



# **Boat Insurance**

## Product Disclosure Statement

Discover more:  
[raa.com.au/insurance](http://raa.com.au/insurance)

**RAA**

# Your duty of disclosure and important things you should know

## **Your responsibility**

You are responsible for providing us with correct information. Please check any Certificate of Insurance we send to you to make sure the information you have given us is correct.

## **Information you are required to give us**

When you buy, renew, vary your insurance or make a claim with us, we will ask you specific questions. This information helps us to decide whether to insure you, how much your premium is and whether we need to apply any special conditions to your insurance cover.

## **More than one named insured**

If more than one person is named as the insured on the Certificate of Insurance, each person is a joint policy holder and is able to make any changes to the policy other than remove another insured.

## **Who must tell us and why**

You must answer our questions about you, your boat and everyone who is insured under this insurance cover with honest and complete answers. If more than one person is named as the insured on the Certificate of Insurance, we will treat any statement, act, omission or claim made by any one of those people as a statement, act, omission or claim by all those persons.

## **Your duty of disclosure**

Prior to entering into an insurance contract with RAA you have a duty of disclosure. This duty of disclosure requires that when we ask questions that are relevant to our decision to insure you and on what terms, you must tell us anything that you know, and that a reasonable person in the circumstances would include in answering the questions. You have this duty until we agree to insure you.

## **If you (or they) do not tell us something**

If you do not tell us anything that you are required to tell us, we may cancel your contract or reduce the amount we will pay you

if you make a claim, or both. If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

### **You are responsible for keeping your details up to date**

You must tell us immediately if there has been a change to any of the following:

- accessories or tools
- the boat's usual location
- ownership

and if there have been any alterations, conversions or modifications to the boat.

### **Some events are not covered**

There are certain events and situations which are not covered. To ensure you fully understand your cover you should read this Product Disclosure Statement (PDS) carefully including the section 'General exclusions' on pages 5-10.

### **21 day money back guarantee**

Should you not be happy with the cover you have chosen, we offer you a cooling-off period of 21 days. This means you can cancel your insurance policy within the first 21 days of the policy by notifying us in writing and requesting cancellation. If you have not made a claim within this time, we will give you a full refund of any premium you have paid.

### **When this cover applies**

For this Insurance Cover to be valid you must pay or agree to pay the premium and observe the conditions set out in this PDS. This cover applies only for the period shown on your Certificate of Insurance.

### **Proof of ownership**

Keep your PDS and Certificate of Insurance together along with any proof of ownership and value in a safe place so that you can refer to them at any time.

### **If you don't understand**

Please contact us on 8202 4567 and thank you for trusting RAA with your boat insurance needs.



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## Boat Insurance

If Boat Insurance is shown on your Certificate of Insurance, we will cover you for:

**Loss or damage to your boat** Australia wide and up to 200 nautical miles off the coastline of Australia caused by or arising from:

- accidental loss or damage to your boat
- fire
- flood
- hail
- malicious damage
- perils of the sea
- storm
- theft or attempted theft.

**Legal liability** Australia wide and up to 200 nautical miles off the coastline of Australia for loss or damage to other people's property and bodily injury or death of another person caused by or arising out of the use of your boat. See 'Legal liability cover' on page 4 for details.

## Additional benefits

If Boat Insurance is shown on your Certificate of Insurance, we will cover you for:

**Contents** – up to \$1,000 for theft of contents from within your boat, following violent and forcible entry to your boat or accidental damage to such contents, if the boat itself is damaged as a result of an incident.

**Death of the driver or operator** – \$4,000 to the estate of the deceased if the driver or operator of your boat is 18 years old or over and is accidentally killed as a result of a boating accident involving your boat (private use only).

**Emergency repairs** – up to \$750 if you need to have emergency repairs done to your boat so you can get it to your destination, the nearest repairer or place of safety after an insured event. See 'Emergency repairs' on page 13 for details.

**14 day change of boat** – a replacement boat, once you have disposed of your boat, for up to 14 days. Cover on the replaced boat ceases from the date of purchase of the replacement boat.

**Inspection of hull after running aground** – the cost of inspection of the hull of your boat after running aground, even if no damage is found.

**Legal costs** – all legal costs and expenses incurred with our prior agreement in defending any civil court proceedings arising from an insured event.

**New boat replacement** – a brand new boat if your boat is a total loss within the first 2 years of the starting date of the original registration. See 'New boat replacement' on page 15 for details.

**No fault excess** – a no fault excess if in our opinion you were not at fault and you can supply the details of the responsible operator/driver. See 'No fault excess' on page 21 for details.

**Rescue expenses** – up to \$5,000 for each rescue, charged by a maritime rescue organisation, which searches for your boat after it is reported missing and while you are on it. This applies even if no other loss or damage occurs. We will pay these costs in addition to a total loss settlement.

**Salvage** – the cost of salvage and removal of the wreck of your boat following an insured event.

**Towing and storage** – the cost, in the event of an accident, of removal and storage of your damaged boat to the nearest repairer or place of safety and to any other place approved by us.

## Optional covers

You may request the following optional covers. An additional premium is required for them to be included in your insurance cover.

### **Racing risk (yachts and sailing boats only)**

If 'Racing risk' is shown on your Certificate of Insurance we will cover you for loss or damage if you are racing under sail or travelling to or from a race on water.

