

# Pleasure Craft

Insurance Product Disclosure Statement  
and Policy Wording

**For all enquiries  
or to locate your nearest  
branch call 133 723 or  
the phone number at the top  
of your schedule**



Insurance underwritten by:  
QBE Insurance (Australia) Limited  
ABN 78 003 191 035 of 82 Pitt Street, Sydney  
AFS Licence 239545

QM1915-1110



## Introduction & welcome

We understand how important it is to be comfortable with your cover so we're glad you chose QBE to take care of your insurance. As the largest Australian owned general insurer and reinsurer, we've been taking care of the insurance needs of Australians since 1886. Safe, strong and secure, you can be confident you've made a great choice.

Inside, you'll find most of the information you need to know about your policy. We explain what your policy covers, information about discounts and excesses and importantly, how to make a claim. Remember, whether you call us for a quote, or to report a claim, or to change your details you can rely on our friendly team to help you.

Please take the time to read through this booklet and if you have any questions or need more information, call us on the phone number at the top of your schedule.

Thank you for making QBE your first choice.

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## General Information

### About this booklet

This document is a Product Disclosure Statement (PDS) and is also our insurance policy wording. Other documents may comprise our PDS and we will specifically tell you if this is the case in the relevant document.

This document contains important information to help you understand this insurance. It is up to you to choose the cover you need. This document contains information which can help you decide. Any advice in this document is of a general nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if this insurance is right for you.

### What makes up this insurance contract

This QBE PDS and policy wording and the schedule must be read together as they form your insurance contract.

This policy sets out what you are insured for and those circumstances where you will not be insured.

Some words and expressions have been given a specific meaning in this policy. You will find their meaning in Definitions on page 4 to page 8.

Provided we receive the premium, we will insure you as set out in this policy and schedule in respect of an incident occurring during the period of insurance.

#### Important Note:

Sometimes we need to change the wording of your policy because the insurance varies depending on a number of factors. We do this by adding what is called an endorsement. You will find all endorsements that apply to your policy printed on your schedule.

### What you are covered for

Your QBE policy insures you for loss or damage to your boat or liability arising out of the use of your boat while navigating or in transit within Australia and Australian inland and coastal waters of up to 200 nautical miles and including while the boat is at a marina, slipway or location when laid-up ashore or during any voluntary rescue work.

## Definitions (The meaning of some words)

Some words and expressions in this policy have a specific meaning which is given below.

Word or Term	Meaning
Accident, accidental or accidentally	an incident that is unforeseen and unintended and that causes loss or damage. This includes a series of accidents arising out of the one event.
Agreed value	the amount shown in your schedule we have agreed to insure your boat for.
Alteration advice	a written notice about any alteration to the insurance under this policy.
Anti-theft device	professionally manufactured purpose designed anti-theft device which does not include chains and/or padlocks.
Boat	the vessel type described in the schedule comprising of: <ul style="list-style-type: none"> <li>• hull,</li> <li>• its motor(s), including fuel tanks (unless they form part of the hull),</li> <li>• its equipment and accessories,</li> <li>• its sails, masts, spars, standing and running rigging,</li> <li>• its trailer.</li> </ul>
Damage or damaged	any form of physical harm to the boat but does not include wear and tear or anything that was present before this policy came into force.
Equipment and accessories	safety equipment installed or carried in accordance with statutory requirements and any other equipment intended for the use on or with the boat including: <ul style="list-style-type: none"> <li>• any tender used with the boat,</li> <li>• anchors,</li> <li>• oars or paddles,</li> <li>• detachable canopies,</li> <li>• boat and motor covers,</li> <li>• bilge pumps,</li> <li>• life-saving equipment including life jackets,</li> <li>• auto pilot,</li> <li>• depth sounders,</li> <li>• electronic navigation equipment including laptop computers when it can be clearly demonstrated that they are used for navigational purposes,</li> </ul>

Word or Term	Meaning
Equipment and accessories (continued)	<ul style="list-style-type: none"> <li>• global positioning system,</li> <li>• EPIRB (Emergency Position Indicating Radio Beacon),</li> <li>• two way radios</li> </ul> as shown in the schedule.
Excess	an excess is the first amount of any claim which must be paid by you. If an excess is applicable to any sections of your policy the amount will be shown in the current schedule or within the relevant section of this policy wording.
Family	your spouse or domestic partner, the children, parents or other relatives of you or your spouse or domestic partner who live permanently with you.
Hull	the shell of the boat, deck, fixtures and fittings on deck or below deck that are not normally removable and would be normally sold with the boat. This includes miscellaneous equipment.
Indemnity	to place you in the same financial and/or material position as you were in immediately before your loss. Indemnity does not mean new for old unless stated. We may deduct an amount for wear and tear, depreciation or betterment.
Legal liability	your legal responsibility arising out of the use of the boat to pay compensation for death, injury or damage to other people (including members of your family) or their property. This responsibility only arises if you have done something wrong or you are at fault.
Loss	any damage, destruction, death, injury, illness, liability, cost or expense of any nature.
Market value	the replacement cost of your boat taking into account your boat's condition. To assist in determining the market value, we may also use "The Red Book" price guide, "Glass's Dealer Guide" or other available information.
Miscellaneous equipment	various items of equipment not normally sold with the boat including any galley equipment, bedding and manchester, crockery, cutlery, kitchen appliances, utensils, unfixated furniture and furnishings and tools permanently kept on the boat for your personal use provided they are not separately insured.

Word or Term	Meaning
Motor, motors	<ul style="list-style-type: none"> <li>• inboard motors,</li> <li>• outboard motors,</li> <li>• stern drive units,</li> <li>• jet units,</li> <li>• gear boxes,</li> <li>• propellers,</li> <li>• shafts,</li> <li>• skegs,</li> <li>• portable fuel tanks and lines,</li> <li>• wiring harness,</li> <li>• instruments (e.g. tachometer),</li> <li>• control cables,</li> <li>• generators.</li> </ul>
Omission	a failure to act and includes a failure to do or say something.
Period of insurance	the period for which you are insured. It commences at the time we agree to give you insurance and finishes at 4pm on the day of expiry. The period of insurance is shown in your schedule.
Permanent total disablement	you have been unable to carry out any occupation for which you are fitted by reason of your education, training or experience for a period of at least 12 consecutive months, and you remain unable to do so for a continuous indefinite period solely and directly as a result of the injury.
Personal effects	<p>means:</p> <ul style="list-style-type: none"> <li>• clothing,</li> <li>• waterproof gear,</li> <li>• bags,</li> <li>• eskies, wine coolers,</li> <li>• shoes,</li> <li>• wallets or purses excluding cash and credit cards,</li> <li>• toilet articles,</li> <li>• hats or caps,</li> <li>• keys or pens,</li> <li>• portable radio, MP3 players and compact disc players.</li> </ul>

