Boat Insurance

Product Disclosure Statement (PDS)

RACQ

RCBI2.1224

We're here to help

We are one of the largest providers of general insurance in Queensland. You have access to our network of stores and agents throughout Queensland and we have a call centre that you can reach 24 hours a day, every day. If you have any questions about our products or services or need help to make a claim, you can:

Call us 7 days a week

General enquiries	Claims enquiries
13 1905	**13 7202**

Click-to-chat

racq.com/login (log in to your account to chat to us)

Visit any RACQ store

During business hours (check your local store for normal business hours)

Read more about us

Insurance	Membership
racq.com/insurance	**racq.com/membership**

Write to us

General enquiries

PO Box 4, Springwood Queensland 4127

Welcome

What is this document?

This Product Disclosure Statement (PDS) is designed to assist you to understand what you need to know about the product so you can make an informed choice before you purchase a policy.

This 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. Unless we tell you otherwise, this PDS applies to any offers of renewal we make to you or to certain changes that you make to your policy which require us to send you a copy of this PDS.

This PDS, your Certificate of Insurance and any Supplementary Product Disclosure Statement are important documents and you should read them carefully. If you don't understand anything in them, you should consider getting advice or call us so we may assist you.

This PDS is up to date on the date it is prepared. If we need to make changes to this PDS, we may issue a new PDS or a Supplementary Product Disclosure Statement. For changes that are not materially adverse to you, we may notify you of the changes by making details of the update available at **racq.com.au/insurance/insurance-disclosure-documents**. You can also contact us to request a free copy of these changes by calling us on **13 1905**.

Who is this product for?

There are several types of cover which are disclosed within this PDS. To understand who this product has been designed for, the different types of cover and if the cover is likely to be consistent with your needs, objectives and financial situation, you can review the Target Market Determination document which is available on our website at **racq.com.au/insurance/insurance-disclosure-documents** or you can request a free copy by calling us on **13 1905**.

Who issues your policy?

RACQ Insurance Limited issues your insurance policy and is responsible for the obligations set out in this PDS and any Supplementary Product Disclosure Statement.

Inside

Snapshot of this PDS

This is a guide to the key sections of the Boat Insurance policies we offer. Please read this PDS, your Certificate of Insurance and any Supplementary Product Disclosure Statement for full details.

01 Your policy p.9-15

Who is involved in this contract of insurance, when the policy starts, what happens if you change your mind, as well as the responsibilities you have and conditions that apply to your policy.

It is important for you to know about these responsibilities and conditions.

- If you don't comply with any condition or term of your policy, the law may allow us to refuse or reduce a claim and/or cancel your policy.

We also explain the important documents that make up your policy, which are:

- Product Disclosure Statement (PDS)
- Certificate of Insurance
- Supplementary Product Disclosure Statement

02 Your cover p.17-32

What we consider to be your boat and what you are covered for.

The type of cover you have will depend on your boat and the level of cover you have selected.

You may have more than one type of cover or have more than one boat insured.

Specific exclusions apply to certain parts of your cover. See the section of cover that applies to the type of cover you have for more information.

The type of cover you have is shown on your Certificate of Insurance.

This PDS contains information on the following types of cover:

- Comprehensive Boat Insurance
- Third Party Liability Boat Insurance

03 General exclusions p.35-39

There are some things we do not cover under your policy. These are known as general exclusions and they apply to all parts of your cover and all types of cover.

You should read these carefully to understand what we will not cover as a part of your policy.

These general exclusions apply in addition to the specific exclusions found within the 'Your cover' section.

It is important that anyone who uses, is in control of or who drives or tows your boat is aware of these general exclusions as they apply to them also.

What happens when you need to claim on your policy and the process that we will follow with your claim.

This includes how to make a claim under your policy, your responsibilities when making a claim, what excesses may apply and how we settle your claim.

For further information on the excesses that may apply, please refer to the Additional Information Guide available at **racq.com.au/insurance/insurance-disclosure-documents**.

Other important information you should know such as how we handle your personal information, manage disputes or complaints, and definitions for words that have special meanings.

For information on how we calculate your premium and what factors may effect your premiums, please refer to the Additional Information Guide available at **racq.com.au/insurance/insurance-disclosure-documents**.

How to read this PDS

We have designed this PDS so it is easy for you to see what is covered and any limits that apply to your cover, what is not covered, your responsibilities and how making a claim works.

Words with special meanings used in this PDS

There are some words used in this PDS that have special meanings. To help you understand how we define these words, see 'Words with special meanings' in the 'Other information' section on pages 54-57.

Amounts shown

All policy limits and amounts shown in this PDS include any government statutory charges, levies, duties, GST and other taxes that may apply.

Symbols with special meanings used in this PDS

There are symbols used in this PDS that have special meanings. To help you understand how we use symbols within the 'Your cover' and 'General exclusions' sections we use the following:

✓	This shows what you are covered for in the type of cover that you have chosen.
$	These are the limits that apply. Although we provide cover for you, there may be limitations to how much cover you have or can claim on your policy.
✕	This is what we don't cover – known as exclusions. You are not covered for these items, costs, circumstances or events.
⚠	This relates to additional important information about the cover you have chosen. We also use boxes with this symbol to highlight important and helpful information or to help you navigate around this PDS.

01 Your policy

This section explains who is involved in this contract of insurance, when the policy starts, how to pay your premium and what happens if you change your mind. We also explain the important documents that make up your policy.

Documents that make up your policy

Your policy includes this Product Disclosure Statement (PDS), 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.

In addition to these you can also read and download a free copy of the Boat Insurance Additional Information Guide available at **racq.com.au/insurance/insurance-disclosure-documents** for information relating to premiums, discounts, excesses and other information or contact us for a copy.

1. Product Disclosure Statement (PDS)

This 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.

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.

Contract between you and us

Your policy is a legal contract between you and us. We agree to give you the insurance set out in your policy for the premium you pay us.

If you don't comply with any condition or term of your policy, the law may allow us to refuse or reduce a claim and/or cancel your policy.

The law restricts us from refusing a claim because of something that was done (or not done) by you or some other person after you entered into the policy, unless it caused or contributed to the loss or damage covered. Applying that law we can only reduce the claim by an amount that fairly represents our prejudice as a result. This means that this law may impact a claim you make under this policy. If you think it does, ask us about this.

More than one policyholder

If more than one person is named as the policyholder on your COI, then each person is jointly responsible for:

- the completeness and accuracy of information in any application forms, statements, claims or documents that are provided by any one of them to us,
- complying with the conditions of your policy and
- the acts and omissions of all policyholders.

If more than one person is named as the policyholder on your COI, then any one policyholder will be taken to be authorised by all policyholders to transact on the policy (including to change or cancel your policy or make a claim under the policy).

When your policy starts

When you pay the annual premium or first monthly instalment, then your policy starts on the date shown on your COI.

If you renew your current policy, then your policy starts at midnight on your renewal date.

Cooling off period

When you take out a new policy or renew a current policy with us, we give you a cooling off period of 21 days. The cooling off period starts from:

- the date we issue a new policy to you or
- midnight on your renewal date.

If you want to cancel your policy during the cooling off period, you must tell us you want to do that. If you cancel your policy during the cooling off period, we refund your premium in full (as long as you haven't made a claim).

What you should tell us and why

When you become a member with RACQ and take out, renew, extend or vary your insurance policy, it is important that you understand you are answering our questions for yourself and anyone else whom you want to be covered by the policy.

You should always give us complete and honest answers to all the questions we ask you, by answering questions about yourself and other named policyholders (or listed drivers) to the best of your knowledge.

If you breach your duty to us, we may be entitled to refuse to pay your claim, reduce the amount payable for a claim or cancel your policy. If your breach is fraudulent, we can also cancel the policy from the beginning.