We will cover you for loss or damage:

- to your sails, masts, spars, standing and running rigging
- to other people's property, bodily injury or death caused by or arising out of the use of your boat. See 'Legal liability cover' on page 4 for details.

But we will not cover you for loss, damage or liability if your boat is involved in:

- racing more than 20 nautical miles off the coastline of Australia
- a race covering a total distance of 100 or more nautical miles.

**The maximum that we will cover you for 'Racing risk' (excluding legal liability claims) is up to the sum insured shown on your Certificate of Insurance.**

### **Waterskier's liability**

If 'Waterskier's liability' is shown on your Certificate of Insurance, we will cover you for the amount which:

- you or any person you authorise to drive or operate your boat
- any waterskier using only waterski equipment and/or barefoot waterskiing, being towed by your boat shown on your Certificate of Insurance
- any person in your boat acting as an observer when your boat is being used for waterskiing,

may be held liable to pay for loss or damage to other people's property or bodily injury or death of another person as a result of an accident caused by or arising out of the use of your boat.

But we will not cover you for legal liability resulting from:

- any airborne activity such as hang gliding or paragliding
- any aerial device such as a ski ramp
- towing people in the air
- towing objects in the air.

**The maximum that we will cover you for 'Waterskier's liability' claims arising from any one event is \$20,000,000 in total including all associated legal costs that we have approved.**

## Legal liability cover

### Loss or damage to other people's property

We will cover you for the amount which you may be held legally liable to pay for loss or damage to other people's property, bodily injury or death of another person caused by or arising out of the use of your boat.

But we will not cover you for:

- loss or damage to property owned by you or any person ordinarily residing with you
- claims by you for your bodily injury or death
- claims arising out of waterskiing unless the 'Waterskier's liability' option has been taken and is shown on your Certificate of Insurance
- claims arising out of:
  - scuba diving
  - any airborne activity such as hang gliding or paragliding
  - any aerial device such as a ski ramp
  - towing people in the air
  - towing objects in the air
  - towing a waterskier unless 'Waterskier's liability' is shown as covered on your Certificate of Insurance.

### Liability of others

We will cover you for the amount which:

- any person driving, using or in charge of your boat with your permission
- any passenger in, or getting in or out of your boat
- your employer, principal or business partner,

may be held legally liable to pay for loss or damage to other people's property or bodily injury or death of another person as a result of an accident caused by or arising out of the use of your boat.

But we will not cover you for:

- loss or damage to property owned by these persons
- any amounts that these persons are entitled to claim or receive under any other insurance cover or statute
- claims by you for your bodily injury or death.

**The maximum that we will cover you for all legal liability claims arising from any one event is \$20,000,000 in total including all associated legal costs that we have approved.**

## General exclusions

### Alcohol and/or drugs

We will not cover you for loss, damage or liability whilst at the time of the incident your boat is being operated by any person:

- who is under the influence of any drug or intoxicating liquor
- whose blood alcohol percentage or breath analysis exceeds the concentration prescribed by law in the state or territory where the accident occurred
- who refuses to submit to an alcohol test, breath or blood analysis.

### Asbestos

We will not cover you for loss, damage or liability or personal injury arising directly or indirectly, out of or caused by, through or in connection with the inhalation of (including the fear of inhalation of, or exposure to) asbestos, asbestos fibres or derivative of asbestos.

### Breakdown

We will not cover you for loss, damage or liability for:

- mechanical breakdown (e.g. engine seizure)
- structural breakdown and/or failure (e.g. cracked chassis)
- electrical, electronic or computer module breakdown and/or failure (e.g. unexplained ECU failure)
- foreign substance and/or water in fuel (e.g. damage to fuel injectors, pump, pipes and components).

### Care

We will not cover you for loss, damage or liability:

- if the insured boat is not kept in good condition and reasonable care is not taken to protect or safeguard it from loss or damage
- which occurred because you did not secure your boat after it broke down, suffered accidental damage or was stolen and found.

### Consequential loss

We will not cover you for loss, damage or liability for consequential loss of any kind.

### Contents

We will not cover you for the theft of contents from your boat unless there has been violent and forcible entry into the boat and the theft has been reported to the police.

**Dangerous goods**

We will not cover you for loss, damage or liability caused by the discharge or escape of contaminants, pollutants or other dangerous goods from your boat unless they are substances you are legally allowed to carry.

**Defects**

We will not cover you for loss, damage or liability caused by, or as a result of:

- an inherent defect
- a defective or faulty part
- defective or faulty workmanship
- defective or faulty design or
- defective or faulty manufacture or construction.

**Deliberate act**

We will not cover you for loss, damage or liability deliberately or intentionally caused by you or a person acting with your express or implied consent.

**Depreciation, wear and tear**

We will not cover you for loss, damage or liability for depreciation, wear and tear, rust, corrosion, osmosis, electrolysis or damage which has occurred over a period of time. This includes but is not limited to crazing, small scratches to paint, damage caused by pollution, water in fuel which has occurred over a number of incidents, bruising or denting of the hull during loading, land transit or mooring.

**Existing damage**

We will not cover you for the cost of repairing damage that existed before the incident occurred.

**Failure to advise of changes to your boat**

We will not cover you for loss, damage or liability if you fail to advise us of any alteration, conversion or modification from the maker's specifications of your boat that would be relevant to us in accepting the risk or continuing to insure your boat.

## **General exclusions** (continued)

### **Fare, hire or reward**

We will not cover you for loss, damage or liability if your boat is being used to transport passengers or goods for fare, hire or reward.