Word or Term	Meaning
Personal watercraft (PWC)	a vessel designed to be operated by a person standing, sitting astride or kneeling on it. It uses waterjet propulsion and has an engine in a watertight compartment (this definition of personal watercraft (PWC) is also subject to the relevant State Maritime Authority and its legal definition of a personal watercraft).
Premium	the amount we require you to pay under the policy and includes government charges.
Sails, masts, spars, standing and running rigging	sails, masts, spars, booms and fittings, spinnaker poles, standing and running rigging.
Salvage	<p>either:</p> <ul style="list-style-type: none"> <li>• what is left of the boat after it has suffered loss or damage; or</li> <li>• the action of saving the boat in a time of peril.</li> </ul>
Schedule	<ul style="list-style-type: none"> <li>• the schedule; or</li> <li>• the renewal notice you have paid; or</li> <li>• the alteration advice sent to you</li> </ul> <p><u>Important note:</u> You should check to ensure that all information is correct in the schedule. If anything is wrong, contact us immediately.</p>
Sporting equipment	fishing equipment (including rods, reels, tackle and other similar equipment), diving equipment (including regulators, tanks and buoyancy compensation devices), and/ or water ski equipment use for recreational purposes and owned by you.
Sum insured	either the agreed value as shown on the schedule, or where no value is specified, the market value for that item.
Temporary total disablement	you are unable to carry out all the normal duties of your occupation solely and directly as a result of the injury.
Tender	an auxiliary boat (or dinghy) (capable of being and usually carried on deck or on davits on your boat or which is towed behind your boat) that is used as a lifeboat or means of transportation between your boat and the shore, or for both purposes. A tender must be marked with the registration number of your boat and not registered in its own right.

Word or Term	Meaning
Theft	a person has taken your boat, equipment and accessories without your knowledge, prior consent or agreement.
Total sum insured	the amount we agree to insure your boat for, and is the total value for the boat's hull, motors, equipment and accessories, sails, masts, spars, standing and running rigging and trailer, whether individual sums insured are specified for these items by you or not.
Water skiing or aquaplaning	a person travelling on the surface of water, either barefoot, or on water skis or similar devices designed for that purpose while being towed by your boat.
We, our and us	QBE Insurance (Australia) Limited, ABN 78 003 191 035.
Yacht club social racing	a yacht club organised event conducted under the Racing Rules of Sailing, where the length of the race is not greater than 25 nautical miles and spinnakers are not set. This definition shall also include Twilight Racing events.
Yacht racing risk	taking part in a sporting event organised by a club or association. Cover applies only when we have agreed to grant the optional yacht racing risk extension or yacht club social racing risk extension and you have paid the premium. This will be shown in the current schedule.
You, your	the person or persons named as the insured in the current schedule including any person allowed by you to control your boat.

## Insured Events – What you are automatically covered for

Insured Event	Description
Loss or damage	We will cover your boat as shown in the schedule while navigating or in transit within Australia and Australian inland and coastal waters of up to 200 nautical miles and including while the boat is at any marina, slipway or location when laid-up ashore or during any voluntary rescue work.
Accidental damage or sinking	We will cover you if your boat is damaged accidentally or if your boat sinks accidentally, provided it was seaworthy at the time of sinking.
Theft of your boat	<p>We will cover you for theft of:</p> <ul style="list-style-type: none"> <li>• your entire boat including trailer, outboard motor(s), equipment and accessories;</li> <li>• part of the boat including trailer, outboard motor(s), equipment and accessories from: <ul style="list-style-type: none"> <li>– the boat; or</li> <li>– the place of storage of the boat, trailer, outboard motor(s) or the equipment or accessories.</li> </ul> </li> </ul> <p>However, where the boat insured is a PWC (personal watercraft), we will cover theft of your PWC:</p> <ul style="list-style-type: none"> <li>• whilst stored ashore in a locked garage or yard provided there is physical evidence of visible, violent and forcible removal from or entry to the place of storage;</li> <li>• whilst on a trailer, but only if there is physical evidence of visible, violent and forcible removal of both the trailer and the anti-theft device.</li> </ul>
Malicious damage	We will cover you if your boat is maliciously damaged.
Transit damage	We will cover you for damage caused to your boat if it is accidentally damaged during transit on its own trailer by road, rail or ship provided your boat is designed to be normally towed by a boat trailer and you are complying with all statutory requirements.

Insured Event	Description
Clean up costs	We will cover you for reasonable costs of cleaning up an accident site following accidental discharge, emission, spillage or leakage upon or into waters or land of oil, diesel, petroleum products, effluent or sewage following an insured event up to a maximum of \$20,000 in addition to the agreed value of your boat.
Damage caused by governmental authority	We will cover you for damage caused to your boat by any governmental authority in order to prevent or minimise a pollution hazard or threat of such a hazard resulting from damage to your boat, provided this has not resulted from a lack of due diligence by you.
Recovery or removal of wreck costs	We will cover you for reasonable costs of the removal or recovery of wreck costs if your boat is damaged or sinks accidentally and, we agree to recover it, or the law requires that it must be removed. These costs are recoverable in addition to the agreed value of your boat and are subject to a limit of \$10 million any one event or series of events arising from the same incident.
Other expenses (incurred in order to minimise a loss)	<p>We will cover you for reasonable costs incurred by you if your boat gets into difficulties or is damaged accidentally, including:</p> <ul style="list-style-type: none"> <li>• minimising loss or damage; or</li> <li>• remove the boat to safety (including emergency towing); or</li> <li>• dry all electrical equipment in the motor(s); or</li> <li>• clean and oil the motor(s); or</li> <li>• land towing costs to take your boat to the nearest repairer in an emergency following a loss (provided your boat is designed to be towed by a trailer), limited to a total amount payable of \$750 for all claims during the period of insurance; or</li> <li>• reasonable costs of inspecting the hull to see if it is damaged following the stranding of your boat.</li> </ul> <p>These expenses are in addition to the total sum insured (but only up to an equal amount to the total sum insured) of your boat as stated in your schedule.</p>

Insured Event	Description
Boat Association time trials	We will provide cover for time trials conducted under the control or regulation of the Power Boat Association up to a maximum speed of 25 knots.
Resultant damage from mechanical failure	We will provide cover for resultant damage to your boat due to mechanical, structural, electrical or electronic failure provided it was seaworthy at the time of the loss.