Changes to your circumstances

You must tell us as soon as possible if:

- You or any person who drives or is in control of your boat, has had any loss of licence, cancellation, disqualification, suspension of licence, amended licence conditions or Good Driver Behaviour period imposed.
- You or any person who drives or is in control of your boat has been convicted of any criminal offence.
- You have had any insurance policy refused, cancelled or voided.
- Any details on your COI are no longer accurate and complete including where:
    - You have changed your boat.
    - You move home or change the location of where you store or moor your boat.
    - You changed the way in which you use your boat, whether it is for private or business use.
    - Your boat or trailer is deregistered or becomes unregistered.
    - You made any changes or modifications to your boat, trailer or motor.
    - Another driver is now the primary driver of the boat or the listed drivers have changed.
    - Boat make, year of build or registration is incorrect.

If any of these changes occur, we may need to change the premium or excesses that apply to your policy. We may also decide to cancel your policy or decide that we will not offer renewal.

If you do not tell us about these changes, the law may allow us to refuse or reduce a claim, and/or cancel your policy.

If you would like to know more about how this might affect you, please contact us by:

calling us on
13 1905

visiting us online
racq.com/support/faqs

Managing or changing your policy

Changes that you ask for

You may ask us to make a change to your policy. If you do that, then we may charge you an additional premium. The change or addition only takes place when:

- we confirm it in writing to you or show it on a new COI and
- you pay any additional premium that applies.

If you don't pay any additional premium in full within 14 days, we will reduce your period of insurance in line with the premium you paid before you made the change to your policy.

Waiver

A condition of your policy is only waived if we agree to alter your contract in writing.

Renewing your policy

We may offer to renew your current policy. If we do, we will send you a renewal COI before your policy expires. You are responsible for checking the details that apply for the new insurance period and advise us of any changes. Please ensure you check the amount of your sum insured on your renewal to see if your level of cover is still right for you.

If you have an automatic renewal arrangement, we will automatically renew your cover and that means your monthly payments will also continue during the next period of insurance. If the information in your renewal is correct and you wish to continue with your automatic renewal arrangement then you have nothing else to do, we will continue to deduct the renewal premium from your account or credit card.

If you do not have an automatic renewal arrangement, you will receive information from us in your renewal outlining how to accept your renewal offer should you wish to do so.

If we decide not to renew your policy, we will provide you with notice of this decision prior to your current policy expiring.

Receiving your documents and notices

If you agree, we may send you your policy documents and notices electronically. We will continue to provide these documents and notices electronically until you tell us otherwise. Each electronic communication will be deemed to be received by you at the time it leaves our information system, unless we receive a failure to deliver notification. You are responsible for making sure your email address is up to date.

Please contact us if you need to update your email address.

Cancelling your policy

Cancellation by you

You may cancel your policy at any time, including during the cooling off period - see page 10. If you want to cancel your policy (or cancel the cover under your policy for a boat shown on your COI) you need to contact us. The cancellation will take effect from:

- the date we receive your request or
- another date you request, if we agree to that date.

Cancellation by us

We can only cancel your policy when we are legally allowed to. We will provide you notice in writing with our reasoning prior to the cancellation.

Premium refunds when a policy is cancelled outside the cooling off period

Annual Premiums
If a policy (or cover under your policy for a boat shown on your COI) is cancelled, we will refund the portion of your annual premium which relates to the remaining period of insurance. If the refund amount is less than $10, we will not provide the refund.

Monthly Instalment Premiums
If you are paying your premium by monthly instalments, we will refund the portion of your most recent monthly instalment which relates to the period between your cancellation date and the date on which cover related to your most recent instalment was due to expire.

If your most recent instalment does not cover the entire period up to your cancellation date, we will deduct an amount from your nominated account to reflect the period up to your cancellation date.

If the refund amount is less than $10, we will not provide the refund. If any amount you owe us is less than $10, you do not need to pay that amount.

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.

For information on how we calculate your premium and discounts which may apply, please refer to the AIG available at **racq.com.au/insurance/insurance-disclosure-documents**.

Paying your premium

If you want to pay your annual premium by monthly instalments, you can ask us to deduct monthly payments from your account or credit card with a bank, credit union or building society. There is a higher premium if you choose to pay in monthly instalments, rather than annually. The additional premium may be referred to as a fee in other policy documents.

Your COI shows your premium amount and whether you are paying annually or by monthly instalments under the Pay by the Month option.

If you are paying:

- annually, then you must pay by the due date or
- by monthly instalments, then you must make sure that you have enough money in your account to cover each instalment on your payment date.

Automatic renewal of premium payment

If you have an automatic renewal arrangement, we will automatically renew your cover and that means your monthly payments will also continue.

If you don't pay your premium

If you are paying your premium annually in advance and you don't pay the full amount by the due date shown on your COI, then your policy won't be valid and you won't be covered. In that case, you need to reapply for cover.

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

If, after the first instalment is paid, any following instalment is overdue for one month, we may immediately cancel your policy. If we cancel your policy, we will contact you by your preferred method of communication letting you know the reason why and when we cancelled your policy. If unsuccessful, we will then send a letter to your last known address.

Changing your premium in our renewal offer

If you make a claim after we send you an offer to renew your policy but before the renewal date, then we may need to increase the premium in our renewal offer.

When we deduct your payments for Pay by the Month

Once you give us your account or credit card details, we deduct your:

- first payment approximately 14 days after your policy starts and
- second and following payments on your monthly payment date.

Depending on your payment date, we may deduct 2 payments in a month. For example, if your payment date is the 31st of each month, then we will deduct your November instalment on 1st December (as November only has 30 days) and deduct your December instalment on 31st December.

If your payment date falls on a non-business day (e.g. a weekend or public holiday), then your financial institution may not process the payment request until the next business day. If you're not sure when the debit will be processed to your account, you should contact your financial institution.

Cancelling or deferring payments for Pay by the Month

You can ask us to cancel your direct debit authority or to defer an individual payment by:

calling us on
13 1905

visiting us online (if you are registered for online services)
racq.com.au/login

visiting an RACQ store

For us to process your request in time, we must receive it at least 14 days before your next payment date.

Conditions for Pay by the Month

The following terms and conditions apply when you choose to pay your premium through the Pay by the Month option:

- If you make any changes to your policy which affect your premium, then we may increase or decrease your payment amount in line with your new premium. You may need to make an additional payment.
- If your premium changes when we offer to renew your policy, then we may increase or decrease your payment amount in line with your new premium.
- When you pay the first instalment, your insurance cover starts from the first day of the period of insurance shown on your COI.
- If you have an automatic renewal arrangement, we will continue to deduct payments from your account or credit card until you tell us that you want to cancel or change that arrangement.
- If your financial institution rejects a payment request, we will either try to debit the payment from your account again or contact you to arrange another way to pay it. The date of our second payment request is fixed and can't be changed.
- If another payment falls due after your financial institution rejects a payment request but before you pay the missed instalment, we may deduct 2 instalments on your next payment date.
- We may cancel the direct debit arrangement if your financial institution rejects:
  - 1 payment request from a credit card account or
  - 3 or more payment requests from any other type of account.
- If your bank account or credit card details change, you must tell us at least 7 days before your next payment date.

How to apply for Pay by the Month

If you would like to pay your premium by monthly instalments that are deducted from your account, call us on **13 1905** or visit an RACQ store.

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02 Your cover

This section explains what we consider to be your boat and what you are covered for. The type of cover you have will depend on your boat and the type of cover you have selected. You may have more than one type of cover or have more than one boat insured.

Specific exclusions apply to certain parts of your cover. See the section that applies to the type of cover you have selected for more information. The type of cover you have is shown on your COI.

Types of cover	
This PDS is made up of 2 different types of cover.	
○ Comprehensive Boat Insurance	○ Third Party Liability Boat Insurance

Summary of cover under your policy

The table below summarises the cover we give you under the policy you choose. For full details about your cover, read the sections within this document that apply to your policy.

