial numbers of any motors if your boat is motor powered

otherwise

- ▶ we may not pay your claim in full, or at all.

Reporting a theft or attempted theft, vandalism or a malicious act

you must

- ▶ immediately report to the Police any theft or attempted theft, vandalism or malicious act and keep any incident report number they give you

otherwise

- ▶ we may not pay your claim.
For theft or attempted theft, see page 10
For vandalism or a malicious act, see page 11

Inspections and quotes

When you make a claim

we may

- ▶ need to inspect your boat or contents before we can make a decision about your claim
- ▶ require a quotation from a repairer
- ▶ require additional quotations

however

- ▶ you or the repairer must have our authorisation to start repairs before we will accept responsibility for their cost
- ▶ you may have to contribute towards the cost of repairs if the repairs will put your boat or contents in better condition than it was before it was damaged.

What you must do to make a claim – if you are in a business

If you are in a business registered or required to be registered for GST purposes and entitled to an input tax credit

we require

- ▶ your Australian Business Number (ABN)
- ▶ the percentage of any input tax credit you have claimed, or are entitled to claim, on the premium you have paid

then

- ▶ we will reduce any payment we make by an amount equal to your input tax credit entitlement. This applies to any amount we pay, including where we state that an amount will include GST
- ▶ any payment we make to settle your claim will be considered to be made in full, even if the amount we pay has been reduced, as described above.

If someone is making a liability claim against you

If someone is making, or intends to make a liability claim against you, you must let us know immediately.

You can call us 24 hours a day, 7 days a week.

For contact details, see back cover

We may

- ▶ require you to send us any documentation that you may have received
- ▶ require you to give evidence in court
- ▶ attempt to recover the amount we have paid to you from someone else, if we find they were responsible for your loss or damage. If so, we will do this in your name
- ▶ defend you if it is alleged that you caused
 - loss or damage to someone else's property, *or*
 - death or bodily injury to other people

however

- ▶ you must not attempt to settle the claim without our permission, or make any admissions to anyone about the incident, otherwise we may not pay the claim.

What is an excess?

An excess is an amount you contribute towards the cost of a claim.

Excesses help to keep premiums affordable by reducing the amount of small claims that are made.

To find out each excess that applies to your Policy and the amount of the excess, see your current Certificate of Insurance

If you make a claim you must

- ▶ pay any excess to us, or to the repairer or supplier
 - we will NOT finalise a claim until you have paid any excess that applies

The amount of your claim must be more than the basic excess shown on your current Certificate of Insurance, even if the basic excess does not apply

however

- ▶ the type of excess you pay will depend on what you are claiming for
- ▶ if you are making a claim, we will tell you what excess you will have to pay
- ▶ you cannot pay an extra premium to remove any basic excess.

Basic excess

If you make a claim

you must

- ▶ pay any basic excess that applies

If you have chosen optional Racing Cover for Sailboats, and you make a claim for an incident that occurred while racing under sail, you will need to pay the basic excess or 25% of the cost of repairing or replacing the damaged item, whichever is higher

unless

- ▶ we agree that the incident was not your fault or the fault of
 - the person in control of your boat
 - the driver of the vehicle towing your boat, *or*
 - any other person in or on your boat, *and*
 - you give us the name and residential address of the person responsible.

Settling claims – contents

If you have chosen the optional Contents Cover, and we agree to pay your claim for loss or damage to your contents

we will

- ▶ repair or replace the damaged contents, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged contents, *or*
- ▶ pay you the sum insured for your contents

however

- ▶ if we pay you the sum insured for your contents
 - they will no longer be covered by this policy
 - no refund of premium is due to you.