## Standard Benefits

The following benefits are covered under this policy:

Standard Benefits	Description
Personal accident cover	<p>We will provide cover if you suffer bodily injury as a result of an accident during the period of insurance and arising directly out of the use of your boat that results within six (6) calendar months in either:</p> <ul style="list-style-type: none"> <li>• death,</li> <li>• temporary total disablement, or</li> <li>• permanent total disablement.</li> </ul> <p>We will pay up to:</p> <ul style="list-style-type: none"> <li>• Up to \$25,000 as a result of death; or</li> <li>• Up to \$250 per week (limited to 100 weeks) as a result of temporary total disablement; or</li> <li>• Up to \$25,000 as a result of permanent total disablement.</li> </ul> <p>To qualify for payment you must obtain and follow the advice of a qualified medical practitioner (other than you or a spouse) as soon as possible after the accident.</p>
Personal effects	We will provide cover for loss or damage to your personal effects of up to \$500 any one item up to a maximum of \$5,000 in total any one claim

Refer to the section 'The amount you pay towards a claim' on page 32 for details on the excess payable on all insured event and standard benefit claims.

## Agreed value

This is an agreed value policy.

Separate sum insured values may be included for:

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

but only where specified on your schedule.

Specific limits may apply to other individual items and accessories you want to insure, or to benefits we may pay. Please refer to your schedule, insured events and standard benefits listed on pages 9 to 11.

You need to make sure you are happy with both your sum(s) insured and relevant limits that apply. This is important because, if you are underinsured, you may have to bear the uninsured proportion of any loss yourself.

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

However, the maximum amount payable will not exceed the total sum insured under any circumstances and any amount payable will be reduced if the total value of the boat (including all parts listed above) at the time of the loss/damage is greater than 20% of the total agreed value for the entire boat shown in the current schedule. The amount payable will be reduced in proportion to the difference between the insured value and the actual value of the item.

At our discretion, we may:

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

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

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

## Important Notes

- When we take the option of repairing an item, the amount that we pay is limited by the actual value of the item being repaired compared with its age and condition.
- If your boat is less than one year old, we will not apply depreciation in determining the amount paid to you.

## How we calculate your premium

The premium is the amount we charge you for this insurance policy and is included on the schedule. We consider a number of factors when calculating your premium, including:

- the total sum insured of the boat;
- the sum insured of motors, equipment and accessories, sails, masts, spars and running rigging, and trailer;
- the year, make, model and registration number of the boat being insured;
- your residential address;
- any no claim bonus discount to which you may be entitled;
- the cost of any optional benefits you have selected;
- excess(es) applicable;
- the frequency with which you chose to pay your premium.

The premium also includes compulsory government charges including Stamp Duty, GST, and any Fire Service Levy (where applicable). When you pay your premium at least twice a year or more, your premium may be increased by an amount to cover certain costs associated with instalment payments.

You may contact us in writing or by phone to confirm any transactions under your insurance if you do not already have the required insurance confirmation details.

## Optional Benefits – extra cover you can purchase

All optional covers if selected and accepted by us will be shown on your schedule.

Option	Description
Yacht racing risk extension	<p>If we have agreed to extend cover and have shown it in your schedule, we will cover you for:</p> <ul style="list-style-type: none"> <li>✓ Loss of or damage to your boat including: <ul style="list-style-type: none"> <li>• sails, or</li> <li>• masts, or</li> <li>• spars, or</li> <li>• standing and running rigging</li> </ul> </li> </ul> <p>whilst your boat is racing.</p> <p><b>We will not cover:</b></p> <p>You when operating outside the following navigational limits:</p> <ul style="list-style-type: none"> <li>× 200 nautical miles from your boat's home port for all moored boats</li> <li>× 200 nautical miles of the place where your boat was last launched from within Australian Territorial Waters for all trailered boats</li> </ul> <p><b>How much we will pay</b></p> <p>If the item is lost or damaged, at our discretion we may:</p> <ul style="list-style-type: none"> <li>• repair or replace the item involved; or</li> <li>• pay you the reasonable cost of repairing or replacing the item involved, or</li> <li>• pay you the agreed sum insured (where specified) of the item involved and take ownership of any salvage, or</li> <li>• pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage</li> </ul> <p>When we decide to either replace an item, or pay the cost of replacing an item which has no agreed value, then depreciation will apply and the amount payable is determined by:</p> <ul style="list-style-type: none"> <li>• comparing the value of an item with an item of similar age and condition, or</li> <li>• establishing the actual cost of an item of similar age and condition</li> </ul>

Option	Description
Yacht racing risk extension (continued)	<p><b>Excess</b></p> <p>If the sum insured value of your boat is under \$100,000, you must pay the yacht racing risk excess as shown in your schedule.</p> <p>If the sum insured value of your boat is \$100,000 or more, the excess payable under this extension will be determined as per the following:</p> <ul style="list-style-type: none"> <li>(a) if the sails, masts, spars, standing and running rigging is less than 5 years old, the excess for claims under this additional cover will be 20% of the value of the claim for the sails, masts, spars, standing and running rigging or the standard excess printed in your schedule (whichever is greater),</li> <li>(b) if the sails, masts, spars, standing and running rigging is equal to or more than 5 years old, the excess for claims under this additional cover will be 30% of the value of the claim for the sails, masts, spars, standing and running rigging or the standard excess printed in your schedule (whichever is greater).</li> </ul>
Yacht club social racing risk extension	<p>If we have agreed to extend cover and have shown it in your schedule, we will cover:</p> <ul style="list-style-type: none"> <li>✓ You for loss of or damage to your boat including: <ul style="list-style-type: none"> <li>• sails, (excluding spinnakers), or</li> <li>• masts, or</li> <li>• boom, or</li> <li>• standing and running rigging</li> </ul> </li> </ul> <p>whilst racing in yacht club social races not exceeding 25 nautical miles from your boat's home port or place of launching.</p> <p><b>We will not cover:</b></p> <ul style="list-style-type: none"> <li>× you when are operating/racing your boat more than 25 nautical miles from your boat's home port or place of launching.</li> </ul>