Summary of cover	Comprehensive Boat Insurance Pages 19-30	Third Party Liability Boat Insurance Pages 31-32
Your boat cover		
Loss or damage to your boat caused by an incident that happens during the period of insurance.	✓	✗
Third party liability cover		
Your legal liability to pay compensation to someone for loss or damage to their property or for death or bodily injury which results from certain incidents during the period of insurance directly caused by the use of your boat.	✓	✓
Included benefits		
Benefits we include as part of your cover.	✓ 16 benefits	✗
Optional benefits		
Benefits you can add to increase your cover (you need to pay more for these benefits).	✓ Up to 2 benefits	✗

Your boat

We cover your boat as shown on your COI. This section outlines what we cover as your boat under your policy.

Your boat refers to the boat that is shown on your COI. For example, your runabout or dinghy.

Your boat includes and is made up of:

- a hull - which includes any manufacturer's accessories for the make and model of your boat,
- motors - which includes any auxiliary and trolling motors,
- trailer,
- masts, spars, sails and rigging,
- boat tender and
- any of the following we have agreed to cover:
  - accessories
  - modifications
  - equipment.

Accessories or modifications will only be deemed part of your boat if they are attached to or inside your boat when the incident happens.

Modifications – what we need you to do

There are some modifications that we will not cover.

If you are unsure if your modification can be covered, please contact us to discuss:

- when you buy a new or second hand boat and add it to your policy.
- when you add modifications to your boat.

Call us on **13 1905**

Visit an RACQ store

We can help you 24 hours a day, every day.

Comprehensive Boat Insurance

Summary of your cover

The table below provides a brief summary of the cover we give you. For full details about your cover and the exclusions and limits that apply, see the relevant pages shown in the last column.

Comprehensive Boat Insurance	Limit	Page
Your boat cover		
Loss or damage to your boat	Up to the sum insured shown on your COI	20
Included benefits		
Changing your boat	14 days	22
Choice of repairer	Included	22
Contents	Up to $500	22
Emergency repairs and assistance	Up to $2,500	23
Equipment and accessories	As shown on your COI	24
Fatality	$5,000	24
Fishing equipment	Up to $5,000 (this limit can be increased for an additional premium)	24
Inspecting your hull	Up to $1,000	25
New boat replacement	Up to 2 years	25
Personal property	Up to $5,000 (this limit can be increased for an additional premium)	26
Safety equipment	Replacement value of mandatory safety equipment	26
Salvage	Reasonable costs	27
Temporary accommodation	Up to $500	27
Towing and storage	Up to $1,000	27
Transportation	Included	28
Water sports equipment	Up to $5,000 (this limit can be increased for an additional premium)	28

Comprehensive Boat Insurance	Limit	Page
Optional benefits		
Legal liability extension – water sport towing activities	Up to $10,000,000	29
Yacht and sailboat racing	Up to 100 nautical miles race length	30

Third Party Liability Boat Insurance	Limit	Page
Loss or damage to other people's property Injury to other people	Up to $10,000,000	31

Your boat cover

Loss or damage to your boat

You are covered for:

Loss or damage to your boat that is caused by an incident. For example, your boat:

- collides with another boat or watercraft.
- collides with an object above or below the water.
- is involved in a road accident when being towed.
- catches fire.
- is stolen.
- is damaged by a storm, hail or flood.

Limit:

Up to the sum insured shown on your COI.

You are not covered for:

Loss or damage caused by:

- birds, animals or insects biting, chewing, scratching or soiling your boat.
- structural failure or mechanical, electrical or electronic breakdown or failure.
- marine growth (for example, algae, barnacles or molluscs).
- corrosion, electrolysis, osmosis, delamination, rust or deterioration.
- wear and tear.

- Loss or damage to your boat, including any damage to the gelcoat, timber, fabrics and exterior or interior paintwork, caused by actions of light or atmospheric or climatic conditions including gradual damage caused by wind, rain or sand.
- Loss or damage to paintwork that does not match the manufacturer's specifications unless agreed to by us.
- Loss or damage to the tyres of your trailer caused by:
  - applying the brakes or
  - bursting, cuts or punctures.
- The cost to fix previous repairs because of poor workmanship unless they are repairs from an incident authorised by us.
- Any unrepaired damage to your boat prior to taking out the policy with us.
- The cost to fix a defect or a design or construction fault in any part of your boat that you or a reasonable person in the circumstances, would have been aware of.
- Any indirect loss resulting from loss or damage to your boat including, but not limited to:
  - financial loss or damage, for example:
    - you can't use your boat and have to arrange alternative holidays or
    - you experience a reduction in your boat's value after it has been repaired,
  - any inconvenience or other non-financial loss of any kind, for example:
    - loss of enjoyment from not being able to use your boat.

  However, this exclusion does not stop you from making a claim for any included benefit or optional benefit you may be entitled to.
- Loss or damage to sails if they are split by wind or blown away when set (but we do cover your sails if your boat has been stranded or has collided with another object).
- Loss or damage while involved in racing unless the optional benefit 'Racing risk' is shown on your COI.
- The general exclusions shown on pages 35-39.

Included benefits

We provide a number of included benefits as part of your cover for your boat. You don't need to pay more for these benefits – we include them as part of your standard cover.

Making a claim for an included benefit

Unless we state otherwise in the benefit, you can only claim for included benefits if we accept your claim for an incident that causes loss or damage to your boat.

We pay for included benefits on top of any payment made for loss or damage to your boat or third party liability cover unless the benefit limit is stated as included within the sum insured.

The general exclusions shown on pages 35-39 apply to all included benefits.

Changing your boat

You are covered for:

The replacement boat for 14 days from when you buy it, as if it was the boat shown on your COI, if you sell your boat and replace it with a similar boat during the period of insurance. We will cover the replacement boat as long as you:

- tell us within 14 days from when you buy it and
- pay any additional premium that applies.

Cover under this benefit ends when we agree to cover your replacement boat under this policy or at the end of 14 days, whichever is earlier.

Limit:

Up to the purchase price of the replacement boat.

Choice of repairer

You are covered for:

A qualified or licensed repairer of your choice completing the repairs if we choose to repair your boat.

Limit:

Up to the amount we approve for the repairs.

Contents

You are covered for:

Loss or damage to your contents inside your boat, that is caused by an incident.

Limit:

Up to $500.

You are not covered for:

- Theft of unsecured contents where there is no sign of forcible removal from the boat.
- The following items:
  - cash, gift cards, cheques, travellers cheques, credit or any other type of financial transaction card, digital currency systems, stocks or shares relating to any business
  - mobile phones and their accessories
  - cut or uncut gems or stones, works of art, gold or silver articles, jewellery, watches or collections of any kind
  - pets, livestock or plants
  - musical instruments or sporting equipment including camping equipment, parachute, model craft, aircraft, or hang gliders and their parts and accessories
- Contents not inside your boat at the time of the incident.
- Anything that is covered under the included benefit
  - 'Fishing equipment'
  - 'Personal property'
  - 'Water sports equipment'
- Loss or damage to your contents that is caused by:
  - electrical current to lighting, heating devices, fuses or other electrical or electronic equipment.
  - rot, mould, actions of light or atmospheric or climatic conditions including loss or damage caused by wind, rain or sand happening over an extended period of time.
  - water or rain entering through an opening of the boat including doors, windows, vents or skylights (but we do cover you if the opening was caused by a storm).
- Replacing contents that are not available or no longer made (but we do cash settle these items).
- Loss or damage that is caused by wear or tear, corrosion, rust or deterioration.

Emergency repairs and assistance

You are covered for:

- The following costs if an incident happens to your boat. We will pay you the cost for:
  - conducting emergency repairs to minimise damage to your boat.
  - emergency and volunteer rescue services.
  - securing your boat to prevent any further damage to it or that it may cause to other property.

  You do not need to consult us before arranging these emergency repairs or assistance.

Limit:

Up to $2,500.

Equipment and accessories

You are covered for:

- Loss or damage to equipment and accessories in or on your boat that is caused by an incident.

Limit:

- Up to the replacement value of the item.
- This benefit is included within the sum insured of your boat shown on your COI.

