Boat Insurance

Additional Information Guide (AIG)

RACQ

RCBI8.0526

What is this document?

This Additional Information Guide (AIG) is designed to provide you with general information regarding your policy.

This AIG does not form part of your insurance policy with us.

Your insurance policy is made up of your Product Disclosure Statement, your Certificate of Insurance and any Supplementary Product Disclosure Statement. These documents contain your policy terms and conditions including details of what we cover, the policy limits and conditions, as well as any exclusions that could apply.

This AIG provides the following general information:

01 Your policy documents

The documents that make up your policy are:

- Product Disclosure Statement
- Certificate of Insurance
- Supplementary Product Disclosure Statement

Other documents that don't make up your policy but provide important information:

- Additional Information Guide
- Target Market Determination

02 Premiums and discounts

How we calculate your premium, the factors that affect your premium and what discounts may be available.

03 Excesses and claims examples

Information about the types of excesses that may apply and some helpful claim settlement examples.

04 Other information

Other information including some additional member benefits and the Financial Claims Scheme.

01 Your policy documents

Documents that make up your policy

Your policy includes your Product Disclosure Statement, your Certificate of Insurance and any Supplementary Product Disclosure Statement. These documents show the conditions that apply to your policy.

Please read all these documents together to understand how your insurance will apply.

1. Product Disclosure Statement (PDS)

The PDS sets out the conditions that apply to your policy including what we do and don't cover, the exclusions that apply under your policy and what we pay when you make a claim.

We give you a PDS with your Certificate of Insurance when you take out a new policy with us. You can download a free copy of our PDS from **racq.com.au/insurance/insurance-disclosure-documents**.

2. Certificate of Insurance (COI)

Your COI shows the type of cover that applies to your policy and also shows any specific details that apply to your policy. You should check the details to make sure they are correct.

For example, your policy number, boat details, listed drivers, your period of insurance, the premium for your policy and what excesses apply to your policy.

3. Supplementary Product Disclosure Statement (SPDS)

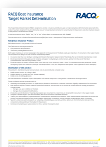
If we need to make a change to the PDS conditions, we may issue an SPDS which sets out the change. If we issue an SPDS, we will give you a copy.

Documents that are not part of your policy

The documents below do not form part of your policy. These documents provide you with general information about the product and may assist you to see if it meets your needs.

Additional Information Guide (AIG)

The AIG contains details about premium calculations, pricing factors, excesses, claim settlement examples, the Financial Claims Scheme and other information that may be relevant to you. You can download a free copy from **racq.com.au/insurance/insurance-disclosure-documents** or contact us.



Target Market Determination (TMD)

The TMD describes who the products have been designed for and the different types of cover for you to determine if they will meet your needs.

02 Premiums and discounts

Premium

Your premium

Your premium is the amount you pay for the cover we give you under your policy. It includes any government statutory charges, levies, duties, GST or other taxes that may apply.

How we calculate your premium

To calculate your premium, we assess various items of information including details about you and your boat, which we call premium factors.

We calculate your premium based on:

- the selected level of cover
- your individual circumstances (i.e. type of boat, storage location etc)
- any discounts applied
- optional benefits (if selected)
- government charges, taxes or levies applicable.

Your premium may also be affected or changed due to other considerations, some of these include:

- the cost of claims we have paid and expect to pay in the future
- data we have collected on premium factors
- third party data, market adjustments and other commercial factors
- the cost of running our business or
- government statutory charges.

The importance of the premium factors we use and the way in which we combine them to determine your premium varies by type of cover and from person to person and may change. We may alter how much each factor varies your premium and we may add or remove factors over time. The information we use in relation to these premium factors may be collected from you or from other sources.

We don't apply premium discounts to any government statutory charges such as GST and stamp duty or to the portion of your premium which relates to payment frequency.

If you are entitled to more than one discount, the discounts will be applied consecutively (that is, after the first discount is applied, the next discount will be applied to the already discounted premium). We may apply rounding in calculating premiums.

When you change or renew your policy, we review your premium and may increase or decrease it in line with any relevant changes to your circumstances. We may choose to limit the amount of any premium increase or decrease you experience on renewal.

Premium factors

The following table shows some of the factors that we may consider in determining your premium. Premium factors may be different depending on the type of cover you have selected. This is not an exhaustive list of the factors we consider. We may add or remove premium factors.