### **Following an incident**

We will not cover you for loss, damage or liability if following an incident, the operator or person in charge of your boat fails to report an incident to police as required by law or fails to remain at the scene of the incident long enough for interested parties to attend and/or to exchange relevant details.

### **High risk activity**

We will not cover you for loss, damage or liability resulting from:

- scuba diving
- any airborne activity such as hang gliding or paragliding
- any aerial device such as a ski ramp
- towing people in the air
- towing objects in the air
- towing a waterskier unless Waterskier's Liability is shown as covered on your Certificate of Insurance.

### **Illegal act**

We will not cover you for loss, damage or liability resulting from, contributed to or caused by a criminal or illegal act by you or by a person acting with your express or implied consent.

### **Lawful seizure**

We will not cover you for loss, damage or liability caused by or as a result of lawful seizure or other operation of law.

### **Loss of use**

We will not cover you for loss, damage or liability because you cannot use your boat.

### **Loss of value**

We will not cover you for loss, damage or liability for any loss of value or depreciation to your boat as a result of an accident, theft or repairs being performed.

**Marine rescue**

We will not cover you for loss, damage or liability as a result of:

- a paid employee of any voluntary sea rescue organisation who suffers death, injury, loss or damage to property while being an authorised operator or passenger on your boat and part of a voluntary sea search and rescue
- someone suffering death, injury or loss or damage to property while being rescued by a paid employee of any voluntary sea search and rescue who is using your boat or who is a passenger in your boat.

**Marine trade**

We will not cover you for loss, damage or liability if your boat is used in connection with the marine trade for experiments, tests, trials or demonstration.

**Non-standard accessories and modifications**

We will not cover you for loss, damage or liability for any non-standard tools, accessories and modifications, unless you have told us about them and we have specifically agreed to cover them and they are shown on your Certificate of Insurance.

**Outside the period of insurance**

We will not cover you for loss, damage or liability that occurs outside the period of insurance shown on your Certificate of Insurance.

**Overloading**

We will not cover you for loss, damage or liability if your boat is used to carry a greater number of passengers or to convey or tow a load in excess of that for which your boat was constructed or allowed by law.

But we will cover you if the loss or damage was not caused or contributed to by such greater number of passengers or load.

**Oversized motor**

We will not cover you for loss, damage or liability if your boat is fitted with a motor that has a horsepower rating greater than that recommended by the designer or manufacturer of your boat.

## **General exclusions** (continued)

### **Radioactive contamination**

We will not cover you for loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from:

- ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

### **Repairs performed without consent**

We will not cover you for loss, damage or liability for any repairs undertaken on your boat without our prior consent.

But we will cover you for emergency repairs. See 'Emergency repairs' on page 13 for details.

### **Sail damage**

We will not cover you for loss, damage or liability from wind or water to sails when they are attached to running rigging and had been hoisted or were in the process of being hoisted or dropped to the deck, unless 'Racing risk' option is shown as covered on your Certificate of Insurance.

### **Terrorism – pollution, contamination or explosion**

We will not cover you for loss, damage or liability in regards to acts of terrorism directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

- biological contamination, explosion or pollution
- chemical contamination, explosion or pollution
- nuclear contamination, explosion or pollution
- radioactive contamination, explosion or pollution.

### **Trailer**

We will not cover you for loss, damage or liability if your boat is being transported on a trailer which is not a boat trailer specifically designed for the transportation of your boat.

**Tyres**

We will not cover you for loss, damage or liability caused by the application of brakes or by road punctures, cuts or bursts to your tyres.

**Unlicensed driver or operator**

We will not cover you for loss, damage or liability if your boat is being operated by you or by any person with your consent who is not complying with conditions of their licence or not licensed to drive or operate such a boat under all relevant Australian laws, by-laws and regulations.

**Unsafe or unseaworthy**

We will not cover you for loss, damage or liability if your boat is used in an unsafe or unseaworthy condition and this caused or contributed to the loss.

But we will cover you where you could not have reasonably detected the lack of safety or unseaworthiness.

**War**

We will not cover you for loss, damage or liability caused by war, other acts of foreign enemy (whether war is declared or not) or revolution. We will also not cover riot, looting or civil commotion following these incidents.

**Water sport**

We will not cover you for loss, damage or liability if your boat is used for or being tested in preparation for any competition water sport unless the optional cover of 'Racing risk' is shown on your Certificate of Insurance.

**Wilful or reckless act**

We will not cover you for loss, damage or liability if your boat was being used in a manner that resulted in a deliberate exposure to exceptional danger, or any wilful or reckless act.

**Your faulty workmanship**

We will not cover you for loss, damage or liability caused as a result of your faulty workmanship, incorrect or improper or lack of maintenance.

## **Claims** - How to make a claim if your boat is damaged

### **How to make a claim if your boat has been damaged**

- Write down the details of all people involved in the incident, including the driver/operator and passengers of other boats or vehicles and witnesses. Ensure you have full names and addresses, registration numbers and insurance details.
- Notify the police of the incident.
- Call us as soon as possible on 8202 4575 and advise us of the claim.
- You must not say you are guilty or admit liability, negotiate, pay, authorise or settle a claim with anyone else.