You are not covered for:

- Loss or damage caused by wear, tear, corrosion, rust or deterioration.
- Items not in or on your boat at the time of the incident.

Fatality

You are covered for:

- A payment under this benefit if your boat is involved in an incident that causes loss or damage to your boat and you are fatally injured solely and directly as the result of that incident.

Limit:

- $5,000 to the estate of the deceased.

Fishing equipment

You are covered for:

- Loss or damage to fishing equipment in or on your boat that is caused by an incident.

Limit:

- Up to $5,000 (this limit can be increased for an additional premium).

You are not covered for:

- Theft of unsecured fishing equipment where there is no sign of forcible removal from the boat.
- Fishing equipment when in use.
- Loss or damage to fishing equipment not in or on the boat at the time of the incident.

Inspecting your hull

You are covered for:

The cost of having your hull assessed for damage by a qualified shipwright if your boat is stranded or has run aground.

Limit:

Up to $1,000.

You are not covered for:

Anything which is excluded under the section 'Loss or damage to your boat'.

New boat replacement

You are covered for:

A new boat if an incident causes loss or damage to your boat. We will replace your boat with a new one if:

- we decide your boat is a total loss,
- you purchased your boat as a new or demonstrator boat and
- the hull, motor and trailer of your boat is less than 2 years old at the time of the incident. We start counting the age of your boat from its original registration date or date of purchase, whichever is earlier.

If we replace your boat:

- we will give you the new boat and pay all on-road and on-water costs and
- your policy will continue (the new boat replaces the boat on your policy and you don't need to pay any extra premium for the change).

Limit:

A new boat of the same make, model and specifications (but not colour) with the equipment, accessories and modifications which were on your boat.

If a new boat is not readily available or a financier with a secured interest does not give us their written agreement to replace your boat, we will pay the sum insured shown on your COI. Our payment will include the value of any equipment, accessories or modifications that were attached to or inside your boat when the incident happened, excluding the cost of any extended warranties.

We deduct from the amount we pay you:

- any adjustments based on your Input Tax Credit (ITC) entitlements and
- any relevant excess.

You are not covered for:

Loss or damage to your boat that is caused by unrepaired damaged to your boat.

An incident that happens 2 or more years from your boat's original registration date or its purchase date, whichever is earlier.

Personal property

You are covered for:

Loss or damage to your personal property inside your boat that is caused by an incident.

Limit:

Up to $5,000 (this limit can be increased for an additional premium).

You are not covered for:

Loss or damage to:

- computer hardware and software
- cash, gift cards, cheques, travellers cheques, credit or any other type of financial transaction card, digital currency systems, stocks or shares relating to any business
- mobile phones and their accessories
- cut or uncut gems or stones, works of art, gold or silver articles, jewellery, watches or collections of any kind
- pets, livestock or plants
- musical instruments or sporting equipment including camping equipment, parachute, model craft, aircraft, or hang gliders and their parts and accessories

Theft of unsecured personal property where there is no sign of forcible removal from the boat.

Loss or damage to personal property not inside your boat at the time of the incident.

Safety equipment

You are covered for:

The following if your boat is involved in an incident and you need to use your safety equipment or it is lost or damaged in the incident. We will pay to:

- recharge fire extinguishers,
- replace distress flares and
- replace any other mandatory safety equipment damaged or lost in the incident.

Limit:

Up to the replacement costs of the mandatory safety equipment.

Salvage

You are covered for:

The costs of:

- salvage (including the clean up of debris or liquids from the boat as part of the salvage) or
- removal or destruction of the wreck

if your boat is involved in an incident and is stranded, submerged, sinks or is burnt.

Limit:

Reasonable salvage costs.

You are not covered for:

Anything which is excluded under the section 'Loss or damage to your boat'.

Temporary accommodation

You are covered for:

Your travel and accommodation costs if your boat is involved in an incident and you:

- can't use your boat or trailer and
- are more than 100km away from home.

Limit:

Up to $500.

Towing and storage

You are covered for:

The costs we pay to tow or move your boat from where the incident happened or from where your boat was recovered to the closest repairer, storage facility, holding yard or safe place if you are unable to tow, drive or sail your boat.

Limit:

Up to $1,000.

You are not covered for:

Any storage costs you incur before you make a claim with us.

Transportation

You are covered for:

- Loss or damage to your boat while it is being towed or transported on a trailer designed for the boat anywhere within Australia.

Limit:

- Up to the sum insured shown on your COI.

Water sports equipment

You are covered for:

- Loss or damage to water sports equipment in or on your boat that is caused by an incident.

Limit:

- Up to $5,000 (this limit can be increased for an additional premium).

You are not covered for:

- Theft of unsecured water sports equipment where there is no sign of forcible removal from the boat.
- Water sports equipment when in use.
- Loss or damage to water sports equipment not in or on the boat at the time of the incident.

Optional benefits

You can choose to add optional benefits to your policy. You will have to pay an additional premium for any optional benefit you select. We show any optional benefits we've agreed to cover on your COI.

Making a claim for an optional benefit

Unless we state otherwise in the benefit, you can only claim for optional benefits if we accept your claim for an incident that causes loss or damage to your boat.

The general exclusions shown on pages 35-39 apply to all optional benefits.

Legal liability extension – water sport towing activities

You are covered for:

Your or anyone else's legal liability to pay compensation for:

- loss or damage to someone else's property or
- for death or bodily injury

which results from an incident that is directly caused by water sport towing activities as long as 'Water sport towing activities' is shown as ticked on your COI. The incident must be directly caused by water sport towing activities and happen while you or anyone else are:

- in charge of or in control of your boat or
- being towed by your boat.

You can make a claim for this benefit on its own without making a claim for an incident that causes loss or damage to your boat.

Limit:

Up to $10,000,000 for any one incident to include:

- compensation amounts and
- costs for legal representation or advice from lawyers appointed by us and other legal costs you incur, as long as you get our approval before you incur them. We will approve all reasonable costs in a timely way.

You are not covered for:

Legal liability to pay compensation for property damage or for injury or death if you don't have a competent observer on board your boat watching at all times while someone is participating in water sport towing activities.

Legal liability to pay compensation for death or bodily injury to the people named on your COI.

Legal liability to pay compensation arising from incidents which result from barefoot skiing or using a ski ramp, parasail or any other aerial device.

Anything which is excluded under the section 'Third Party Liability Boat Insurance'.

Yacht and sailboat racing

You are covered for:

Loss or damage to your yacht or sailboat's masts, spars, sails and rigging if an incident occurs while your boat is being used in a sailing race as long as 'Racing risk' is shown as ticked on your COI.

Limit:

Up to the sum insured of your masts, spars, sails and rigging as shown on your COI.

You are not covered for:

Loss or damage if your boat is competing in races greater than 100 nautical miles in length or over 20 nautical miles from the mainland.

Third Party Liability Boat Insurance

Third party liability cover

Third party liability cover protects you if someone makes a claim against you or sues you for loss or damage to their property as a result of an incident which is caused by the use of your boat. For example, while using your boat you drive into another boat causing damage to that boat that you are legally responsible for.

It also protects you if someone makes a claim against you or sues you for death or bodily injury as a result of an incident which is caused by the use of your boat, which you are legally responsible for.

The general exclusions shown on pages 35-39 apply to all areas of this section.

How to obtain Third party liability cover

There are two ways of obtaining Third party liability cover - you can:

- choose Comprehensive Boat Insurance (Third party liability cover is automatically included) or
- choose Third Party Liability Boat Insurance.

The type of cover you have chosen will be shown on your COI.

Third party liability

You are covered for:

Your legal liability to pay compensation to someone for loss or damage to their property or for death or bodily injury which results from an incident which is directly caused by:

- the use of your boat,
- launching or retrieving your boat,
- something falling from your boat or from its trailer if it is not being towed or attached to a vehicle or
- loading or unloading items from your boat whilst on its trailer and not attached to your vehicle (as long as you are on a public road or any public place at the time).