Premium factors	Comprehensive Boat Insurance	Third Party Liability Boat Insurance
Your boat		
Address and location Where your boat is stored when not in use.	✓	✗
Type of boat The type of boat and the physical characteristics of the boat.	✓	✓
Sum insured The sum insured you have selected.	✓	✗
Your policy choices		
Optional benefits What optional benefits you have chosen.	✓	✗
Premium payment frequency Paying as monthly instalments or as a single annual payment.	✓	✓

Discounts

What discounts can be applied to your premium

Discounts are also a factor that can affect your premium. We don't apply any discounts to additional premiums arising from your policy choices in relation to the portion of your premium which relates to payment frequency.

We also don't apply discounts to any government statutory charges such as GST and stamp duty that are included in the cost of your insurance.

From time to time, we may also offer other discounts or incentives. If we do, separate terms and conditions may apply. We may withdraw or vary any discounts or incentives at any time, including by changing eligibility rules or the amount of the discount. Information about the discounts we offer and who is entitled to the discounts is available at **racq.com/insurance** on the Insurance discounts page or on request.

When a discount applies

A discount being applied to your policy depends on:

- you meeting the specific eligibility criteria based on your circumstances and
- the discount is offered by us at the time your policy starts or renews.

Some discounts aren't applied automatically, this can occur due to the type of discount or due to your policy already being within a renewal offer stage when you became eligible for a discount. If you believe you qualify for a discount that's not on your policy, please contact us prior to paying your premium to confirm if you meet the eligibility criteria, some discounts may not be available if you have paid your premium prior to you contacting us.

The key discounts that are offered are summarised in the following table:

Discounts	Comprehensive Boat Insurance	Third Party Liability Boat Insurance
Multi policy discount If any policyholder has 3 or more qualifying policies with RACQ Insurance.	✓	✓
Roadside Assistance loyalty discount If any policyholder holds RACQ Roadside Assistance (excludes Business Roadside Assistance).	✓	✓
No claim discount Based off the primary driver's claims and insurance history (see section below).	✓	✗

Visit **racq.com/insurance** for more details about discounts and eligibility.

Multi policy discount

The Multi policy discount (MPD) is available to policyholders with three or more eligible policies under their name. A policy is considered active only when its coverage has started and it is within its period of insurance.

How the MPD is applied

When you purchase a new policy, we complete the MPD calculation using the start date of your eligible policies, not the date the policies were purchased. For the discount to be applied appropriately, policies must be purchased in the order of their start dates.

We will apply the MPD to your existing eligible policies from their next renewal date. However, if a renewal notice has already been issued for a policy when you become eligible, unless you contact us prior to paying your premium, the MPD will not apply to that immediate renewal and it will instead be applied effective from the next renewal date.

If you quote for a new policy via our website, we rely on your answers to our questions to establish eligibility for the MPD.

If the number of eligible active policies drops below three, the MPD will be removed from all policies upon their next renewal date.

MPD eligible policies

Policies that contribute to the MPD eligibility criteria when active under your name are:

- Comprehensive Car Insurance
- Motorcycle Insurance
- Mobility Aid Insurance
- Fire, Theft and Third Party Insurance
- Third Party Property Damage Insurance
- Caravan or Trailer Insurance
- Home or Contents Insurance

- Comprehensive Boat Insurance
- Boat Third Party Liability Insurance
- Pet Insurance

No claim discount

Your No claim discount (NCD) reduces the premium you pay for your policy. When you first take out insurance with us, we may apply an NCD based on the primary driver's claims and insurance history.

The table below shows the rating we give you based on the primary driver's claims and insurance history and the NCD that applies to that rating. Your NCD rating is shown on your COI.

Rating	NCD % applied to your premium
Rating 1	25%
Rating 2	20%
Rating 3	15%

If you don't make an at fault claim during the period of insurance, we will increase your NCD at your next policy renewal. For example, if you're a Rating 3 with 15% NCD, then you will move to a Rating 2 with 20% NCD.

If you do make an at fault claim, we will reduce your NCD at your next policy renewal.

For example, if you're a Rating 1 with 25% NCD and you make an at fault claim, then you will move to a Rating 2 and at your next policy renewal your NCD will reduce to 20%. If you have multiple at fault claims in a single period of insurance, your NCD will reduce by more than 1 rating.