Option	Description
Yacht club social racing risk extension (continued)	<p><b>How much we will pay</b></p> <p>If the item is lost or damaged, at our discretion we may:</p> <ul style="list-style-type: none"> <li>• repair or replace the item involved; or</li> <li>• pay you the reasonable cost of repairing or replacing the item involved; or</li> <li>• pay you the agreed sum insured (where specified) of the item involved and take ownership of any salvage; or</li> <li>• pay you the current market value of the item (where there is no agreed value) and take ownership of any salvage.</li> </ul> <p>When we decide to either replace an item, or pay the cost of replacing an item which has no agreed value, then depreciation will apply and the amount payable is determined by:</p> <ul style="list-style-type: none"> <li>• comparing the value of an item with an item of similar age and condition; or</li> <li>• establishing the actual cost of an item of similar age and condition.</li> </ul> <p><b>Excess</b></p> <p>If the sum insured value of your boat is under \$100,000, you must pay the yacht racing risk excess as shown in your schedule.</p> <p>If the sum insured value of your boat is \$100,000 or more, the excess payable under this extension will be determined as per the following:</p> <ol style="list-style-type: none"> <li>a) if the sails, masts, spars, standing and running rigging is less than 5 years old, the excess for claims under this additional cover will be 20% of the value of the claim for the sails, masts, spars, standing and running rigging or the standard excess printed in your schedule (whichever is greater),</li> <li>b) if the sails, masts, spars, standing and running rigging is equal to or more than 5 years old, the excess for claims under this additional cover will be 30% of the value of the claim for the sails, masts, spars, standing and running rigging or the standard excess printed in your schedule (whichever is greater).</li> </ol>

Option	Description
Water skiers or aquaplaning extension (legal liability)	<p>If we have agreed to extend cover and have shown it in your schedule, we will cover:</p> <ul style="list-style-type: none"> <li>✓ You and any other person allowed by you to control your boat and the person acting as an observer (within the requirements of any law) against legal liability for: <ul style="list-style-type: none"> <li>• accidental death or bodily injury to a water skier or aquaplaner (including you) towed by a boat;</li> <li>• accidental death or bodily injury to any person caused by a water skier or aquaplaner being towed by your boat; or</li> <li>• accidental damage to another person's property caused by a water skier or aquaplaner being towed by your boat.</li> </ul> </li> <li>✓ A water skier or aquaplaner towed by your boat against the water skier's or aquaplaner's legal liability to others for accidental: <ul style="list-style-type: none"> <li>• death or bodily injury to a person; or</li> <li>• damage to property other than a boat caused by the water skier or aquaplaner while being towed by your boat.</li> </ul> </li> </ul> <p><b>We will not cover:</b></p> <p>the costs of liability arising out of:</p> <ul style="list-style-type: none"> <li>× water skiing or aquaplaning where there is not a legally competent observer in addition to the driver on board your boat at the time of the accident,</li> <li>× water skiing or aquaplaning when an aerial device or ski ramp is used,</li> <li>× water skiing or aquaplaning when a ski mast, ski pole or ski tower are being used unless professionally designed, manufactured and installed,</li> <li>× competition water skiing and aquaplaning,</li> <li>× towing or using hydrofoilers (air chair/skyski),</li> <li>× towing of any person by personal watercraft that breaches Maritime regulations,</li> <li>× towing of any device not designed and professionally manufactured for the purpose of being towed behind a boat (e.g. surfboards or tyre tubes).</li> </ul>

Option	Description
Water skiers or aquaplaning extension (legal liability) (continued)	<p><b>How much we will pay</b></p> <p>We will pay the costs of:</p> <ul style="list-style-type: none"> <li>• compensation, and</li> <li>• legal fees and expenses that you are liable for.</li> </ul> <p>We will only pay the costs of legal fees and expenses you incur if we consent to them in writing before you incur them.</p> <p>The maximum we will pay is the amount shown in your schedule in total for all claims that arise from one accident. The maximum amount includes all legal fees and expenses.</p> <p><b>Excess</b></p> <p>No excess is payable for claims made under this extension of cover.</p>
Dinghy or tender extension	<p>If we have agreed to extend cover and have shown it in your schedule, we will cover:</p> <ul style="list-style-type: none"> <li>✓ any dinghy or tender used with your boat capable of a speed exceeding 20 knots</li> </ul> <p><b>How much we will pay</b></p> <p>We will cover you up to the sum insured as specified in your schedule.</p> <p>If you have not specified a value, we will cover you up to the current market value at the time of loss.</p> <p><b>Excess</b></p> <p>You must pay the specified excess as shown in your schedule.</p>
Sports equipment extension	<p>If we have agreed to extend cover and have shown it in your schedule, we will cover:</p> <ul style="list-style-type: none"> <li>✓ sports equipment for waterskiing, fishing, diving or other water sports</li> </ul> <p><b>We will not cover:</b></p> <ul style="list-style-type: none"> <li>× any claims for sports equipment for waterskiing, fishing, diving or other water sports whilst in use.</li> </ul> <p><b>How much we will pay:</b></p> <p>The maximum amount we will pay is \$500 any one item and \$5,000 in total for all claims made during the period of insurance.</p> <p><b>Excess</b></p> <p>You must pay the specified excess as shown in your schedule.</p>

## Legal liability cover

Insured Event	Description
Operating your own boat	<p><b>We will cover:</b></p> <p>you and any other person allowed by you to control your boat against legal liability for:</p> <ul style="list-style-type: none"> <li>✓ accidental death or bodily injury to a person other than you;</li> <li>✓ accidental death or bodily injury to you when another person is allowed by you to control your boat;</li> <li>✓ accidental damage to other people's property caused by the use of your boat.</li> </ul>
Operating a substitute boat	<p><b>We will cover:</b></p> <p>you and any other person allowed by you to control your boat against legal liability for:</p> <ul style="list-style-type: none"> <li>✓ accidental death or bodily injury to a person other than you;</li> <li>✓ accidental damage to other people's property;</li> </ul> <p>caused by the use of the substitute boat provided that:</p> <ul style="list-style-type: none"> <li>• you have permission from its owner,</li> <li>• your boat is not being used at the same time,</li> <li>• you or any member of your family do not own or have an interest in the substitute boat.</li> </ul> <p>If you are entitled to this cover under any other policy, we will only be liable under this section for the amount your liability exceeds the limits of cover under any other policy.</p>
Sudden and accidental discharge, release or escape of fuel or lubricants	<p><b>We will cover:</b></p> <p>you and any other person allowed by you to control your boat (within the requirements of law) against legal liability for:</p> <ul style="list-style-type: none"> <li>✓ Actual physical damage to property caused by sudden and accidental discharge, emission, spillage or leakage upon or into waters or land of oil, petroleum products, effluent or sewage from your boat provided the discharge, emission, spillage or leakage does not arise from the wilful negligence or wilful misconduct of any person allowed by you to control the boat.</li> </ul>

Insured Event	Description
Berthholders liability	<b>We will cover:</b> you for any legal liability imposed upon you by the terms and conditions of a lease or agreement for the provision of a berth or mooring or storage facility for your boat

### How much we will pay

We will pay the costs of:

- compensation, and
- legal fees and expenses

that you are liable for.