### **Freedom of choice of repairer**

- RAA customers have the freedom to choose their own repairer.
- Once your boat is at the repairer and an estimate of the repair cost has been prepared, we will send a qualified assessor to determine the best repair method.
- If we authorise repairs with your chosen repairer, the repairer will begin work and keep you informed along the way.
- If for some reason your chosen repairer does not meet our standards for safety, quality, fairness, effectiveness and pricing standards, we will move your boat to another repairer or we will settle cash in lieu. See 'Damage and repairs – cash in lieu' on page 13 for details.
- You must not carry out or authorise repairs, except for 'Emergency repairs'. See page 13 for details.

### **Once repairs have been completed**

- If an excess has to be paid, generally it is easier to pay the repairer upon collection of your boat. See 'Excess' on page 20 for details.

## **Claims** – How to make a claim if your boat has been stolen

### **How to make a claim if your boat has been stolen**

- Notify the police of the theft immediately.
- Call us as soon as possible on 8202 4575 and advise us of the claim.
- If your boat is not recovered and we are satisfied with the details surrounding the theft, we will treat your boat as a total loss and settle your claim accordingly. See 'Total loss' on page 14 for details.
- Should your boat be recovered after we have settled your claim, the salvage remains the property of RAA.

## **Claims** – Common questions

### **Will your premium go up on renewal because you made a claim?**

Your premium will not be affected if you make a claim.

### **Will we cancel your policy if you make too many claims?**

We may decline to renew your insurance policy depending on the number and type of claims you make.

## **Claims** – How much do we pay?

### **Damage and repairs**

If we accept your claim it will be our choice whether we either:

- repair or pay you cash in lieu of repairing your boat to the condition it was in immediately before the incident, or
- replace it or pay you cash in lieu of replacing your boat with a boat of the same or similar age, make, model and condition that your boat was in immediately before the incident.

### **Emergency repairs**

We will cover you for up to \$750 if you need to have emergency repairs done to your boat so that you can get it to your destination or the nearest repairer after an insured incident.

You must have our consent before you have any other repairs done to your boat. We do not pay for these other repairs if you do not receive our prior consent. If you withdraw your claim or we refuse to accept it, you may have to pay any costs incurred for emergency repairs to your boat.

### **Contribution**

In addition to any applicable excess you may be required to contribute to the cost of repair of tyres, engines, accessories, paint work, body work, hull, batteries or interior trims affected by wear and tear, rust, corrosion or damage which has occurred prior to the loss. The amount you may be required to pay is dependent on the condition of these items at the time of loss.

### **Pairs or sets**

If an insured item consists of a pair or set (e.g. seats), we only pay for the repair or replacement of the part lost, damaged or stolen.

### **Damage and repairs – cash in lieu**

If we agree to pay your claim after determining your boat is not a total loss and we decide to pay you cash in lieu we will either:

- pay you the assessed cost of repairing your boat to the condition your boat was in immediately before the incident, or
- pay you the assessed cost of replacing your boat with a boat of the same or similar age, make, model and condition your boat was in immediately before the incident, less the value of the salvage.

Where we pay you cash in lieu of repairing or replacing your boat:

- the cover on your boat will be cancelled
- if you have paid an annual premium we will refund any unused premium. We will not refund any premium less than \$20
- the boat remains your property
- we will not deduct any outstanding premiums or remaining monthly instalment premiums for the term of insurance from the settlement amount
- if we agree to buy the damaged boat from you, the agreed amount will be added to your cash in lieu payment.

### **Total loss**

Total loss means:

- your boat has been determined a financial total loss, or cannot be repaired to a safe condition, or
- your boat has not been recovered after being stolen, or
- we determine the cost of repairs exceeds the sum insured less the value of the salvage.

If we agree to pay your claim and your boat is a total loss, we will either:

- pay you or anyone with an interest in your boat an amount up to the sum insured shown on your Certificate of Insurance, less:
  - any excesses or unpaid premium
  - any adjustment for GST provision,

or

- replace your boat with a boat of the same or similar age, make, model and condition, including any other tool, accessory or appliance agreed by us and shown on your Certificate of Insurance.

When a total loss settlement has been made, your boat becomes our property and the cover on your boat is cancelled with no refund of premium. We will deduct any outstanding premiums or remaining monthly instalment premiums for the term of the insurance from the settlement amount.

Where we agree for you to keep the salvage, we will deduct the value of the salvage from the settlement amount.

## **Claims** – How much do we pay? (continued)

### **Credit provider's rights**

If we decide to pay cash and your boat is subject to finance, we may be required to pay some or all of this amount to the credit provider shown on your Certificate of Insurance.

### **New boat replacement**

If we determine your boat to be a total loss within two years of the starting date of the original registration, we will replace your boat with a new boat of the same make, model or series subject to local availability, where you have purchased the boat brand new (including demonstration models).

## Claims – Examples of how your claim is paid

Following are some examples of how we calculate claim payments. These examples do not form part of your policy terms and conditions and are intended as a guide only as not all scenarios are covered.

### Example 1 – Total loss

As the result of an accident where you were at fault, your boat has been determined by RAA to be a total loss. The sum insured shown on your Certificate of Insurance is \$8,000. The Voluntary excess on your policy is \$100.

