



Pleasure Craft Third Party Only Insurance

POLICY WORDING

CI-TPO-1221
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ABN 44 108 154 829 AFSL 268726

Coast Insurance Third Party Pleasure Craft Policy Wording

Contents

- ABOUT THIS DOCUMENT 1
 - Our agreement with You 1
 - About Coast Insurance..... 1
 - About the Insurer..... 1
 - General Insurance Code of Practice 1
 - Our Contract with You..... 1
 - Duty of Disclosure..... 2
 - The cost of this Policy 2
 - Privacy Statement..... 2
 - The product may not match Your expectations..... 3
 - Cooling-Off Period 3
 - Complaints and Disputes Resolution Process..... 3
 - How You can pay Your Premium 4
 - Paying Your Premium..... 4
 - Overdue Premium 4
 - Significant benefits and features 4
- DESCRIPTION OF COVER PROVIDED 5
- POLICY TERMS AND CONDITIONS 6
 - Words with special meanings 6
- SECTION 1 – LEGAL LIABILITY 8
 - What You are covered for – Legal liability 8
 - How much We pay – Legal liability 8
 - Limit of what We will pay – Legal liability 8
- Additional Benefits..... 8
 - Operating a substitute Vessel 8
 - Sudden and Accidental Discharge, Release or Escape of Fuel or Lubricants 8
 - Berth Holders liability 9
- Optional Liability cover You can choose for additional Premium: 9
 - Recovery or removal of wreck..... 9
 - Yacht racing risk extension 9
- SECTION 2 – WHAT YOU ARE NOT COVERED FOR – GENERAL EXCLUSIONS APPLYING TO ALL SECTIONS OF THIS POLICY 10
- SECTION 3 - CLAIMS 15
 - How to make a claim 15
 - What You must do..... 15
 - What You must NOT do 15
 - Providing proof 15
 - When We may refuse a claim..... 15
 - What We do 16
 - What You must pay if You make a claim – Excess..... 16
 - When You will NOT have to pay an Excess 16
 - What can affect a claim 16
 - The amount of any claim may be reduced 16
- SECTION 4 – GENERAL CONDITIONS 17
 - Changing Your Policy 17

How Goods and Services Tax (GST) affects any payments We make	17
Taxation implications	17
Cancelling Your Policy	17
How We may cancel this Policy	17
The Premium.....	18
Preventing Our right of recovery	18
If more than one person is insured by this Policy.....	18
Other party's interests	18
If You sell or give away Your Vessel	18
Keeping Us informed	18
Law & Practice	18
Notices	18
Other insurance policies.....	19
Other interests	19
Your duty to co-operate	19

ABOUT THIS DOCUMENT

This Policy document contains Policy Terms and Conditions. In this Policy document You will find information about costs of the product, Our dispute resolution process, Your cooling off rights and other relevant information, including other rights, terms, conditions, exclusions and obligations attaching to this product. Please read this document carefully to ensure You understand the terms and conditions of this product.

Our agreement with You

The Policy Terms and Conditions and the Policy Schedule form the legal contract between You and Us being the Policy. You pay Us the Premium, and We provide You with the cover You have chosen as set out in the Policy, during the Period of insurance shown on Your Policy Schedule or any subsequent renewal period. Please keep them in a safe place for future reference.

The exclusions in the section(s) headed "When You are not covered" and conditions in the section headed "General conditions" apply to all types of cover.

The Excesses set out in the section headed "What You must pay if You make a claim – Excess" apply to all claims except where otherwise stated. The amount of any Excess that applies to Your Policy will be shown on Your Policy Schedule.

If You require further information about this product, please contact Coast or Your Financial Services Provider.

About Coast Insurance

Coast Insurance Pty Ltd (ABN 44 108 154 829, AFSL 268726) ('Coast') acts under a binding authority given to it by Us, to administer and issue policies, alterations and renewals. In all aspects of arranging the Policy, Coast acts as an agent for the Insurer(s) and not for You.