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

### Limit of what we will pay

The maximum we will pay is the amount shown in your schedule in total for all claims that arise from one accident, except:

- Sudden and accidental discharge, release or escape of fuel or lubricants where we will pay no more than \$500,000 for any one accident or series of accidents caused by the one event including legal expense for this cover.

The maximum amount includes all legal fees and expenses.

## When you are not insured

### You are not insured for

Theft or damage to your boat	For example, but not limited to;
Loss of or damage to moorings	Damage to your mooring due to a storm
Loss of or damage to money, credit cards, spectacles, sunglasses, watches, jewellery, cameras, mobile phones, pagers, consumable stores, compact discs, audio or video tapes	Loss of your sunglasses overboard whilst onboard your boat
Loss of or damage to your dinghy or tender used with your boat capable of a speed exceeding 20 knots unless we specifically agree to cover you for such items	Damage caused to your tender and you have not notified us that you require cover for it
Loss of or damage to sporting equipment for water skiing, fishing, diving or any other water sports unless we specifically agree to cover you for such items.  Please note that cover is not given for these items whilst in use regardless of whether the optional extension in cover is taken	Damage caused to scuba diving gear and you have not purchased the additional sports equipment extension
Loss of outboard motor(s) when secured to the boat in a manner other than that specified or recommended by the manufacturer	Loss of outboard motor overboard
Theft by persons to whom you have loaned your boat	When your boat is stolen by a friend or prospective buyer after you have given them permission to use it
Loss or damage intentionally caused by you or a person acting with your express or implied consent unless required by law	Having a secret agreement with another person to steal your boat or trailer
Depreciation	Loss of boat value due to repairs required
Loss or damage caused by normal wear and tear	Wear and tear of your boat or trailer resulting from ageing or loss of value through ordinary use

Theft or damage to your boat	For example, but not limited to;
Loss or damage to your PWC whilst in control of a person under 25 years of age	Your PWC is being used by a third party under the age of 25
Loss or damage caused by timber rot, delamination, osmosis, deterioration, vermin or marine growth	Partial sinking of your boat due to timber rot
Loss or damage caused by rusting or other forms of corrosion or electrolysis	Sinking due to rusted hull plates
Loss or damage caused by lack of maintenance	Motor ceases due to lack of maintenance
Costs of repairing or replacing an item that failed due to mechanical, structural, electrical or electronic failures	Motor ceases due to lack of servicing or inadequate maintenance
The cost of repairing or replacing any part of the boat defective caused by fault or error in design or construction or faulty workmanship	Fault in your boat due to the poor design or construction of your boat
Financial or mental loss which occurs because you can not use your boat	Financial loss caused by your inability to use your boat
Accidental loss or damage to fishing gear, diving equipment, tools and/or water ski equipment while in use	Your fishing rod is damaged whilst fishing off your boat
Damage to sails and protective covers caused by the force of wind unless there has also been damage caused to the masts, spars or the boat	Your sails blow out whilst cruising due to heavy winds
Damage to sails, masts, spars, standing and running rigging while your boat is racing unless you pay an additional premium and we agree to provide optional yacht racing risk extension or yacht club social racing risk extension	Masts are damaged whilst racing and you have not purchased the additional yacht racing risk extension or the social yacht racing risk extension
Any claim arising directly or indirectly from pollution or contamination by any substance	Damage caused to your boat due to an oil spill
Any fine or penalty	Fine for exceeding the speed limit issued by the Maritime Authority

Legal liability	For example, but not limited to;
Bodily injury to, or the illness or death to another person who is covered (or should have been covered) by any compulsory compensation insurance	Where statutory workers compensation insurance, or any statutory CTP insurance applies
Bodily injury or death to another person or property damage as a result of a person under 25 years of age in control of your PWC	PWC in control of a 24 year old who has collided with another boat
Loss or damage to any property owned by you or in your custody or control or the property of any other person insured by this policy	Damage to your vehicle whilst launching your boat
Bodily injury or death caused by the activity of scuba diving	One of your passengers is injured whilst scuba diving
Bodily injury or death or property damage intentionally caused by a person insured on this policy	You intentionally injure a person whilst water skiing
Loss or damage to third party property arising from the trailer being towed by or breaking away from or accidentally becoming detached from the towing vehicle	A third party vehicle is damaged by your trailer after breaking away from your vehicle
The towing of persons or objects in the air including parasailing	Injury caused to a person whilst parasailing
Any tradesperson or company engaged by you for the repair, service or maintenance of your boat	Injury to a tradesperson whilst servicing your boat
Actions that are brought against you in a court or tribunal court outside Australia or a court or tribunal court that applies laws other than the law of a state or territory of Australia	A third party issues court proceedings in New Zealand for injury whilst onboard your boat within coastal waters of Australia
Any claims arising from a fine and/or penalty	You intentionally cause damage to another boat following a collision where a fine was issued
Any claims arising from aggravated, exemplary or punitive damages	Punitive damages awarded against you

Pollution liability	For example, but not limited to;
Any claim arising from death, bodily injury or illness	A passenger suffers a respiratory illness after a pollution incident on your boat
Any claim arising from contractual or assumed liability	You accept terms from a marina owner for the berthing of your boat and you accept all liability arising from pollution
Any claims arising from loss of use or consequential loss	Third party boat unable to operate due to a pollution incident
Any claim arising from fuel or lubricants not used in connection with the operation of your boat at the time of the loss	Transporting fuel for commercial purposes
Any claim arising from the breach of any Federal, State or Local legislation regulating or controlling the discharge, spillage, emission or leakage of oil or any other substance into navigable waters or elsewhere or removal of or liability for discharge, spillage, emission or leakage	Carrying illegal quantities of fuel onboard your boat leading to a pollution incident
Any claim arising directly or indirectly from pollution or contamination by any substance except as otherwise specifically covered elsewhere in this policy	Gradual leakage of pollutants from your boat

### The following exclusions apply to all sections of this policy

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

General exclusions	For example, but not limited to;
Your boat is outside the cruising limits described in the schedule	Cruising coastal waters of New Zealand
Your boat was being operated: <ul style="list-style-type: none"> <li>at a speed greater than 60 knots, and/or</li> <li>with a motor more powerful than recommended by the hull manufacturer for the hull specifications, and/or</li> </ul>	Your boat is being operated with a 150 horsepower outboard motor when the manufacturer recommends a 110 horsepower motor