The same third party liability cover described above for any person who is in charge or control of your boat with your prior permission.

When someone else uses your boat, they must comply with all of the terms and conditions of your policy, as if they were the policyholder.

Your legal liability which results from an incident directly caused by racing your yacht or sailboat as long as the race takes place up to 20 nautical miles off the Australian or Tasmanian mainland and does not exceed 100 nautical miles in distance.

Limit:

Up to $10,000,000 for any one incident to include:

- compensation amounts,
- costs for legal representation or advice from lawyers appointed by us and
- other legal costs you incur, as long as you get our approval before you incur them. We will approve all reasonable costs in a timely way.

The limits apply for each incident regardless of the number of claims which may result from that incident.

If we exhaust the $10,000,000 limit arising out of a single incident, your policy ends. We will notify you in writing of this.

You are not covered for:

- Legal liability for loss or damage to property that you or anyone covered by your policy owns or has a financial interest in.
- Legal liability for death or bodily injury to:
  - you or
  - anyone who is in charge or control of your boat.
- Legal liability for incidents that are directly caused by waters sport towing unless the optional benefit 'Water sport towing activities' is shown as ticked on your COI.
- Legal liability for any claim made by you against anyone else who was in charge or control of your boat.
- Legal liability you accepted under a contract or agreement, unless you would be legally liable even if there was no contract or agreement.
- Legal liability for which you or any other person are entitled to be indemnified or covered under a statutory scheme (or would have been entitled to if you had complied with your obligations under that scheme).
- Another person's interest in your boat unless that interest is shown on your COI.
- Legal liability that is caused by, arises from or is connected with equipment or accessories which are not part of your boat, for fault or failure due to defect or misuse.
- Legal liability for parties that are no longer on your boat when an incident occurs unless due to direct activity or use of your boat.
- Legal liability which arises from or is caused by pollution from the emission of exhaust gases, discharge or escape of oils, fuels, lubricants, waste, the use of any chemical or the presence of asbestos or other airborne contaminants (but we do cover some clean-up costs under the 'Salvage' benefit).
- Legal liability that is caused by or contributed to by a defect in your boat.
- The general exclusions shown on pages 35-39.

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03 General exclusions

This section explains the general things we do not cover under your policy. These are known as general exclusions and they apply to all parts of your cover and all types of cover. You should read these carefully to understand what we will not cover as a part of your policy.

These general exclusions apply in addition to the specific exclusions found within the 'Your cover' section.

General exclusions

It is important that anyone who uses, is in control of or who drives or tows your boat is aware of these general exclusions as they apply to them also.

We will not cover you for any loss or damage to your boat or for any legal liability which is caused by or arises out of or in connection with any of the following:

Deliberate acts

You are not covered for:

Deliberate or intentional acts by:

- you or anyone else who is in charge or control of your boat.
- anyone who has your prior permission to use your boat.
- anyone who enters your boat with your express or implied consent.

Disease

You are not covered for:

Any disease, or fear or threat of any disease, that can be transmitted between living things:

- by any substance or agent, including any virus, bacteria, parasite or other organism and
- by any method, including by air or bodily fluid or from or to any thing, whether solid object, liquid or gas.

Driver responsibilities

You are not covered for:

Incidents which occur when anyone in charge or control of your boat:

- is under the influence of any alcohol or drug or both.
- has in their breath or blood an amount of alcohol or drug which is equal to or more than the limit allowed by law.
- refuses to take a legal test for alcohol or drugs.
- doesn't stay at the scene of the incident until the police arrive or as required by law (unless they had a reasonable cause).
- doesn't immediately comply with the requirements of public authorities.
- is not licensed or allowed by law to drive, sail or tow your boat.
- doesn't comply with any condition of their driver's or marine licence.
- doesn't comply with any relevant laws that apply where your boat is being driven, sailed or is being towed.

However, we do cover you if you can satisfy us that you did not know and could not reasonably have known, that any of the above applied to the person who was in charge or control of your boat and that person is not a policyholder.

Driving and using your boat

You are not covered for:

Your boat:

- being used for any purpose other than private, social, domestic or pleasure purposes.
- if it forms part of someone's stock in trade.
- being used to carry paying passengers or hired or rented to someone.
- being used to receive a financial reward out of the use of your boat.
- being used for an industry trade experiment, test, trial or demonstration.

Your boat:

- being used to carry or tow a heavier load or carry or accommodate more people than it is designed for or is allowed by law.
- being used in an unlawful way or for an unlawful purpose.
- being used to carry or tow nuclear material or waste.

Your boat being tested for racing, pace making, a reliability trial or a speed or powerboat test or is being used in a race for any purpose.

But we do cover yachts and sailboats for loss and damage under the optional benefit 'Yacht and sailboat racing'.

Your boat being used in a manner other than designed for or outside the manufacturer's specifications.

The power (horsepower or kilowatt) or weight of your boat's motors exceeding the maximum design specification for your boat's hull.

Electronic data and computers

You are not covered for:

- A computer program or electronic system failing to process any form of data including day or date functions properly and accurately.

  But we will pay for accidental damage to your boat (subject to the other terms of your policy) if:
  - your boat is covered under Comprehensive Boat Insurance and
  - the failure of any computer equipment or processor (that forms part of your boat) to process day or date functions properly and accurately results in accidental damage to your boat.

  However, we won't pay for:
  - damage to the computer equipment itself,
  - damage to the processor itself or any item containing the processor or
  - the cost of repairing or modifying any computer equipment or processor so that functions relating to days or dates are properly and accurately processed.

Fines

You are not covered for:

- Any fines or penalties for which you are liable.

Further loss or damage

You are not covered for:

- Further loss or damage to your boat if you (or anyone who is in charge or control of your boat) don't do everything you reasonably can do to limit and prevent further loss or damage to your boat.

  For example, you continue to drive, sail or tow your boat after it is damaged, shows signs of mechanical problems or your boat including the trailer becomes unsafe, unseaworthy or unroadworthy.

- Any loss or damaged caused by or related to wear and tear.

Geographical limits

You are not covered for:

- Your boat being more than 200 nautical miles (370km) from the Australian or Tasmanian mainland.

Gradual deterioration and mould

You are not covered for:

- Corrosion, gradual deterioration, mould, rot or rust.

  However, we will cover mould damage to your boat that happens within 21 days of loss or damage caused by and directly attributable to flood, storm, storm surge, submersion (partial or complete), tsunami or water runoff.

Non-compliant gas

You are not covered for:

- A gas bottle or system which does not comply with the law.

Pollution

You are not covered for:

- Pollution, pollutants, contamination including the escape, release or discharge of any gases, fuels, oils, lubricants, wastes or the use of any chemical or the presence of asbestos or other airborne contaminants (but we do cover some clean-up costs under the 'Salvage' benefit).

Radioactivity

You are not covered for:

- The use, existence or escape of nuclear weapons material.
- Radiation or radioactive contamination from nuclear fuel, nuclear waste or the action of nuclear fission.

Repossession and confiscation

You are not covered for:

- Your boat being lawfully confiscated, nationalised or requisitioned.
- Your boat being repossessed by someone who leased it to you or who has a security interest in your boat.

Safety and security

You are not covered for:

- Your boat, including the trailer, being used in an unseaworthy, unroadworthy or unsafe condition or being towed by a vehicle which is in an unroadworthy or unsafe condition.
- You or someone who is in charge or control of your boat not taking reasonable precautions to keep your boat safe and secure by using a commercially manufactured locking device and protecting it from loss or damage.

Terrorism or war

You are not covered for:

- An act of terrorism which involves biological, chemical or nuclear weapons or devices.
- Germ, disease, pollution or contamination caused by or in connection with an act of terrorism.
- War or other acts of foreign enemy, whether war is declared or not, revolution or other civil disturbances.

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04 Claims

This section explains what happens when you need to claim on your policy and the process that we will follow with your claim.