If You have any queries in relation to this Policy, contact Coast in any of the following ways:

Street Address: 1st Floor, 186 Scarborough Beach Road, Mt Hawthorn Western Australia 6016

Postal Address: PO Box 120, Mount Hawthorn WA 6915

Phone: +61 8 6374 7000

About the Insurer

This Policy is underwritten by HDI Global Specialty SE - Australia (ABN 58 129 395 544, AFSL 458776) ('HDI Global Specialty') and its registered address is Tower 1, Level 33, 100 Barangaroo Avenue, Sydney NSW 2000, Australia. The Insurer is regulated by the Australian Prudential Regulation Authority ("APRA"). HDI Global Specialty are referred to as 'We, Us, Our, the Insurer' in this Policy.

HDI Global Specialty are authorised and regulated by the Australian Prudential Regulation Authority ('APRA') under the provisions of the Insurance Act 1973 (Cth) to conduct insurance business in Australia.

You should contact Coast Insurance in the first instance in relation to this insurance.

HDI Global Specialty SE is registered in Germany, with its registered office at Podbielskistraße 396, 30659 Hannover, Germany with registration number HRB211924 authorised by Bundesanstalt für Finanzdienstleistungsaufsicht ('BaFin'). It is authorised to carry on insurance business in Germany under the German Insurance Supervisory Act ('Versicherungsaufsichtsgesetz').

General Insurance Code of Practice

HDI are a signatory of the General Insurance Code of Practice (the Code). The objectives of the Code are to further raise standards of service and promote consumer confidence in the general insurance industry. Further information about the Code and Your rights is available at www.codeofpractice.com.au.

Our Contract with You

This Policy is a contract of insurance between You and Us and contains all the details of the cover that We provide.

The Policy consists of:

- this Policy wording which tells You what is covered, sets out the claims procedure, exclusions

- and other terms and conditions of cover (this document);
- the Proposal, which is the information You provide to Us when applying for insurance cover;
- Your most current Policy Schedule issued by Us. The Schedule is a separate document unique to You, which shows the insurance details relevant to You. It includes any changes, exclusions, terms and conditions made to suit Your individual circumstances and may amend the Policy;
- any Endorsement;
- any other document We tell You forms part of the Policy which may vary or modify the above documents.

Please note, only those cover sections shown as covered in Your Schedule are insured.

These documents should be read together as they jointly form the contract of insurance between You and Us.

Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, that may affect Our decision to insure You and on what terms. You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to, 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.

Renewals, variations, extensions and reinstatements

Once Your Policy 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 Policy, 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 the Policy, and if so, on what terms. You have this duty until We agree to renew Your Policy.

The cost of this Policy

The total Premium is the amount We charge You for this Policy. It includes the amount which We have calculated will cover the risk, and any taxes and government charges that apply. The Premium and any taxes and government charges will be shown on Your Policy Schedule.

When calculating Your Premium We take a range of rating factors into account. These factors, and the degree to which they affect Your Premium, will depend upon the information You provide to Us. Factors that have a significant impact on the calculation of Your Premium include, but are not limited to:

- Make, model, size and type of Vessel
- Construction
- Maximum speed
- Cruising range
- Vessel location and storage
- Sum Insured
- Skipper experience
- Previous claim history

Privacy Statement

In this Privacy Statement the use of "We", "Us" and "Our" means the Insurer(s) and Coast unless specified

otherwise.

We are committed to the safe and careful use of Your personal information in the manner required by the *Privacy Act 1988 (Cth)* and the Australian Privacy Principles and the terms of this Policy.

We collect Your personal information in order to assess Your application for insurance and, if Your application is accepted, to administer and manage Your insurance policy and respond to any claim that You make. To do this, Your personal information may need to be disclosed to reinsurers and service providers and related entities who carry out activities on Our behalf, such as assessors and facilitators, some of whom may be located in overseas countries such as the United Kingdom and Europe.

Our contractual arrangements generally include an obligation for these reinsurers, service providers and related entities to comply with Australian privacy laws.

By providing Us with Your personal information, You consent to the disclosure of Your personal information to reinsurers, service providers and related entities in overseas countries to enable Us to assess Your application, to administer and manage Your insurance Policy and to respond to any claim that You make. If You consent to the disclosure of Your personal information to overseas recipients, and the overseas recipient handles Your personal information in a way other than in accordance with the Australian privacy laws, We may not be responsible for the handling of Your personal information by the overseas recipient.