General exclusions	For example, but not limited to;
Your boat was being operated: (continued) <ul style="list-style-type: none"> <li>with more than the maximum number of passengers or load recommended by the hull manufacturer.</li> </ul>	
Your boat was in control of you or any person (with your express or implied consent): <ul style="list-style-type: none"> <li>while under the influence of alcohol or of any drugs in your/their breath or blood in excess of the percentage permitted by law;</li> <li>where you or they refused to provide or allow the taking of a sample of breath, blood or urine for testing analysis as required by the law of any State or Territory;</li> </ul> <p>in the place where the loss, damage or liability occurred.</p> <p>However, we will cover you if you were not on board the boat at the time and can clearly demonstrate that you had no reason to suspect that the person in control would be under the influence of alcohol and any drug or had a percentage of alcohol or drugs in excess of legal limits</p>	You knowingly allow someone under the influence of alcohol to control your boat
Your boat was under control of a person not licensed under the applicable law, but we will cover you if the person: <ul style="list-style-type: none"> <li>was not named as one of the insured in the schedule, and</li> <li>you can clearly demonstrate you had no reason to suspect that person was unlicensed</li> </ul>	You knowingly allow someone to control your boat who is unlicensed
Your boat was being used in racing, speed tests or trials, unless you pay an additional premium and we agree to provide the optional yacht racing risk extension or yacht club social racing risk extension	You use your boat in a power boat race

General exclusions	For example, but not limited to;
Your boat was being used for an unlawful purpose	You transport illegal substances in your boat
Your boat was being used for hire or charter, or for payment or reward at the time of the accident or loss unless we agree to cover this use and specify it in your schedule	You charter out your boat for payment
Your boat was being towed on a trailer and the driver with your express or complied consent was not licensed to drive a vehicle in accordance with the law. However, we will cover you if you were not in the vehicle at the time and can clearly demonstrate that you had no reason to suspect the driver was unlicensed	You knowingly allow an unlicensed driver to tow your boat
Your boat is being transported on a trailer unless your boat is designed and built for that purpose	Towing your boat when it is not designed for that purpose
Your boat is being loaded or unloaded or transported by a commercial carrier unless you tell us beforehand in writing, and we agree in writing to cover you for this	You arrange for your boat to be transferred interstate by a commercial carrier without our knowledge
Your boat is being used for permanent living accommodation	You live on your boat permanently
Any claim arising from waterskiing and/or aquaplaners unless this policy is extended to include the Water skiers and/or aquaplaners extension	A third party is injured whilst water skiing with your boat and this extension is not noted on your policy
You do not keep the boat in good order and repair, or in a proper state of seaworthiness, this includes the mooring for your boat or any boat covered by this policy not being: <ul style="list-style-type: none"> <li>of a suitable design and weighting for the boat;</li> <li>appropriately sited; and</li> <li>in good order and regularly maintained on an annual basis</li> </ul>	You do not adequately maintain your boat to a seaworthy standard including your mooring in accordance with Maritime regulations

General exclusions	For example, but not limited to;
Furthermore, we will not cover you for any claims where statutory requirements exist in your state of residence relating to the suitability of the mooring, and you are not compliant with these regulations	
Your boat is undergoing major hull repair or alteration (e.g. extending the length of the boat, major refurbishment of deck, cabin and hull or replacing inboard engines) unless you tell us beforehand in writing, and we agree in writing to cover you	You arrange for your boat to be extended by 3 metres and do not tell us
In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from: <ul style="list-style-type: none"> <li>ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from;</li> <li>the combustion of nuclear fuel the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;</li> <li>any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;</li> <li>the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;</li> <li>any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos;</li> </ul>	You are carrying a radioactive substance on your boat

General exclusions	For example, but not limited to;
<ul style="list-style-type: none"> <li>any chemical, biological, bio-chemical, or electromagnetic weapon.</li> </ul> <p>This policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above exclusions.</p>	

## Making a claim

What you or an insured person must do	
✓	Promptly take all reasonable steps to prevent any further loss or damage to your boat including electrical equipment and components which have been submerged, and in the case of a motor, the flushing out and oiling of the motor and drying out of its and all other electrical equipment and components.
✓	Inform the Police immediately following malicious damage, theft or attempted theft of your boat.
✓	<p>At the scene of the accident take full details of all persons in control of the boat(s) involved in the incident including details of their boats (if any), and witness(es) to the incident. This information will be required to process your claim.</p> <p>Please also make a note of:</p> <ul style="list-style-type: none"> <li>Date and time of the accident;</li> <li>Weather conditions at the time;</li> <li>Location of the incident; and</li> <li>If appropriate, sketch map of what actually happened including the direction of travel of the boats involved and details of any obstacles.</li> </ul>

What you or an insured person must do	
✓	<p>When collecting details of those in control of navigating the other boat(s) involved in the incident, please let us know:</p> <ul style="list-style-type: none"> <li>the name of the person navigating the other boat (name of the other skipper);</li> <li>his/her address and telephone number;</li> <li>make of the other parties boat;</li> <li>registration number of the third party boat;</li> <li>name of owner of the other boat;</li> <li>owner's address and telephone number; and</li> <li>owner's insurance company.</li> </ul>
✓	<p>When collecting details of any witness(es), please let us know:</p> <ul style="list-style-type: none"> <li>name of the witness(es); and</li> <li>address and daytime phone number(s) of the witness(es).</li> </ul>
✓	Immediately call our claims number on 133 723 and tell us what happened. We'll explain the claims process so you understand what you need to do next. If you delay reporting the incident, you may have to contribute towards your claim if your late notification results in a higher cost for us.
✓	Complete a form, if we require it.
✓	Return the completed form promptly together with all letters, documents, valuations, receipts or proof of ownership that you have been asked to provide, otherwise we can not process your claim.
✓	<p>Where required, we may need you to:</p> <ul style="list-style-type: none"> <li>provide written statements under oath;</li> <li>be interviewed about the circumstances of the claim;</li> <li>allow us or an assessor or a marine surveyor to inspect (if we wish) and take possession of your boat; and</li> <li>provide us with copies of every communication received in relation to the incident including from a person who is making a claim.</li> </ul>
✓	<p>To enable us to pay anything under this policy, we need:</p> <ul style="list-style-type: none"> <li>you or an insured person to provide the information we request and continue to provide reasonable assistance throughout the claim or any proceedings; and</li> <li>you to promptly provide us with all notices or communications that are received concerning a claim by another person or concerning any prosecution, inquest or other official inquiry arising from the incident.</li> </ul>

### Our approval needed for repairs

Except for essential temporary repairs under the Insured Events section of this policy, you are not authorised to have your boat repaired without our approval.