This includes how to make a claim under your policy, your responsibilities when making a claim and how we settle your claim. For details of the types of excesses that may apply to your claim, please refer to the AIG available at **racq.com.au/insurance/insurance-disclosure-documents**.

Making a claim

If you need to make a claim on your policy, there are certain steps you are required to take and responsibilities that you have so we can manage your claim and make a stressful time as easy as we can for you.

The law restricts us from refusing a claim because of something that was done (or not done) by you or some other person after you entered into the policy unless it caused or contributed to the loss or damage covered. Applying that law we can only reduce the claim by an amount that fairly represents our prejudice as a result. This means that this law may impact a claim you make under this policy. If you think it does, ask us about this.

How to lodge your claim

Call us on
13 7202

Visit any RACQ store
during business hours

We can help you 24 hours a day, every day.

For any other claim enquiries, you can also email **claims@racq.com.au**.

Claim responsibilities

You must co-operate with us fully, even if we have already paid your claim. This includes:

- giving us any information, written statements, evidence and help we may need to defend, prosecute or investigate your claim or recover from someone else we consider responsible for the incident.
- providing proof that you owned the property being claimed for, if requested. For example, receipts, invoices, photographs, valuations, warranties or logbooks.
- immediately sending us any communications you receive about the incident. This includes telling us about any email, letter of demand, claim, pending court proceedings or offers of settlement.

- assisting and attending interviews with our representatives. For example, solicitors, investigators or loss assessors.
- attending court to give evidence.
- asserting rights against any person nominated by us.
- telling us about any impending prosecutions or inquests.
- telling us if there is another insurance policy that may cover the loss or damage.
- any other responsibility highlighted in the 'When an incident occurs', 'Lodging & assessing your claim' or 'Settling your claim' sections.

When an incident occurs

What you need to do

- Check you and your passengers are safe and that your boat is in a safe position.
- Contact the emergency services if you are in danger.

You must:

- immediately contact the police if a criminal act may have caused loss or damage to your boat. For example, someone has stolen, attempted to steal or caused malicious damage to your boat. Tell us where you made the report, the police officer's name and the incident number.
- do everything you reasonably can to limit the loss or damage and prevent more loss or damage.
- get the following details where reasonably practical:
  - the full name, phone number and residential address for each person involved in the incident,
  - the registration details of any other boat or vehicle that was involved in the incident and
  - photos of any damage to your boat and the other boat or vehicles involved in the incident.

What we will do

We will:

- assist with arranging towing or emergency repairs if you need help.

What you must not do

You must not:

- admit fault to any other party involved, agree to repair anyone else's property or negotiate, pay or settle a claim with anyone.
- leave your boat unattended if it is likely to cause further loss or damage.
- drive, sail or tow your boat after it is damaged, shows signs of mechanical problems or your boat including the trailer becomes unsafe, unseaworthy or unroadworthy.
- throw out damaged property unless we tell you to.
- do any repairs or authorise anyone to do repairs (except emergency repairs as per the included benefit 'Emergency repairs and assistance').

Lodging and assessing your claim

What you need to do

You must:

- tell us about the incident and make a claim as soon as possible.
- tell us if a police report has been completed, as well as the incident number, where you made the report and the officer's name.
- take your boat for assessment if required.
- tell us about and send us a copy of any notice, letter, claim, writ or summons, against you relating to the incident as soon as possible after you receive it.
- provide any additional information we request in a timely manner.

What we will do

We will:

- tell you what you need to do to help us process your claim.
- provide you with the names of repairers in your area and tell you how to get your boat assessed.
- review who is at fault and make any further enquiries to determine who is at fault if required.
- assess the damage and any repair or replacement quotes.
- accept your claim if it meets the terms and conditions of your policy or decline your claim and provide you with a clear explanation for our decision.

What you must not do

You must not:

- give false or misleading information.

If you are making a claim you must not give us false or misleading information. If you make a false or fraudulent claim under your policy, we can reduce the amount we pay you, refuse to pay your claim and may also cancel your policy as allowed by law.

If any other person makes a false or fraudulent claim under your policy, we may reduce the amount we pay them or refuse to pay their claim.

Settling your claim

To determine the most appropriate way to settle your claim, we consider a number of factors such as the terms and conditions of your policy, safety, timeliness, cost, any legal obligations we may have relating to the method of repair or replacement, as well as the availability of suppliers.

Your claim will be settled in one or more of the following ways:

1. Repair.
2. Replace your items with new ones.
3. Cash settlement.
4. Pay your claim as a total loss.
5. Settle your third party legal liability claim.
6. Reimburse costs you have already paid.

We will tell you when we decide that we can only settle your claim in one of these ways. Where you have options to settle your claim, we will give you details about those options so you can make an informed decision about which option you want to take.

We also pay any included benefits and optional benefits that apply to your claim. We may deduct any relevant excess from any amount we pay you.

1 Repair

Repair your boat – which means to repair your boat using any replacement parts that are required, taking into consideration the age and condition of your boat. You can choose to have the repair work completed by a qualified or licensed marine repairer, marine service centre or professional boat builder.

Repair your damaged equipment, contents or personal property – which means to repair them as far as reasonably possible to their original condition using materials that are readily available in Australia.

2 Replace your items with new ones

When we settle your claim this way, we will engage one of our providers to replace your equipment, contents or personal property as new – which means to replace them with new items which are:

- readily available in Australia and
- their current equivalent in terms of quality and specifications, regardless of brand or supplier.

3 Cash settlement

- **Boat** - pay you the cost to repair your boat or replace components of your boat as assessed by us based on a fair and reasonable market rate, less any relevant excess and any adjustments we make based on ITCs which you may have been entitled to had you made the acquisition.

  We will provide you with the information about how we assessed the cost to repair your boat.

  If we agree to pay you the cost to replace components of your boat, settlement will be based on:

  - the $ amount shown on your COI for the listed item.
  - the replacement value of mandatory safety equipment.

    - a component or item of similar quality and specifications for components or items not specifically listed on your COI. Proof of ownership will be required.
- **Equipment, contents or personal property** - pay you the replacement value of lost or damaged items up to:
    - the sum insured shown on your COI for 'Equipment and accessories'.
    - up to the applicable benefit limit for 'Contents', 'Personal property', 'Fishing equipment' or 'Water sports equipment'.

We may also pay you a cash settlement because we are unable to settle your claim as described in the settlement options 1 and 2 above in circumstances where issues such as, but not limited to, geographical or supply chain constraints are present.

4 Pay your claim as a total loss

Your boat may be deemed to be a total loss if it has been stolen and not recovered or it is uneconomical or unsafe to repair.

The decision to pay your claim as a total loss is dependent on the type of cover you have and the sum insured on your COI. We will:

- pay you the sum insured shown on your COI or
- settle your claim under the included benefit 'New boat replacement' if you have Comprehensive Boat Insurance and are eligible for the benefit.

Any total loss payment will be less any:

- unpaid premiums for the remainder of the period of insurance,
- excesses that apply to your claim and
- any adjustments we make based on your Input Tax Credit entitlements.

If you were paying by annual premium, we don't refund any premium you have already paid us.

We do not refund any on water/road costs you have incurred, including your boat's registration.

We pay any financier of your boat the outstanding debt you owe under any finance agreement or loan first and any remaining balance will be paid to you. The terms and conditions of your policy apply to a financier the same way they apply to you.

Your boat becomes our property and we are entitled to its salvage value.

Your policy ends when we tell you that we have decided to pay your claim as a total loss. However, if we settle your claim under the included benefit 'New boat replacement', your policy will continue.

5 Settle your third party legal liability claim

If you cause loss or damage to property or death or bodily injury to someone else that you may be liable for, we will:

- obtain information surrounding the incident to understand what happened. For example, contact witnesses to get their statements,
- review the information to assess if you are entirely or partially responsible for the incident,
- require you to pay any excesses that apply to the claim before we settle and
- settle the claim of the other person, either directly to them or their insurer if the claim is valid.