Settling claims – hull, motors, sails or trailer

If we agree to pay your claim for loss or damage to either your

- hull
 - motors
 - sails
 - trailer, *or*
- any combination of these

we will

- ▶ repair or replace the damaged items, *or*
- ▶ pay you the reasonable cost of repairing or replacing the damaged items, *or*
- ▶ pay you the agreed value for the damaged items

however

- ▶ if we pay you the agreed value for an item, that item or what is left of it becomes our property
- ▶ if we pay you the agreed value for the hull
 - the hull will no longer be covered by this policy
 - you have 14 days to replace the hull or this policy comes to an end
- ▶ if we pay you the agreed value for the motors, sails or trailer
 - the item will no longer be covered by this policy
 - the total agreed value on your current *Certificate of Insurance* will be reduced by the amount we pay.

For more details on claims for the agreed value of the hull, see page 45

Settling claims – when we pay you the agreed value for the hull

If we decide to pay you the agreed value for your boat's hull

we will

- ▶ pay you the agreed value listed on your current *Certificate of Insurance* after deducting
 - any excess, *and*
 - any unpaid premium
- ▶ cover any replacement hull under the same policy, provided you give us details of the replacement hull within 14 days

however

- ▶ the original or damaged hull will no longer be covered by this policy
- ▶ if you do not give us details of your replacement hull within 14 days, this policy comes to an end and you will not be covered
- ▶ we need to agree to cover the replacement hull
- ▶ we decide whether the agreed value of the replacement hull will be
 - the price you paid for the replacement hull, *or*
 - our estimate of its value
- ▶ you need to pay us any additional premium we ask for.

Settling claims – when we pay you the total agreed value

If we decide to pay you the total agreed value

we will

- ▶ pay you
 - the total agreed value which your hull, motors, sails and trailer are covered for as shown on your current *Certificate of Insurance*, *and*
 - the contents sum insured if you have optional Contents Cover after deducting
 - any excess, *and*
 - any unpaid premium

however

- ▶ this policy comes to an end and no refund of your premium is due to you
- ▶ if you are paying your premium by monthly instalments, we will deduct any outstanding instalments and charges incurred by us in cancelling this policy by way of direct debit
- ▶ your boat, or what is left of it, becomes our property
- ▶ if you have taken the optional contents cover, and your contents are not damaged or stolen, you may keep the contents and we will refund the unused portion of the contents premium.

Things that may put your claim or insurance cover at risk

You may put your claim or insurance cover at risk if you do not meet your obligations to us.

We may refuse a claim, cancel this policy, or do both

if you

- ▶ are not truthful and frank in any statement you make in a claim or in connection with a claim
- ▶ make admissions, settle or attempt to settle or defend any claims without our agreement. Only we have the right to make admissions, settle claims and defend you
- ▶ do not maintain your boat in good order and repair. This means your boat must be
 - structurally sound
 - free from unrepaired damage
 - free of rot, dry rot, cracking, blistering, rust and corrosion
 - capable of making a safe return from a journey on water
- ▶ do not make sure that any mooring your boat is attached to is in good order and repair. This means the mooring must be
 - well maintained
 - serviced on at least an annual basis

Continued next column

if you

- ▶ do not tell us that you have made any changes to your boat. However, we will not refuse a claim, cancel this policy or do both if you have told us as soon as possible that
 - you have modified your boat from the manufacturer's specifications. This means an alteration to your boat's standard hull, motors, sails or trailer which may affect its value, safety or performance, *or*
 - the motors attached to your boat have a greater horsepower than the hull manufacturer's specifications, *or*
 - a fitting or accessory is added to your boat which increases its value, *and*
 we have agreed to cover them and you have paid us any additional premium we ask for
- ▶ do not tell us as soon as possible that your boat is
 - let out on hire or charter, *or*
 - used in connection with a business, trade or profession

Continued next page

*continued***Things that may put your insurance claim or cover at risk**

We may refuse a claim, cancel this policy, or do both

if you

- ▶ do not immediately make a report to the Police when you suspect or should have suspected that your boat, or something in, on or attached to your boat
 - has been stolen, *or*
 - damaged by vandalism or a malicious act
- ▶ illegally keep or carry any flammable, combustible or explosive substances in or on your boat

if your boat

- ▶ was more than 200 nautical miles from the Australian mainland or Tasmania
- ▶ was being used for an unlawful purpose
- ▶ was being used in a manner which resulted in a deliberate exposure to
 - exceptional danger, *or*
 - any wilful or reckless act