What you or an insured person must NOT do	
X	Admit guilt or fault (except in court or to the Police)
X	Offer or negotiate to pay a claim
X	Admit any liability
X	Attempt to settle or defend a claim made against you by a third party
X	Dispose of any damaged items without first seeking our approval
X	Fail to comply with the Duty of Disclosure (see page 34)
X	<p>in the application or when making a claim, you:</p> <ul style="list-style-type: none"> <li>are not truthful;</li> <li>have not given us or refuse to give full and complete details; or</li> <li>have not told us something when you should have</li> </ul>
X	<p>You do not at all times take reasonable care to:</p> <ul style="list-style-type: none"> <li>prevent theft of the boat, outboard motor(s) or the equipment or accessories;</li> <li>protect your boat against the initial or further loss or damage;</li> <li>keep your boat in good condition;</li> <li>prevent death, bodily injury or illness to other people, or loss or damage to their property; and</li> <li>obey the statutory requirements that safeguard people and their property</li> </ul>
X	You do not give us the documents and information we may need to help us decide on any amount that we pay you
X	<p>You do any of the following without our knowledge and consent:</p> <ul style="list-style-type: none"> <li>make or accept an offer or payment, or in any other way admit you are liable;</li> <li>settle or attempt to settle any claim; or</li> <li>defend a claim</li> </ul>
X	<p>You do not as soon as possible make a report to the Police about:</p> <ul style="list-style-type: none"> <li>any injury; or</li> <li>any malicious damage to your boat; or</li> <li>any theft or attempted theft of your boat.</li> </ul> <p>You must give us a written statement from the Police saying that you reported such an event to them.</p>

### Important Note:

Please note that we will only pay once for loss or damage from the same event covered by this policy even if it is covered by more than once section of this policy.

### Where more than one person is insured

If more than one person is insured under the policy, we will treat a statement, act, omission or a claim by an insured person as having been made by all of them.

### False or misleading information

It is important that the information you provide us is both accurate and true. We may deny part or all of your claim if you are not truthful and frank in any statement you or an insured person makes in connection with a claim, or if the claim is fraudulent or false in any respect.

### How a claim affects your sum insured

If we pay a claim:

- on a total loss basis, your policy with us ends (see “How your policy may be cancelled” on page 40);
- for the cost of repairs to your boat, your sum insured remains the same as it was before the claim, provided:
  - you give us details of the replacement item(s) within 14 days of buying them, and
  - you pay us any additional premium and government charges we may ask for.

**For example,** if your sum insured is \$20,000 and we pay a claim for \$3,000, your sum insured remains at \$20,000.

### Important note:

Following a claim on a specified item, you should make sure that the replacement item is added to your schedule.

### If you purchase a new boat

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

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

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

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

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

### If you sell or give away your boat

If you sell or otherwise give away your boat or part ownership in a boat and do not tell us the cover under this policy ceases immediately without any notice to you from the time of sale or otherwise give away your boat.

When you tell us that you no longer own the boat, we will refund to you what is left of the premium you paid by deducting an amount which covers the period for which you have been insured with us.

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

### How claims administration and legal proceedings are undertaken

When a claim is lodged under this QBE policy, we have the right at our discretion to exercise all the legal rights of an insured person relating to the incident and to do so in their name.

We will take full control of the administration, conduct or settlement of the claim including any recovery or defence that we may consider necessary.

We will also report any suspected fraudulent act to the Police for further investigation.

## Repair information

### Choice of repairer

We have the right to nominate a repairer or supplier to be used.

### Contribution

Where the incident insured by this policy is also insured elsewhere and we have paid more than our reasonable share of your claim, we may exercise our right to seek contribution from the other insurer or insurers.

### Salvage value

We are entitled to any salvage value on recovered items and damaged items that have been replaced.

## The amount you pay towards a claim

An excess is the amount which you may have to pay each time you make a claim. Each excess is printed on the schedule. If following an incident more than one excess applies, you will have to pay the total of all the excesses that apply to you. If we determine your

claim comprises of more than one incident, you will have to pay the applicable excesses for each incident.

### You may have to pay:

A standard excess	This is the first amount you have to pay, all boats carry a standard excess.
A racing excess	This is an excess that is applied if you have chosen either the optional yacht racing risk extension and/or the optional yacht club social racing risk extension. If this excess is payable, it will be shown on your schedule.
An imposed excess	This is an excess we may require under your policy. We would not have accepted you or your boat for insurance without this excess.  If an imposed excess has been applied it will be shown on the schedule.
A personal effects excess	If you have made a claim for loss or damage to your personal effects, the excess payable shall be \$100 for each and every claim.
A theft excess	We may decide to apply a separate excess for claims relating to theft. If a theft excess is shown on your schedule, this will be the amount payable in the event of a theft claim.
A voluntary excess	This is an excess that you have elected to have to reduce your premium.

You will not have to pay any excess if any of the following apply:

- for total/constructive total loss of your boat;
- arising out of the death or bodily injury under the Personal accident cover (see page 11) or the Legal liability cover section (see page 19); or
- for land towing costs or boat inspection costs (see page 10).

## No claim bonus discount

Your QBE No claim bonus is a premium discount awarded for not making at fault claims. A No claim bonus discount increases each year that you remain claim free until you reach our maximum discount. Based on the claims lodged during the period of insurance, your policy's No claim bonus will be adjusted when you renew your policy and this can either:

- increase (up to our maximum no claim bonus)
- decrease, or
- remain the same.

## Important Information

### Your duty of disclosure

#### New Business

##### What you must tell us

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

##### Who needs to tell us

It is important that you understand you are answering our questions in this way for yourself and anyone else who is an insured under this insurance.

##### If you do not tell us

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel your insurance. If you answer our questions fraudulently, we may refuse to pay a claim and treat the insurance as never having worked.

#### Renewals, variations, extensions and reinstatements

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

##### You do not have to tell us about any matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or should know or, in the ordinary course of our business, we ought to know;
- as to which compliance with your duty is waived by us.

#### Non-disclosure

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the insurance in respect of a claim or may cancel the insurance.

If your non-disclosure is fraudulent, we may also have the option of avoiding the insurance from its beginning.

#### You need to disclose all previous claims

You are asked at the time you take out this insurance to give us full and correct details concerning any:

- renewal or insurance policy declined, cancelled, refused, or where any excess was imposed;
- claim refused by an insurer;
- claim made;
- criminal conviction or found guilty of an offence.