At fault claim

An at fault claim is where your boat is involved in an incident and it is determined the person in charge or control of your boat at the time of the incident is partially or entirely responsible for the incident.

When we won't reduce your NCD for a claim

We won't reduce your NCD if:

- we agree that someone else was entirely responsible for the incident.
- we agree that the person in charge or control of your boat was not in any way responsible for the incident and the loss or damage was caused by any of the following incidents:
    - windscreen or window glass breakage
    - weather conditions (e.g. storm, hail or flood)
    - a collision with an animal
    - fire
    - theft or attempted theft or
    - malicious damage.

03 Excesses and claims examples

An excess is the amount you contribute towards the cost of each claim you make. Your COI will show any excesses that apply to your policy. More than one excess may apply to a single claim.

Excess amounts

The basic excess applies to all claims, whether you, someone else or something else caused the loss or damage.		
Basic excess	Comprehensive	As shown on your COI
	Third Party Liability	As shown on your COI

The listed driver excess is paid on top of the basic excess. This excess may be applied based on marine safety and/or criminal history you have disclosed to us.		
Listed driver excess	Comprehensive	As shown on your COI
	Third Party Liability	As shown on your COI

Types of excesses

Your COI will show the excesses that apply to your policy. One or both of the below excesses may apply to a single claim.

Basic excess

Your basic excess applies to all claims. The amount that you contribute to the claim is shown on your COI.

Listed driver excess

A listed driver excess may apply if the driver of your boat has this additional excess amount listed under their name on your COI.

Claim settlement examples

We have provided the following examples as a guide to help you get a clearer picture of how a claim settlement could typically be calculated.

These are examples only and won't cover all situations where an incident might occur and might not include all available benefits or outcomes. The examples provided do not form part of your policy terms and conditions - they are a guide only.

When assessing actual claims, RACQ Insurance always assesses each claim on an individual basis.

Make sure you understand what is and isn't covered under your insurance policy by reading your PDS, your COI and any SPDS.

Notes about the following claim examples:

- all amounts are shown in Australian dollars and are inclusive of GST,
- all examples assume that you are not registered for GST and
- any excesses used in the examples may not be the same as your excess. Your COI will show you any excesses which are included in your policy.

Example 1 – Partial repair/total loss

Your boat is comprehensively insured for an agreed value of $16,100 made up of the following components:

Hull: $6,700

Motor: $8,400

Trailer: $1,000

During a day out fishing on the river, your boat collides with a submerged tree and sustains only light damage to the hull but extensive damage to the motor.

Your boat is assessed with the repair costs being $1,300 for the hull and $9,000 for the motor. We determine the hull is repairable but it is uneconomical to repair the motor which is deemed to be a total loss.

The claim settlement amount is calculated as below:

Our payment to the repairer for the hull		$ 1,300
Value of motor	$ 8,400	
Less basic excess	-$ 100	
Our payment to you		$ 8,300
Total claim settlement		**$9,600**

Example 2 – Full total loss

Your boat is comprehensively insured for an agreed value of $19,900 made up of the following components:

Hull: $8,700

Motor: $8,400

Trailer: $1,000

Other equipment: $1,800

You have planned a day out on the local dam with your family. While towing the boat to the dam, an accident occurs resulting in your boat and all of its components being damaged.

After being assessed, we determine your boat and all of its components are uneconomical to repair and therefore deemed a total loss.

The claim settlement amount is calculated as below:

Full agreed value	$19,900
Less basic excess	-$ 200
Total claim settlement to you	**$19,700**

For further information about settlements of a total loss, such as salvage values, please refer to your PDS.

04 Other information

Additional member benefits

As a member of RACQ you gain access to the RACQ Member Benefits program. RACQ Member Benefits is focused on helping members make everyday life easier and more affordable with discounts and offers across fuel, movies, eGift cards, shopping and more. You can find all of your member benefits at **racq.com.au/membership/benefits-and-discounts**.

Financial Claims Scheme

The Financial Claims Scheme protects general insurance policyholders from potential loss if an institution fails. You may be entitled to a payment under the Financial Claims Scheme if you meet their eligibility criteria. If you want more information about the scheme, you can:

call

1300 558 849

visit the Financial Claims Scheme website at

www.apra.gov.au/financial-claims-scheme-0

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