Continued next column

if your boat

- ▶ was under the control of any person who was under the influence of any alcohol or drug, and this contributed to an incident which results in a claim
- ▶ was being used by, or in the control of, a person who was not licensed when a licence was required by law, and this contributed to an incident which results in a claim
- ▶ was being trailed by a vehicle being driven by a person who was not licensed to drive the vehicle, and this contributed to an incident which results in a claim
- ▶ was being trailed by a vehicle being driven by a person who was under the influence of any alcohol or drug, and this contributed to an incident which results in a claim
- ▶ had been entrusted to someone else for sale or consignment, *unless*
 - you have told us beforehand and we have agreed to cover you.

Glossary

Use this glossary to find the meaning of words and phrases in this booklet.

agreed value

the amount we agree to insure each of your hull, trailer, motors and sails for. Each of these amounts are shown on your current *Certificate of Insurance*.

boat

the hull and any of its motors, sails and trailer described in your current *Certificate of Insurance*.

contents

those items owned by you and your family that are not permanently attached or fixed to your boat. They must belong to you or your family, or be contents for which you or your family are responsible.

Contents we cover are

- clothing and personal belongings
- fishing or diving equipment
- household goods and appliances.

Contents we DO NOT cover are

- bicycles, tricycles or scooters
- bonds, negotiable instruments, deeds, documents or manuscripts
- cash, coins or banknotes
- computers, software and computing equipment
- credit cards and financial transaction cards

- jewellery and watches, precious stones, furs, curios, works of art and items that contain gold and silver
- mobile phones, pagers or electronic organisers
- sailboards, surfboards, waterskis or any other sporting equipment
- stamp or medal collections
- stock and tools used in a business, trade or profession.

contract

your Boat Insurance Policy is a contract between you and us, which provides you with insurance cover in exchange for a premium. That contract is made up of two documents

- this Product Disclosure Statement and Policy Booklet (PDS), *and*
- your current *Certificate of Insurance*.

de facto

a person living with another in what we determine to be a genuine domestic relationship.

excess

the amount you pay when you make a claim on your Policy. The amount and type of excess that applies to your Policy is shown on your current *Certificate of Insurance*.

flood

the covering of normally dry land by water escaping or released from the normal confines of a watercourse or lake, whether or not it is altered or modified. Flood also includes water escaping from the confines of any reservoir, channel, canal or dam.

flotation device

an inflatable or similar device manufactured and designed to be towed by a boat. This means items OTHER THAN tyre inner tubes, waterskis, wake boards, knee boards, slalom skis, parasails, hang-gliders or similar aerial devices, sailboards, surfskis or similar objects.

hull

the frame or body of a boat and any items permanently attached to it, including

- a dinghy and its motor up to a maximum of \$1,000 (inclusive of GST), owned by you which is used primarily for travel to and from your boat, and which does not require registration by law
- a GPS (Global Positioning System)
- an EPIRB (Emergency Position Indicating Radio Beacon)
- batteries

- custom made storm and boat covers, excluding tarpaulins
- depth sounders
- detachable canopies
- electrical items
- fire extinguishers
- life jackets PFD type 1 and 2 only
- mandatory life saving equipment
- mandatory equipment that your boat is required to carry by law
- masts, spars, rigging, tiller and other steering gear
- portable fuel tanks
- spare propellers
- two-way radios

The value of these items must be included in the agreed value of the hull.

illness

any unexpected illness which we decide is serious or disabling and requiring treatment by a qualified medical practitioner.

incident

a single occurrence, or a series of occurrences, including an accident or series of accidents, arising out of the one event.

injury

bodily injury caused by accidental and external means during the term of the policy and requiring treatment by a qualified medical practitioner.

lay up

a period of the year nominated by you, during which you keep your boat on its trailer at the address shown on your current *Certificate of Insurance*, and do not use it.