We will, as necessary to defend a legal liability claim:

- represent you or any person who is entitled to be covered under your policy at an inquest, official enquiry and in court proceedings about any incident covered by your policy,
- appoint a lawyer to advise or represent you or
- take over the matter and defend or settle any claim in your name or the name of any person entitled to be covered under your policy. We will determine how to defend or settle your claim.

If we exhaust the $10,000,000 limit arising out of a single incident, your policy ends. If this occurs, we will notify you in writing.

6 Reimburse costs you have already paid

Where you have already incurred costs as part of your claim, we will reimburse you up to the applicable benefit limit under your policy. You will need to provide us with a copy of the receipt for these costs.

Excesses

Your excess is the amount you contribute towards the cost of each claim you make. Your COI shows the type and amount of excesses that apply to your policy. More than one excess may apply to a single claim.

Types of excesses		Comprehensive	Third Party Liability
Basic excess	Your basic excess applies to all claims whether you, someone else or something else caused the loss or damage.	✓	✓
Listed driver excess	A listed driver excess may apply if the person driving or in charge of your boat has an excess amount listed under their name on your COI.	✓	✓

Paying your excess

When you make a claim, we will let you know:

- the excesses that apply.
- when and how to pay any excesses:
    - we may ask you to pay an excess to us or a third party on our behalf. For example, a repairer or supplier when you pick up your boat.
    - we may deduct any excess from the amount we pay you.

There are circumstances where you may not be required to pay any excess when making a claim.

This may occur:

- if we agree that someone else was entirely responsible for the incident.

To assist us in confirming who was entirely responsible for the incident, where reasonably practical you should collect and provide us with the following details:

- the other person's full name, phone number and residential address and
- the type of boat or vehicle and registration details of the other boat or vehicle (if another boat or vehicle was involved).

Reimbursing your excess

There are circumstances when we will reimburse an excess you have paid when making a claim. This may occur when you have paid your excess prior to us determining someone else was entirely responsible for the incident.

Claims that are less than your excess

We won't proceed with your claim if the total amount you are claiming is less than the excesses that apply to your claim.

Further excess information

For further Information regarding excesses and how they are applied, please refer to the AIG available at **racq.com.au/insurance/insurance-disclosure-documents**.

Other claim considerations

Parts we use to repair your boat

When we assess any damage to your boat, we authorise the use of any replacement parts that are required, taking into consideration the age and condition of your boat.

Generally, we use new parts to repair your boat. However, we may use:

- second hand, aftermarket or exchange parts,
- Australian Design Rule compliant parts to replace windscreens and window glass or
- parts produced by Original Equipment Manufacturer suppliers to repair or replace components.

For mechanical and safety related parts, we only use new parts (unless they are not available or you agree to something different).

If a part is not available in Australia and has to be purchased overseas, we will pay for:

- the part and
- the cost of surface freight.

Where a part is no longer available, we will pay you the last known market price for that part.

If the repairer needs to get someone else to do any part of the repairs to your boat, they must get our approval first.

Additional repair costs we don't pay for

We don't pay any additional costs:

- to replace parts that are not available or no longer made,
- to supply, modify or paint undamaged parts to create a uniform appearance. For example, if you damage only one side of your boat, we will not paint the undamaged side,
- for any exceptional transportation costs, including air freight costs unless we authorise it first,
- to repair any pre-existing damage to your boat. Any claim settlement will be less the cost to repair the pre-existing damage,
- to fix previous repairs because of poor workmanship, unless they are repairs from an incident authorised by us or
- for any reduction in the value of your boat after it has been repaired.

Our property

If we replace or pay for an item, then the damaged item becomes our property.

Claims we decline or you withdraw

If we decline your claim due to fraud you must reimburse us for any costs (for example, investigation costs) we have already incurred or benefits we have paid towards your claim.

If we decline your claim for a reason other than fraud or you decide to withdraw your claim, you must reimburse us for any amount we have already paid towards any benefits under your claim.

If you're registered or required to be registered for GST

Each time you make a claim you must tell us the percentage of Input Tax Credits (ITC) you are entitled to claim on your premium for the period of insurance during which the incident happened. If you do not tell us the correct percentage of ITCs, you may have to pay GST, penalties and interest. We will not cover you for these amounts.

You must also tell us whether you would be entitled to claim ITCs if you repaired or replaced the item you are making a claim for. We will reduce any payment we make to you by an amount equal to the ITC you would be entitled to, if any.

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05 Other information

This section explains other important information you should know such as how we handle your personal information, manage disputes or complaints, and definitions for words that have special meanings.

Dispute resolution process

RACQ Insurance provides a free and impartial dispute resolution process, established to address any complaint you may have in relation to our products, services, staff, processes or a privacy issue.

We can provide additional support to people who are experiencing vulnerability and we recommend you let us know about your circumstances so we can do our best to support you. You can find further information on how we can support you on **racq.com/support/supporting-vulnerability**.

It is important we know about your concern as soon as possible so we can work with you to resolve the issue using the following steps:

1. Let us know about your complaint

Please refer your complaint to us by:

visiting us online
racq.com/contact-us/feedback-and-complaints

writing to us at
RACQ Insurance – Member Relations
PO Box 3004, Logan City QLD 4114

emailing us at
racqidisputeresolution@racq.com.au

calling us on
13 1905 or **13 7202** for insurance claims

2. Reviewing your complaint

When you lodge your complaint with us, we would appreciate you providing us with your contact details and preferred contact time. This will enable us to acknowledge your complaint, provide you with updates on the progress of the review and contact you with a decision in line with our complaints management policy. You can find further information on our complaints management policy by visiting **racq.com/contact-us/feedback-and-complaints**.

3. Refer to external dispute resolution

We expect that together, we can find a fair and balanced outcome. However, if you are not happy with our decision or the handling of your complaint, you can access the External Dispute Resolution Scheme, managed by the Australian Financial Complaints Authority (AFCA). AFCA's role is to provide consumers (you) with free, fair and independent dispute resolution for complaints relating to financial service providers (RACQ Insurance).

AFCA deals with complaints that fall within their 'Complaint Resolution Scheme Rules' and will only consider your complaint after we have first had the opportunity to resolve your complaint through our internal dispute resolution process.

To find out whether your complaint qualifies for the AFCA, you can:

write to
Australian Financial Complaints Authority Limited,
GPO Box 3, Melbourne, VIC 3001

call **1800 931 678**

visit **www.afca.org.au**

email **info@afca.org.au**

Personal information

The personal information you give us is used to set up and administer your policy. It is used to determine the extent of insurance risk that you have proposed and plays a role in determining premiums.

If you make a claim, your personal information enables us to determine your entitlement. If you do not provide the information we request then this can either delay or prevent us from providing the insurance you want or allowing your claim.

Our Privacy Statement

RACQ collects, holds, uses and discloses your personal information in a number of ways. RACQ is bound by the Privacy Act 1988 (Cth) (Act) and the Australian Privacy Principles contained within the Act.

To obtain a copy of the RACQ Group Privacy Statement visit our website at **racq.com/insurance** or **racq.com/privacy**. You can also call us on **13 1905** or email us on **privacy@racq.com.au** to request a copy.

General Insurance Code of Practice

The General Insurance Code of Practice sets standards for insurers. RACQ Insurance is a signatory to the General Insurance Code of Practice.

You can get a copy of the General Insurance Code of Practice from the Insurance Council of Australia by:

calling
1300 728 228

visiting
www.insurancecouncil.com.au

RACQ membership

By entering into this policy, you agree to become a member of the Royal Automobile Club of Queensland Limited ACN 009 660 575 (RACQ).

As an RACQ member, you may vote at RACQ general meetings and agree to the constitution of RACQ and any rules made under the constitution, which may vary from time to time. The RACQ constitution and rules are available at **racq.com**.