What we pay		Information
Replacement cost	\$7,500	Total loss means: <ul style="list-style-type: none"><li>▪ your boat has been determined a financial total loss, cannot be repaired to a safe condition, or</li><li>▪ your boat has not been recovered after being stolen, or</li><li>▪ we determine the cost of repairs exceeds the sum insured less the value of the salvage.</li></ul> The cost to replace your boat with one of the same or similar age, make, model and condition, including any other tool, accessory or appliance is \$7,500.
Less excess	-\$100	As you were at fault and you were the operator at the time of accident, you are required to pay the Voluntary excess.
<b>Total claim</b>	<b>\$7,400</b>	

See 'Claims – How much do we pay?' on page 13 for details.

## Claims – Examples of how your claim is paid (continued)

### Example 2 – New boat replacement additional benefit

Your boat has been determined by RAA to be a total loss after it was damaged by fire. Your boat, at the time of loss, was less than 2 years old from date of first registration. Although the sum insured of your boat shown on your Certificate of Insurance was \$15,000, the cost to replace it with a brand new boat of the same make, model, and series, including all options, is \$18,000. The Voluntary excess on your policy is \$100.

What we pay		Information
Boat replacement value	\$18,000	Your boat is less than 2 years old and the 'New boat replacement' additional benefit applies.
Less excess	-\$100	You are required to pay the Voluntary excess as your boat was damaged by fire.
<b>Total claim</b>	<b>\$17,900</b>	

See 'Claims – How much do we pay?' on page 13 for details.

### Example 3 – Damage as result of a collision

Your boat is insured with a sum insured of \$14,000 shown on your Certificate of Insurance and has been damaged as a result of a collision where you were at fault. The boat has been assessed and the repair cost is \$4,800. The Voluntary excess on your policy is \$100.

What we pay		Information
Damage to boat	\$4,800	The boat is deemed repairable.
Less excess	-\$100	Voluntary excess applies.
<b>Total claim</b>	<b>\$4,700</b>	

See 'Claims – How much do we pay?' on page 13 for details.

#### **Example 4 – Theft of your boat**

Your boat has been stolen and has not been recovered. A sum insured of \$15,000 is shown on your Certificate of Insurance. The Voluntary excess on your policy is \$100.

<b>What we pay</b>	<b>Information</b>
Theft of boat	\$15,000 At time of loss, this is the sum insured shown on your Certificate of Insurance and we will pay you up to the sum insured. The replacement cost of your boat was \$15,000.
Less excess	-\$100 Voluntary excess applies as your boat was stolen. You may be required to pay an additional 'Non-removable theft excess' if this is shown on your Certificate of Insurance.
<b>Total claim</b>	<b>\$14,900</b>

See 'Claims – How much do we pay?' on page 13 for details.

#### **Example 5 – Theft of contents from your boat**

The cabin of your boat was broken into and fishing equipment and some cups and plates were stolen. The thieves gained entry by breaking the window. The replacement cost of the stolen items was \$350 and the cost to repair the window is \$200. The Voluntary excess on your policy is \$100.

<b>What we pay</b>	<b>Information</b>
Theft of contents	\$350 Cover for up to \$1,000 for theft of contents from your boat.
Damage to boat	\$200 Cost to repair the window.
Less excess	-\$100 Voluntary excess applies as your boat was broken into and items stolen. You may be required to pay an additional Non-removable theft excess if this is shown on your Certificate of Insurance.
<b>Total claim</b>	<b>\$450</b>

See 'Claims – How much do we pay?' on page 13 for details.

## Claims - your obligations

### What you must do

You must:

- establish that an insured event or incident has occurred
- do everything reasonable to limit and prevent further loss or damage
- provide us with all necessary assistance we may need in handling the claim and in our efforts to recover any money paid by us, which may include:
  - completing a claim form
  - providing written statements or any correspondence regarding the claim including notice of any pending court proceedings or offers of settlement
  - providing proof of ownership and value
  - cooperating with our assessors and investigators and attending court to give evidence.

You must not:

- carry out or authorise repairs except for emergency repairs, see 'Emergency repairs' on page 13 for details
- dispose of any damaged property.

### What may affect your claim

If you or any other insured person does not assist us with your claim or comply with any condition of this insurance cover, we may reduce or refuse to pay your claim including:

- if you admit liability to anyone else
- if you negotiate, pay or settle a claim with anyone else
- if you or any other person makes a false or fraudulent claim. As permitted by law, we may also cancel this insurance cover.

### Withdrawing your claim

If you withdraw your claim or we refuse to accept it, you may have to pay any costs you have incurred as a result of the incident as well as the investigation of the claim.

### Legal rights

We have full discretion in the conduct, defense or settlement of any claim and to take any action in your name to recover any money paid by us.

## **Excess**

An excess is the amount you may have to contribute towards each claim and is shown on your Certificate of Insurance.

We will only provide insurance cover if the amount of the claim is more than the excess payable.

We will choose whether the excess is:

- paid by you to us when we request it
- deducted from the amount we pay you
- paid by you to a supplier or repairer on our request.

Where loss or damage caused by a single incident gives rise to a claim under more than one part of your cover we will only ask you to pay one excess. Where the excesses are different, you pay the highest excess.

### **Voluntary excess**

Unless stated elsewhere in this PDS the Voluntary excess is payable for each claim you make. See 'No fault excess' on page 21 for details of when you do not have to pay an excess.

### **Non-removable Endorsed excess**

If a Non-removable Endorsed excess is shown on your Certificate of Insurance you may have to pay this in addition to your Voluntary excess.

See 'No fault excess' on page 21 for details of when you do not have to pay an excess.