Long Ocean Racing

an ocean race where the event exceeds 50 nautical miles radius from the official starting point.

malicious act

an act done with intent and without your consent.

modification

an alteration to a boat's standard hull, motors, sails or trailer which may affect its value, safety, performance or appearance.

monthly instalment

the amount you must pay in a month when you pay your premium by instalments. The amount may vary from month to month. For example, if you are paying your premium for the first time by monthly instalments, your first monthly instalment actually includes the first two monthly instalments. Details of your monthly instalments are shown on your current *Certificate of Insurance*.

mooring

any post, stake, pile, pontoon or any other object used to secure a boat. It does NOT mean an anchor.

omission

a failure to act, including a failure to do or say something.

premium

the total amount you pay for your insurance that includes applicable government taxes such as GST, and any duties or charges payable by you. It is shown on your current *Certificate of Insurance*. If you pay by monthly instalments, the premium means the total of the instalments you must pay for the full policy period.

race

any contest of speed, whether an organised sporting event or not.

storm

a violent wind, cyclone, tornado, thunderstorm or hail which may be accompanied by rain or snow. It does not include persistent rain by itself.

Supplementary Product Disclosure Statement (SPDS)

a separate document that updates, corrects or adds to the information contained in this PDS.

total agreed value

the total of the separate agreed values for your boat's hull, motors, sails and trailer. These are shown on your current *Certificate of Insurance*.

trailer

a vehicle designed to be towed by a motor vehicle and used in transporting boats. It must be roadworthy, and in a condition that complies with registration requirements.

twilight racing

competing in a social twilight club race where a spinnaker is not used.

us, we and our

the product issuer named on the inside front cover of this Product Disclosure Statement and Policy Booklet (PDS).

waterskiing

travelling on the surface of the water, either barefoot, on waterskis, a wake board, knee board or on a slalom ski while being towed by a boat. It does NOT include the use of any flotation device, parasail, hang-glider or similar aerial devices, sailboard, surfski or similar objects.

you

the person or persons named as the insured on your current *Certificate of Insurance*. If more than one person is named as the insured, we will treat a statement, act, omission or claim of any one of those people as a statement, act, omission or claim by all those people.

your family

your legal or de facto spouse and any member of your family or your spouse's family who normally lives with you.

Index

a

accidental damage, 6
agreed value, 5, 44, 45, 46
 defined, 49
annual premium, 27
applying for insurance, 25

b

basic excess, 43, 49
boat defined, 5, 24, 49
business claims, 41

c

cancellation of policy, 29–30, 47–48
Certificate of Insurance, 3
 part of contract, 49
changing policy details, 29
choosing the right insurance, 24
claims
 against you, 42
 business claims, 41
 how to make a claim, 38
 information required promptly, 39
 inspections and quotes, 41
 proof of loss, 40
 reporting incidents, 40

claims *continued*
 at risk, 47–48
 settlement, 44–46
 truthful statements required, 47
Code of Practice, 32
complaint resolution, 35
Contents Cover, 14
 defined, 49
 settling claims, 44–46
contract defined, 49
cooling-off period, 29
costs of minimising damage, 13
credit provider's rights, 36

d

damage
 accidental, 6
 costs of minimising, 13
 fire, 6
 flood, 7
 storm, 10
 theft or attempted theft, 10
 vandalism or malicious act, 11
de facto defined, 49
discounts you may be eligible
for, 26
Duty of Disclosure, 32

e

emergency towing, 11
excess, 43
 basic, 43
 defined, 49
 when payable, 5, 14, 15, 17, 18
exclusions from cover
 general, 19–20
 liability, 21

f

family
 your family defined, 51
fire loss or damage, 6
flood damage, 7
flood defined, 50
flotation devices
 defined, 50
 optional cover, 9, 16–17
funeral expenses, 12

g

General Insurance Code
 of Practice, 32
glossary, 49–51

h

Helpline, 22
hull defined, 50

i

illness defined, 50

incidents

- covered by insurance, 6–11
- defined, 50
- injury defined, 50
- inspections and quotes, 41
- reporting them, 40