Any of these situations may affect the premium and extent of insurance cover provided. Providing this information may result in:

- an additional premium;
- the imposition of back-dated restrictions including declining your insurance back to when this information should have been provided;
- a particular navigator being declined insurance cover;
- a claim being refused.

When renewing your QBE policy with us you must also advise us of any changes to the claims, insurance or criminal history of all drivers. We will notify you in writing of the effect such changes may have on your renewal.

#### Changes to the information you have given us

It is important to advise us of any change to the information you have given us, otherwise your QBE Insurance may be affected. Changes would include:

- a change to the ownership of your boat;
- a change of address;
- a change to the boat you wish to be insured by this policy;
- a modification to your boat;
- a change in the use of your boat; and/or
- the inclusion or change of your equipment and accessories.

Each one must be advised to us for our acceptance, which we will confirm by issuing an alteration advice.

Please note that we may require you to pay an additional premium as a result of any of these changes.

#### If you move and do not tell us

You must notify us when you change your place of residence. This insurance and the premium payable is based on the address you have provided at which your boat is garaged or stored. You may have to pay an additional premium or be entitled to a refund as a result of a change of address.

## Overdue premium

Paying your premium on time is important because it affects your insurance. If you have not paid by the due date or your payment is dishonoured we may cancel the policy, providing you with written notice.

## Instalment payments

### Paying your instalment premium

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

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

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

Details of your instalments are shown on your schedule.

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

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

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

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

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

## The General Insurance Code of Practice

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

- promote more informed relations between insurers and their customers
- improve consumer confidence in the general insurance industry
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers, and

- commit insurers and the professionals they rely upon to higher standards of customer service.

## How GST affects any payments we make

The premium payable for this policy is subject to GST. When we pay a claim, your GST status will determine the amount we pay.

When you are:

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

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

You must advise us of your correct Australian Business Number and Taxable Percentage. Your Taxable Percentage is your entitlement to an Input Tax Credit on your premium as a percentage of the total GST on that premium.

If you don't tell us your correct GST status, any GST liability is your responsibility.

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

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

If, after we have assessed your claim, you are required to enter into a contract with a third party to replace or reinstate lost or damaged items that we have agreed to pay under this policy, you will enter into that agreement with the third party as our agent unless advised otherwise.

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

## Our Privacy Promise

The Privacy Act 1988 (Cth) regulates the way private sector organisations, such as QBE, collect, use, protect and disclose personal information. We are committed to safeguarding your privacy and the confidentiality of your personal information. We will only collect personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any claims made by you.

Without this personal information we may not be able to issue insurance cover, administer your insurance or process your claim. We, or our authorised agent, may disclose your personal information:

- a mail house, records management company or technology service provider (for printing and/or delivery of mail, including secure storage and management of our records);
- to a financier whose name appears on your policy (for the purpose of confirming the currency of your policy or when you have a claim and the insured property is a total loss, to confirm if the financier has a current interest);
- an organisation that provides you with banking facilities (for the purpose of arranging direct debit or other payment transaction or confirming payments made by you to us);
- to any person authorised by you;
- a financial services provider or our agent who is arranging your insurance (for the purpose of confirming your personal and insurance details);
- another person named as a co-insured on your policy (for the purpose of confirming if full disclosure has been made to us);
- another insurer (to obtain confirmation of your no claim bonus or to assess insurance risks or to assist with an investigation) or to another insurer or reinsurer that may be located overseas (for the purpose of seeking recovery from them);
- a dispute resolution organisation such as the Financial Ombudsman Service (for the purpose of resolving disputes between QBE and you or between QBE and a third party);
- a related company that may provide computer hosting and support services that may be located overseas;
- a company to conduct surveys on our behalf for the purpose of improved customer services; and
- an insurance reference bureau (to record any claims you may make upon us).

In addition to the above, in the event of a claim we or our authorised agent may disclose your personal information:

- to a repairer or supplier (for the purpose of repairing or replacing your insured items)
- to an assessor or investigator (for the purpose of assessing your claim)
- to a lawyer or a recovery agent (for the purpose of defending an action by a third party against you or for recovering our costs including your excess or seeking a legal opinion regarding the acceptance of a claim)
- to an insurance reference bureau (for the purpose of recording any claims you make on your policy)
- to a witness to a claim (for the purpose of obtaining a witness statement)
- to another party in a claim (for the purpose of obtaining a statement from them or seeking recovery from them or to defend an action by a third party).

Personal information may also be obtained about you from the above people or organisations.

In addition we will:

- give you an opportunity to obtain access to your personal information and when necessary, correct any errors to this information. Generally we will do this without restriction or charge;
- provide our dispute resolution procedures to you in respect of any complaint you may have regarding your personal information.

For further information about our Privacy policy or to access or correct your personal information, please contact the Compliance Manager QBE Insurance (Australia) Limited, GPO Box 82, Sydney NSW 2001 or email [compliance.manager@qbe.com](mailto:compliance.manager@qbe.com).

## Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention. We have a Complaints and Dispute Resolution Process which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist. If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the Financial Ombudsman Service (FOS), an ASIC approved external dispute resolution body.

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

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

### 21 day cooling off period

If you want to return your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this we must receive your request either in writing or via email (enquiries@qbe.com) within 21 days of its commencement.

This cooling off right does not apply if you have made or are entitled to make a claim. Even after the cooling off period ends, you still have cancellation rights. However we may deduct certain amounts from any refund (for more information, please see refer to page 41 'How your policy may be cancelled- Refund of premium').

### Financial Claims Scheme

This policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information may be obtained from APRA - [www.apra.gov.au](http://www.apra.gov.au) or 1300 13 10 60.

### How your policy may be cancelled

#### Cancellation by you

You may cancel this policy at any time by giving us notice in writing.

#### Cancellation by us during the period of insurance

We may cancel this policy on any of the grounds set out in the Insurance Contracts Act 1984 and we will always put this in writing to you.

#### When your boat is a total loss

Where we have paid a claim on a total loss basis your policy with us is deemed to have been fulfilled and:

- there is no refund of any premium, or
- if you have been paying your premium by instalments we will deduct any unpaid instalment amount up to your policy renewal date from the total sum insured, and
- this insurance ceases.

#### Cancellation by us on expiry of this policy

We may cancel this policy at the end of the period of insurance. If this is about to happen we will tell you in writing within the terms set out in the Insurance Contracts Act 1984.

#### Refund of premium

On cancellation, a refund of the premium will be calculated equal to the unexpired period of this policy less an administration fee and any non-refundable government charges.

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