### **Non-removable Theft excess**

If Non-removable Theft excess is shown on your Certificate of Insurance you may have to pay a 'Non-removable Theft excess' in addition to your Voluntary excess in the event of a theft or attempted theft of your boat and whilst attached to or within the boat, its tools, accessories that are standard equipment, and any other tool, accessory or modification specifically agreed by us and shown on your Certificate of Insurance.

## **No excess payable**

### **No fault excess**

You do not have to pay an excess for a claim if:

- in our opinion the driver or operator of the other boat or vehicle was more than 50% at fault, and you can supply:
  - the name and address of that driver or operator, and
  - the registration details of the other boat or vehicle, or
- in the case of theft or vandalism, you give us a police report that shows the name and address of the offender who has been charged with or convicted of the crime.

## About the cost of the product

### Premium

The premium is the amount you pay to obtain the insurance cover. All premiums include any compulsory government statutory charges, levies, duties and taxes where applicable. Minimum premiums apply.

### How to save money on the cost of insurance

The information you give us may affect how the risk is assessed and therefore the cost of the premium. Please check your Certificate of Insurance to ensure all information is correct. If the information is not correct please call us immediately on 8202 4567.

Reduce your premium by increasing your Voluntary excess. Call RAA on 8202 4567 and we will explain the excess options available to you.

### How do we calculate the cost of insurance?

The amount you pay for insurance depends on the type of cover and optional cover you choose along with the following rating factors:

Rating factor	Possible impact
Sum insured	Boats with a higher sum insured will attract a higher premium.
Discounts & rewards	You may qualify for one or more of the discounts and rewards offered by us.

### Changes in premium

Each time you renew your insurance, your premium is likely to change, even if your personal circumstances have not changed. This is because premiums are affected by many factors including:

- the cost of claims we have paid to other customers
- the cost of claims we expect to pay in the future
- any changes in government taxes, levies or charges
- the cost of running our business.

### Altering your policy

You may ask us to make a change to your policy at any time. We will not charge or refund any premium less than \$20.00.

## **About the cost of the product** (continued)

### **Cancellation by you**

You can cancel your insurance at any time. The cancellation takes effect on the date we receive your request. Please note:

- If you have paid an annual or 6 monthly premium, we will refund any unused premium (unless a total loss has been paid). We will not refund any premium less than \$20.00.
- If you have been paying monthly, we will not pay a refund.

### **Cancellation by us**

We may cancel your insurance at any time as permitted by law. We will refund any unused premium (unless a total loss has been paid). In cases of fraudulent non-disclosure or fraudulent misrepresentation by you or any other person covered by this insurance cover, we may avoid the insurance cover from its inception in accordance with the Insurance Contracts Act 1984.

### **Goods and Services Tax (Government charge)**

All amounts insured shown on your Certificate of Insurance include Goods and Services Tax (GST). If you make a claim you must tell us of any entitlements you may have to input tax credits on this policy. We will not cover any GST, fine, penalty or charge if you provide incorrect information to us. If you are or would be entitled to claim any input tax credits for the repair or replacement of insured property, we will reduce any settlement offer by the amount of that input tax credit.

### **Investigation fees**

If your claim has been investigated and you withdraw your claim or we refuse to accept it, you may have to pay any costs incurred for the investigation of your claim.

### **Other Government charges**

All premiums shown include any compulsory government statutory charges, levies, duties and taxes where applicable.

### **Payment of premium**

Annually/6 monthly:

You must pay by the due date shown on your Certificate of Insurance. If you do not pay the premium by the due date the cover will not come into force.

If payment is received after the due date we may return the payment we receive or we may accept the payment and commence cover from the date we receive your payment.

Fee free monthly payments:

You must pay each instalment by the due date. We may deduct 2 payments in the first month depending upon your monthly payment date.

If an instalment remains unpaid for 14 days we may refuse your claim.

The instalments must not remain unpaid for more than 1 month or we will cancel your insurance.

If we do not receive full payment of your premium together with all applicable charges and taxes then the term of the cover will be reduced in line with the amount you have paid.

## Definitions

**Accidental loss or damage** means loss or damage as a result of an occurrence which is neither expected nor planned by you. It includes a series of occurrences arising out of one event.

**Business use** means any boat which is registered as a business vessel or is used for any income earning purposes.

**Certificate of Insurance** means the latest Certificate of Insurance we have given you. It sets out your details, the insurance covers you have chosen and any special conditions, which to understand the full extent of cover must be read together with the PDS and direct debit authority you give us for the payment of your premiums.

**Consequential loss** means indirect loss i.e. not directly caused by loss, theft or damage to property, but arising as a result of such loss, theft or damage.

**Contents** means, but is not limited to, portable household goods, appliances, clothing, sporting equipment, fishing and diving gear. It includes portable refrigerators, microwave ovens, televisions, glassware, crockery, cutlery and cooking utensils. It does not include personal effects such as cameras, cash, credit cards, cheque books and similar financial items, mobile phones, portable digital media players, laptop computers, jewellery, watches and articles of gold, silver or precious metals.

**Cover you** means to put you back into (so far as possible) the same financial position that you were in prior to the loss, with due allowance for wear and tear, depreciation and betterment. It does not mean new for old.

**Excess** means the amount you have to contribute towards each claim.

**Fixtures and fittings** means permanently built-in equipment, furniture, furnishings or fit-out not designed to be removed without the use of tools.

**Hull** means the frame and body, including deck and cabin of your boat and fixtures installed by the manufacturer.

**Masts, spars, rigging and sails** means the masts, booms, fittings, spinnaker poles, standing and running rigging and protective covers.