insurance cover

- accidental damage, 6
- additional, 11–13
- applying for it, 25
- cancellation of policy, 29–30, 47–48
- changes to policy details, 29
- choosing the right cover, 24
- Contents Cover, 14
- costs to minimise damage, 13
- emergency towing, 11
- exclusions from cover, 19–21
- fire, 6
- flood, 7

incidents covered, 6–11

- lay up option, 15
- liability cover, 8–9, 16–17
- malicious act, 11
- optional cover, 14–18
- racing option for sailboats, 18
- at risk, 47–48
- salvage costs, 13
- storm, 10
- submerged motors, 13

incidents covered *continued*

- theft or attempted theft, 10
- under this policy, 6–11
- transfer of policy, 31
- vandalism, 11

l

Lay up Cover, 15

lay up defined, 50

liability claim against you, 42

liability cover, 8–9

- exclusions, 21
- flotation devices option, 9, 16–17
- waterskiing option, 9, 16–17

Long Ocean Racing, 18

defined, 50

loss, proof of, 40

m

making a claim, 38

malicious act, 11

- defined, 50
- reporting them, 14, 40

modification of boat, 47, 50

monthly instalments, 27–28

- defined, 50

mooring defined, 51

motors, submerged, 13

Multi-Policy Discount, 26

n

new address of insured, 30

No Claim Bonus

- boat cover, 5
- for claim-free years, 26
- contents cover, 14
- lay up cover, 15
- liability cover, 17
- racing cover, 18

o

omission defined, 51

optional cover, 14–18

- contents, 14
- flotation devices, 16–17
- lay up, 15
- racing cover for sailboats, 18
- waterskiing, 16–17

‘our’ defined, 51

ownership, proof of, 40

p

premium

- defined, 51
- discounts you may be eligible for, 26
- how worked out, 25
- during lay up, 15
- monthly instalments, 27–28, 50
- payment annually, 27

premium *continued*

payment by monthly instalments, 27–28

Privacy Charter, 35

privacy of personal information, 33–35

Product Disclosure Statement and Policy Booklet (PDS), 3

- part of contract, 49

proof of loss, 40

proof of ownership, 40

q

quotes and inspections, 41

r

race defined, 51

racing, optional cover, 18

racing, twilight, 18, 51

reporting incidents, 40

responsibilities of insured

- to co-operate fully, 39
- to maintain boat and mooring, 47
- to notify new address, 30
- to report incidents, 40
- to report liability claim, 42

S

- sailboat racing cover, 18
- salvage costs, 13
- settling claims, 44–46
 - agreed value for the hull, 5, 46
 - total agreed value of boat, 5, 45
- storm defined, 51
- storm loss or damage, 10

t

- theft or attempted theft, 10, 40
- total agreed value, 5, 45–46
 - defined, 51
- towing, emergency, 11
- trailer defined, 51
- transfer of Policy, 31
- twilight racing, 18, 51

U

- ‘us’ defined, 51

V

- value
 - agreed, 5, 10, 44, 49
 - total agreed, 5, 45–46, 51
- vandalism, 11

W

- waterskiing
 - cover, 9, 16–17
 - defined, 51
- ‘we’ defined, 51
- written notification, 30

y

- ‘you’ defined, 51
- your responsibilities
 - to co-operate fully, 39
 - to maintain boat and mooring, 47
 - to notify new address, 30
 - to report incidents, 40
 - to report liability claim against you, 42

The information in this booklet is current at the date of preparation. More up-to-date information may be available by calling 132 132 or visiting nrmaqld.com.au. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a supplementary or replacement Product Disclosure Statement.

This Product Disclosure Statement is dated 26 September 2004.

©2004.

Contact

Enquiries and new business **132 132**

Claims **131 123**

Helpline **132 900**

Report insurance fraud **1800 237 283**

nrmaqlid.com.au



Unworry.

This product is issued by
Insurance Australia Limited ABN 11 000 016 722
AFS Licence No. 227681 trading as NRMA Insurance
388 George Street Sydney NSW 2000

G012827 09/08