If You choose not to provide Your personal information and/or choose not to consent and/or withdraw Your consent to the disclosure of Your personal information to overseas entities at any stage, We may not be able to assess Your application or administer and manage Your insurance policy and respond to any claim that You make.

Our privacy policies contain information on how You may access personal information that each of us hold, or seek correction of Your personal information and information on how to make a complaint about the handling of Your personal information and how complaints are handled. If You require more information, You can access HDI Global Specialty's Privacy Policy and Privacy Statement at <https://www.hdi-specialty.com/int/en/legals/privacy> and Coast's Privacy Policy at www.coastins.com.au.

The product may not match Your expectations

This product may not match Your expectations (for example, because an exclusion applies). You should read the Policy Terms and Conditions carefully. Please ask Us or Your Financial Services Provider if You are unsure about any aspect of this product.

Cooling-Off Period

There is a twenty-one (21) day cooling-off period. If You wish to cancel the Policy, You can cancel it from its date of issue by contacting Coast in writing within twenty-one (21) days of its date of issue.

We will refund Your premium less any non-refundable government charges, taxes and levies We have paid. You cannot exercise this right if:

- You have made a claim or become entitled to make a claim under the Policy; or
- You have exercised any right or power You have in respect of the Policy or the Policy has ended.

Even after this cooling-off period ends, You still have cancellation rights.

Complaints and Disputes Resolution Process

We are dedicated to providing You with a high standard of service and We want to ensure We maintain these standards at all times. If You feel that We have not offered You a first class service, contact Us and tell Us and We will do Our best to resolve the problem.

You are entitled to make a complaint about any aspect of Your relationship with Us including the conduct of Our agents and authorised representatives. We will attempt in good faith to resolve any complaint/dispute in a fair, transparent and timely manner.

We aim to comply with the General Insurance Code of Practice and any relevant Australian Securities and Investments Commission (ASIC) guidelines.

If You have any questions or concerns about Your insurance or the handling of a claim You should, in the

first instance, refer Your complaint or dispute to Coast.

You can contact Coast at:

Phone: (08) 6374 7000

Email: info@coastins.com.au

Mail: PO Box 120, Mount Hawthorn WA 6915

If We do not make a decision within the period that We tell You We will respond, We will tell You about Your right to lodge a complaint with an external dispute resolution scheme. If You are not happy with Our response, You can refer Your complaint to the Australian Financial Complaints Authority ('AFCA') subject to its rules. AFCA provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its rules.

You can contact AFCA at:

Phone: 1800 931 678

Email: info@afca.org.au

Website: www.afca.org.au

Mail: Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

If You require further information, You can access Our Complaints and Dispute Resolution Process at Coast's website at www.coastins.com.au.

How You can pay Your Premium

You can pay Your Premium;

1. in one payment by cheque, credit / debit card or bank transfer
2. by monthly instalments if this option is offered

Paying Your Premium

You must pay / arrange to pay Your Premium by the due date. If We do not receive Your Premium by this date or Your payment is dishonoured this Policy will not operate and there will be no cover.

Overdue Premium

You must pay Your Premium on time otherwise Your Policy may not operate.

If You have not paid by the due date or Your payment is dishonoured, this Policy will not operate and there will be no cover.

Significant benefits and features

The following is a summary of the cover provided in this Policy. Full details of the cover, exclusions and additional cover You can arrange is provided in the Policy Terms & Conditions. There are also exclusions that limit cover in certain circumstances. Please read the full detail carefully to make sure it matches Your expectations.