**Modification** means any alteration or addition to the hull, trailer, wheels, tyres, rims, suspension, engine, exhaust, extraction system, drivetrain, paintwork, instruments, sound system, interior, or any other work that changes the performance, security or value of the boat.

**Motors** means stern drive units, inboard and outboard engines described in the Certificate of Insurance and includes the propeller, shaft, gearbox, skeg, jet unit, wiring harness, fuel tank, battery and control cables.

**PDS** means Product Disclosure Statement.

**Premium** means the amount you pay to obtain the insurance cover. All premiums include any compulsory government statutory charges, levies, duties and taxes where applicable.

**Private use** means any use other than business use. See 'Business use' on page 25 for details.

**Racing** means the participation in a trial, test or other organised competitive event.

**Recognised and acceptable waterskiing equipment** means waterskis, wake boards, knee boards or slalom skis and ski biscuits, vests and ropes. It does not include any flotation device, parasail, hang glider or similar aerial devices, sailboard, surf ski or similar object.

**Sum insured** means the maximum amount you can claim. It is shown on your Certificate of Insurance or stated in this PDS.

**Trailer** means a vehicle designed to be towed by a motor vehicle and specifically designed to be used in transporting your boat.

## Definitions (continued)

**Unseaworthy** means a boat which is not reasonably fit, in all ways, to withstand the ordinary hazards of the sea, bay, harbour, estuary or inland waterway.

**Violent and forcible entry** means unlawful entry including unlawful use of keys or lock picking. It does not mean opening an unlocked door or window.

**Waterskier** means a person moving as a result of being towed behind your boat on recognised and acceptable waterskiing equipment.

**We, our, us, RAA** means RAA Insurance Limited (incorporated in South Australia) ABN 14 007 872 602 trading as RAA Insurance.

**You, your** means the person, persons, company or companies shown as the insured on your Certificate of Insurance. For 'Legal liability' and 'General exclusions', the terms 'you' and 'your', are extended to include any person you authorise to operate your boat, or passenger in your boat.

**Your boat** means the boat described on the Certificate of Insurance. It includes safety equipment required by law, the motors, sails, hull and trailer and whilst attached to or within the boat, its tools, accessories, dinghy and appliances that are standard equipment, and any other tool, accessory, appliance or equipment specifically agreed by us and shown on your Certificate of Insurance.

## Customer care

### **If you have a complaint or query**

We want you to be satisfied with your insurance. If you have a problem or are unhappy with something to do with an RAA insurance product or service, we would like to speak with you about it; **please contact us on 8202 4567.**

The matter will be referred to the relevant manager or, if necessary, to our Internal Dispute Resolution (IDR) Committee who both have the appropriate authority to deal with disputes. If the matter is referred to the IDR Committee you will be advised of the committee's decision within 15 working days.

If your problem or complaint can't be resolved directly with us, you will be referred to the Financial Ombudsman Service (FOS). This is a free service to you and is a totally independent and impartial body. You can contact them at **www.fos.org.au or phone 1300 780 808.**

Before a complaint is investigated by the FOS, they will request that you first talk to us to give us the opportunity to resolve the matter.

### **General Insurance Code of Practice**

RAA is committed to the General Insurance Code of Practice (the Code), which aims for the best standards of services possible and promotes better relations between customers and insurers. The Code describes standards in areas like buying insurance, responding to disasters, claims handling, complaints handling, monitoring and enforcement.

For more information on the General Insurance Code of Practice, you can access information via the Insurance Council of Australia Limited website at **www.insurancecouncil.com.au or phone (02) 9253 5100.**

## **Customer care** (continued)

### **Privacy of your personal information**

RAA and RAA Insurance collect and use your personal information to process your membership application, service your membership, offer other RAA products or services to you and, in relation to insurance, to assess the risk you present to us and to deal with any claims. If you do not provide us with this information, we may not be able to process your application, give you the full range of membership benefits, provide insurance to you or process any claims. We may disclose your personal information to external service providers. Also, for insurance customers, we may collect from, and disclose information about you to, other insurers or any insurance reference bureau.

Our Privacy Policy can be found on the RAA website ([raa.com.au](http://raa.com.au)). Please call us on **08 8202 4567** if you have any queries or if you wish to gain access to your personal information that we hold.

### **Consents**

RAA has obtained the consents of the Insurance Reference Service Ltd and the Financial Ombudsman Service (FOS) for the references to them in this PDS. This consent was not withdrawn before the preparation of this PDS was completed.

### **Financial Claims Scheme**

Your policy may be considered a 'protected policy' under the Financial Claims Scheme (FCS). This means that if in the unlikely event we become insolvent, you may be entitled to payment under the FCS should you meet certain eligibility criteria. Information about the FCS can be obtained from the Australian Prudential Regulation Authority (APRA) website at [www.apra.gov.au](http://www.apra.gov.au) or by calling **1300 13 1060**.

# Direct Debit Request Service Agreement

## **The agreement**

By completing a Direct Debit Request you are authorising RAA (User ID number 046 548) to debit amounts due from your nominated account for the product/service specified below. Payments will be debited from your account as authorised in the Direct Debit Request form.

## **Changing the agreement**

**Change by us:** We will provide 14 days notice if there are any changes to these arrangements.

**Change by you:** If you wish to alter, delay or cancel your direct debit please contact us at least 10 days prior to your next debit date. Alternatively you may contact your financial institution.