RACQ members enjoy wide-ranging benefits. You can find out more about the specific rewards, discounts and privileges RACQ membership offers by:

- visiting us at **racq.com/membership**
- calling us 7 days a week on **13 1905**
- visiting one of our RACQ stores
- writing to us at **PO Box 4, Springwood Queensland 4127**

The conditions set out below apply:

If you cease to hold and do not renew your policy and do not have any other RACQ eligible products, you will no longer be entitled to be a RACQ member.

Words with special meanings

Word or term	Special meaning
Accessories	Items manufactured and intended for use on your boat, these may be portable or permanently attached to the hull and include boat covers and canopies including biminis, storm and other protective covers, batteries, anchors, paddles, oars and boat tender.
Agreed value	The amount that we agree to insure your boat for. This amount is shown on your COI. The agreed value includes all relevant statutory charges, GST and taxes.
At fault claim	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.
Boat tender	A small auxiliary boat or dinghy used as a lifeboat or means of transportation to get to or from your boat. The boat tender must be marked with the same registration number as your boat shown on your COI and towed behind or carried on your boat and not registered in its own right. The boat tender's value is included within the sum insured of your boat.
Compensation amount	Any costs we pay in relation to a third party claim against you, including: • damages, • interest, • settlement payments or • legal costs of other parties that you are legally required to pay.
Competent observer	An observer who is older than 12 years and competent to tell the driver of the boat about the dangers to, and actions of, a water skier.
Contents	Any items not used in the operation or navigation of your boat but kept and used exclusively on board, including but not limited to your: • bedding and manchester, • unfixed furniture and furnishings, • utensils, crockery and cooking equipment and • household portable kitchen appliances. Contents does not include personal property or cash, gift cards, cheques, travellers cheques, credit or any other type of financial transaction card, digital currency systems, stocks or shares relating to any business, mobile phones and their accessories, cut or uncut gems or stones, works of art, gold or silver articles, jewellery, watches or collections of any kind, pets, livestock or plants, musical instruments or sporting equipment including camping equipment, parachute, model craft, aircraft, or hang gliders and their parts and accessories.
Equipment	Items manufactured and intended for use on your boat that are permanently kept on board. These may be portable or permanently attached to the hull and include depth sounders, marine radios/ transceivers, navigation equipment, fish finders, tools for emergency breakdown and maintenance reasons.

Word or term	Special meaning
Excess	The amount you contribute towards the cost of each claim you make. Your COI shows the type and amount of excesses that apply to your policy. More than one excess may apply to a single claim.
Fishing equipment	Fishing equipment such as: • rods • reels • tackle • other similar equipment used for recreational fishing, including hand held fish finders
Floatation device	A device that is usually inflatable and is made and designed to be ridden by someone while being towed by a boat. It does not include tyre inner tubes, parasails, hang gliders (or any other aerial devices).
Forcible removal	Illegal entry into your boat, lockable cabin or compartment which includes illegally using keys, picking locks or damaging the securing devices. It does not include entering an unlocked compartment, door, window or skylight.
Geographical limits	The distance in nautical miles off mainland Australia and Tasmania within which cover under this policy is available for your boat.
Hull	The hull is: • the frame and structure of your boat (above and below waterline), • deck, • cabin and • fixtures and fittings that are permanently attached to your boat — for example, winches, a fixed fridge, fixed fishing rod holders, duck board, railings.
Incident	An accident or event which a person would not reasonably expect or intend that happens during the period of insurance.
Input Tax Credit (ITC)	A credit any GST registered person or business entity can be entitled to claim, for the GST they pay for items or services purchased in the course of carrying on their business.
Listed driver	A person who is shown as a driver on your COI.
Malicious damage	Intentional damage to your boat by someone other than you and without your consent.
Modifications	Any changes, alterations or additions to your boat that are not part of the manufacturer's standard specifications for your boat and which enhance the performance, alter the structural integrity or alter the safety or handling of your boat. For example, alterations or additions that increase engine output or modify the length of your boat.
Moor or moored	Your boat attached or secured to a structure in the water or land such as a jetty, post, pile, pontoon or wharf. It does not include an anchor.

Word or term	Special meaning
Motor	A device that propels your boat through the water. This includes outboard engines, stern drive units, inboard engines and electric trolling engines and includes the propeller, shaft, gearbox, skeg, wiring harness, instruments, portable fuel tank, control cables, joystick management systems and generators.
Nautical mile	A unit of measure used in marine navigation. 1 Nautical mile = 1852 metres.
Period of insurance	The period we cover under your policy which is shown on your most recent COI.
Personal property	Clothing, shoes, waterproof gear, prescription glasses, sunglasses and prescription sunglasses and portable electronic equipment (except for mobile phones and their accessories) belonging to you which are being used or stored on your boat at the time of loss.
Pollution	Pollution, pollutants, contamination including the escape, release or discharge of any gases, fuels, oils, lubricants, wastes or the use of any chemical or the presence of asbestos or other airborne contaminants.
Policy	Your policy includes: • this Product Disclosure Statement • your Certificate of Insurance • any Supplementary Product Disclosure Statement we have issued
Premium	The total amount you pay for the cover you have chosen. It includes any government statutory charges, levies, duties, GST and other taxes that may apply.
Safety equipment	Equipment you legally need to carry on your boat — for example, fire extinguishers, life jackets, distress flares and other mandatory safety equipment.
Sum insured	This is the amount that we agree to insure your boat and its components for. This amount will be an agreed value. The sum insured you have is shown on your COI and includes all relevant statutory charges, GST and taxes.
Terrorism	Any act by any person or group, including the use of or threat to use force or violence for political, religious, ideological, ethnic or similar purposes (including the purpose of influencing the government) or that is intended to put the public, or any section of the public, in fear.
Total loss	When your boat has been stolen and not recovered or it is uneconomical or unsafe to repair considering: • the sum insured shown on your COI, • the amount the repairs will cost as assessed by us, • the estimated salvage value and • applicable state or national regulatory requirements.
Trailer	A device that is specifically designed to carry your boat and be towed behind a motor vehicle.

Word or term	Special meaning
Unsecured	Not contained within a cabin, compartment or structure that is secured with a locking device and permanently attached to your boat.
Unroadworthy	Not in good working order or unable to operate safely and efficiently or is not reasonably fit for its intended purpose for what it is designed for.
Unseaworthy	Not in good working order or unable to operate safely and efficiently or is not reasonably fit for its intended purpose for what it is designed for.
Water sports equipment	Water sports equipment owned by you, including: • diving equipment such as tanks, regulators, fins, snorkels, buoyancy compensation devices and other commercially manufactured equipment used for recreational diving. • water skiing or aquaplaning equipment such as water skis, wakeboards, kneeboards, vests, ropes and other professionally designed and manufactured equipment for the purpose of water skiing, aquaplaning or wakeboarding behind your boat. Water sports equipment does not include flyboards and any other aerial device.
Water sport towing	A person or persons being towed behind your boat across the surface of the water on: • water skis, • a surfboard, • a knee board, • an aqua tube/ ski tube, • a wakeboard or • other similar equipment professionally designed and manufactured for the purpose of being towed by your boat.
We, us, our	RACQ Insurance Limited – ABN 50 009 704 152, AFS Licence Number 233082.
You, your	The persons shown as the policyholders on the COI.

Your boat	Your boat is made up of:
	• a hull - which includes any manufacturers accessories for the make and model of your boat,
	• motors — which includes any auxiliary and trolling motors,
	• trailer,
	• masts, spars, sails and rigging,
	• boat tender and
	• any of the following we have agreed to cover:
	    ○ accessories
	    ○ modifications
	    ○ equipment.

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Contact us

For further information or assistance contact us 24 hours every day on **13 1905**, visit **racq.com/insurance** or drop into your local RACQ store.

Insurance products issued by RACQ Insurance Limited. Conditions may apply. This is general advice only and does not take into account your personal objectives, financial situation or needs and may not be right for you. Always read the PDS and applicable SPDS available from RACQ before selecting a policy.

RACQ Insurance Limited

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AFS Licence Number 233082
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