DESCRIPTION OF COVER PROVIDED

Description of cover provided	Extra Covers You can obtain upon request
<p>SECTION 1 THIRD PARTY LEGAL LIABILITY</p> <ul style="list-style-type: none"> • Accidental death or bodily injury to a person other than You • Accidental Damage to other people's property • Berth Holders Liability • Pollution Property Damage caused by or arising from sudden and Accidental discharge of pollutants arising directly out of the use of Your Vessel. <p>that You are found to be legally liable for arising directly out of the use of Your Vessel noted on Your Policy Schedule.</p> <p>You can select the level of cover You require \$10,000,000 or \$20,000,000.</p>	<p>Water skiing and / or aquaplaning – main Vessel</p> <ul style="list-style-type: none"> • Legal liability for You and the water skier in the event of Water skiing, aquaplaning, barefoot skiing <p>Removal of Wreck What We cover</p> <ul style="list-style-type: none"> • We will pay the reasonable costs to remove or recover the wreck of Your Vessel if Your Vessel is Damaged or sinks Accidentally, and We agree to recover it or the law requires that it must be removed. <p>Limit These costs are recoverable and are subject to a limit of \$1,000,000.</p> <p>Extra Covers may be included in Your Policy providing You have advised Us beforehand and We have agreed to extend the cover in writing (We may require a variation to Your standard Excess and an additional Premium)</p> <p>Additional costs may apply.</p>

POLICY TERMS AND CONDITIONS

Words with special meanings

Some key words and terms used in this Policy have a special meaning as set out below:

Word or term	Meaning
Accident/Accidental	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.
Damage	Any form of physical harm to the Vessel but does not include Wear and tear or anything that was present before this Policy came into force.
Excess	An Excess is the 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 either in Your Policy Schedule or within this Policy document. This amount will be deducted from the amount payable on each claim.
Family	Includes Your spouse or partner, the children, parents of You or Your spouse or partner who live permanently with You.
Omission	A failure to act and includes a failure to do or say something.
Period of insurance	the period for which the cover under Your Policy is in force. You will find this Period of insurance set out in Your Policy Schedule.
Policy Schedule	The most recent document We give You and forms part of this Policy and which shows Your Policy number together with important details of Your insurance cover with Us. We give You a Policy Schedule when You: <ul style="list-style-type: none"> • first buy the Policy from Us, • change any part of the Policy or any personal details relevant to it, or • renew the Policy with Us
Premium	The amount You pay for the insurance provided by this Policy, including any taxes and other government charges. (This is different from the Excess that You pay when making a claim).
Tender	An auxiliary vessel (or dinghy) capable of being and usually carried on deck or on davits on Your Vessel or which is towed behind Your Vessel, and the outboard Motor normally attached, that is used as a lifeboat or means of transportation between Your Vessel and the shore or for both purposes. A Tender must be marked with the registration number of Your Vessel and not registered in its own right. A Tender must not be capable of a speed exceeding 20 knots. Any Tender contrary to this description must be agreed and noted in Your Policy Schedule.
Theft	The event of a person taking Your Vessel and/or part of Your Vessel without Your knowledge, prior consent or agreement, with the intention of permanently depriving You of them.

Word or term	Meaning
Third Party/Third Parties	Any person other than You or Your Family.
Vessel	The Vessel described in Your Policy Schedule. Your Vessel is comprised of: <ul style="list-style-type: none"> • the Hull • its Motors and/or Machinery, including fuel tanks (unless they form part of the Hull) • Equipment and Accessories • its Sails, masts, spars, standing and running rigging • its Trailer.
Water skiing and/or aquaplaning	Travelling on the surface of water, either barefoot, or on water skis or similar devices designed for that purpose while being towed by Your Vessel.
We, Our, Us	Coast Insurance and/or the Insurer, HDI Global Specialty SE - Australia.
You, Your, Insured	Any of the person or persons named as the Insured in Your Policy Schedule including any person allowed by You to control Your Vessel.

SECTION 1 – LEGAL LIABILITY

If You have cover under Section 1 Legal Liability it will be shown in Your Policy Schedule.

What You are covered for – Legal liability

We cover You and any person allowed by You to control Your Vessel against Your legal liability to pay compensation for:

- Accidental death or bodily injury to a Third Party,
- Accidental death or bodily injury to You when another person allowed by You is in control of Your Vessel,
- Accidental Damage to Third Party property,
- occurring during the period of insurance and arising out of the ownership or use of Your Vessel.