**Renewal:** You will be sent a renewal certificate prior to the expiry of your contract. Instalments will continue to be debited from your account unless you notify us.

## **Account details**

Please be aware:

- Direct debiting is not available on all accounts
- Account details should be checked against a recent statement to ensure they are correct.

If there is any doubt please check with your financial institution before completing this application.

## **Weekends or public holidays**

Payments falling due on a weekend or public holiday will be debited the next business day.

## **Ensure you have funds available**

You are responsible for ensuring your account has sufficient cleared funds to pay each debit on the day it is due.

If there are insufficient funds in your account and your financial institution dishonours the debit RAA may pass on to you any fees and/or costs incurred. Please tell us if you change or close your account or if you will not have funds available on the day your debit is due.

## **Direct Debit Request Service Agreement** (continued)

### **Overdue payments**

- If a direct debit is returned unpaid by your financial institution we will attempt to debit again the original amount and any fees charged to us or we will contact you to make alternative arrangements.
- If any instalment payment is overdue by one month or more, your cover will be cancelled.
- We may cancel the Direct Debit arrangement if 3 or more debits are returned unpaid.

### **Your privacy**

We will keep all information relating to your account confidential. You consent to us using or releasing your account information to investigate any enquiries relating to possible incorrect debits.

### **If you have a complaint regarding a direct debit transaction**

If you wish to dispute a debit which has been made from your account please contact us. If you are not satisfied with our response you may also contact your financial institution.

### **Definition**

In this agreement, 'RAA' means if the product/service specified below is:

An insurance product, RAA Insurance Limited (ABN 14 007 872 602, AFSL No. 232 525); or

Not an insurance product, Royal Automobile Association of South Australia Inc (ABN 90 020 001 807).

## Membership Terms and Conditions

By holding an insurance product with RAA you automatically qualify for RAA membership. Below are the terms and conditions that relate to your membership.

- a. By purchasing a qualifying RAA product, you agree to become a member of RAA and to be bound by the Constitution of RAA (**available at [raa.com.au](http://raa.com.au)**).
- b. You authorise any officer of RAA to execute any document on your behalf necessary or desirable to facilitate you becoming a member of RAA.
- c. You acknowledge that if you cease to be a member of RAA, RAA may terminate this Agreement in accordance with clause 31 of the Constitution.
- d. If you cease to hold a relevant RAA product that qualifies you to remain a member of RAA and otherwise do not qualify to be a member of RAA, pursuant to the Constitution of RAA or the regulations made under that Constitution, you irrevocably agree to immediately resign as a member of RAA and acknowledge that you cease to be entitled to any rights and privileges associated with that membership.
- e. In the event of the circumstances set out in paragraph (d) above, and in order to secure RAA's rights under paragraph (d), in consideration for RAA admitting you as a member, you irrevocably authorise any officer of RAA to execute on your behalf any document necessary or desirable to effect your resignation as a member of RAA, including giving a notice of resignation under clause 6.2 of the Constitution of RAA.

## Notes

## Visit a local

[raa.com.au](http://raa.com.au) > 8202 4567

### Metropolitan shops

#### Adelaide

41 Hindmarsh Square

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#### Colonnades

Shop 25, Centro Colonnades

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#### Elizabeth

Shop 147,  
Elizabeth Shopping Centre

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#### Marion

Shop 2042, Westfield Marion

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#### Mile End

101 Richmond Road

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#### Modbury

33 Smart Road

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#### West Lakes

Shop 31, Westfield  
West Lakes

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This PDS has  
been printed on  
environmentally  
friendly paper.

### Country shops

#### Berri

16 Wilson Street

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#### Broken Hill

320 Argent Street

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#### Clare

280 Main North Road

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#### Gawler

151 Murray Street

---

#### Kadina

62 Graves Street

---

#### Mount Barker

22–26 Adelaide Road

---

#### Mount Gambier

55 Commercial Street West

---

#### Murray Bridge

19 Bridge Street

---

#### Naracoorte

88 Stewart Terrace

---

#### Port Augusta

7 Caroon Road

---

#### Port Lincoln

2 Liverpool Street

---

#### Port Pirie

129 Ellen Street

---

#### Renmark

49 Renmark Avenue

---

#### Victor Harbor

66 Ocean Street

---

#### Whyalla

85 McDouall Stuart Avenue

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## Talk to a local

### Phone

To obtain a quote or to make a change **8202 4567**  
to your policy or country freecall **1300 88 4567**

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**Claims**  **8202 4575**

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**Fraud Hotline**  **8202 4780**

### Call in to any RAA Shop

See inside back cover for shop listings.

## Payment options



#### BPAY biller code

575902



#### Pay by mail

GPO Box 1499  
Adelaide SA 5001



#### Pay by the month

Have your premium deducted by direct debit from your bank, building society, credit union or credit card account.

Call 8202 4567



#### Pay by phone

1300 729 722



#### Pay on-line

[raa.com.au](http://raa.com.au)



**[raa.com.au](http://raa.com.au)**



**8202 4567**

The Boat Insurance products in this PDS are prepared, issued and underwritten by RAA Insurance.

Prepared 1 September 2016. Effective date 1 October 2016.

RAA Insurance Limited (trading as RAA Insurance) ABN 14 007 872 602  
AFSL 232525

101 Richmond Road, Mile End SA 5031