How much We pay – Legal liability

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. We will not withhold unreasonably our written consent to You incurring legal fees and expenses.

Limit of what We will pay – Legal liability

The maximum We will pay is the amount shown in Your Policy Schedule in total for all claims that arise from any one Accident. This maximum amount includes all legal fees and expenses.

Additional Benefits

We provide additional benefits under this policy which extend the cover provided to You. These additional benefits are included within the limit for Legal Liability that is shown in Your Policy Schedule.

We agree to provide additional cover for:

Operating a substitute Vessel

What we cover

We will cover You against Your Legal liability for:

- Accidental death or bodily injury to a Third Party,
- Accidental Damage to other people's property caused by the use of a substitute vessel provided that:
 - You have permission from its owner, and
 - Your Vessel is not being used at the time, and
 - You or any member of Your Family do not own or have an interest in the substitute vessel and
 - The vessel has not been hired by You.

If You are entitled to cover under any other insurance policy, We will only be liable under this Section of the Policy for the amount Your liability exceeds the limits of cover under any other insurance policy.

Sudden and Accidental Discharge, Release or Escape of Fuel or Lubricants

What we cover

We will cover You or any person allowed by You to control Your Vessel (within the requirements of any law) against Legal liability for:

- 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 Vessel provided the discharge, emission, spillage or leakage does not arise from Your wilful negligence or misconduct or wilful negligence or misconduct of any person allowed by You to control the Vessel.

Limit

Under this cover we will pay no more than \$1,000,000 for any one Accident or series of Accidents caused by the one event.

What we don't cover

- Damage to Your Vessel
- death, bodily injury or illness
- contractual or assumed liability
- any loss of use or consequential loss
- fuel or lubricants not being used in connection with the operation of Your Vessel at the time of the loss
- 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.

Berth Holders liability

What we cover

We will cover You for any legal liabilities 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 Vessel.

Optional Liability cover You can choose for additional Premium:

The following optional liability cover may be obtained on application, and for an additional Premium. This optional benefit is included within the limit for Legal Liability that is shown in Your Policy Schedule. Please also refer to 'When You are not covered - General exclusions applying to all sections of this Policy'.

Recovery or removal of wreck

If You have cover for recovery or removal of wreck it will be shown in Your Policy Schedule.

What we cover

We will pay the reasonable costs to remove or recover the wreck of Your Vessel if Your Vessel is Damaged or sinks Accidentally, and We agree to recover it or the law requires that it must be removed.

Limit

These costs are recoverable and are subject to a limit of \$1,000,000.

Yacht racing risk extension

What we cover

If We have agreed to cover You for yacht racing risks and it is shown in Your Policy Schedule, We will provide additional cover to You for loss of or that You are found to be legally liable for, while Your Vessel is being raced in yacht club or association organised races:

- not exceeding the overall distance of the yacht race noted in the Yacht Racing Endorsement shown in Your Policy Schedule, and
- within the geographical limits shown in Your Policy Schedule.

Excess

We apply an additional Yacht Racing Risk Excess for claims under this Extra Cover. This additional Excess will be shown in Your Policy Schedule.

What we don't cover

Any yacht racing outside of the areas set out above unless You have Our agreement in writing.

SECTION 2 – WHAT YOU ARE NOT COVERED FOR – GENERAL EXCLUSIONS APPLYING TO ALL SECTIONS OF THIS POLICY

What we don't cover

This Policy excludes loss, Damage, destruction, death, bodily injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Loss of or Damage to Your Vessel

Loss of or damage to Your Vessel including but not limited to loss or damage caused by an Accident, Fire, Theft, Malicious Damage or Sinking.

Property Owned by the Insured

Loss of or damage to any property (other than that specified in this Policy) owned by You or in Your custody or control or the property of any other person covered by this Policy.

Aerial Towing

The towing of persons or objects in the air, including parasailing.

Alteration or Refit

Your Legal Liability of Your Vessel undergoing major Hull repair or alteration (e.g. extending the length of the Vessel, 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 and it is shown in Your Policy Schedule.

Commercial Use

Your Legal Liability of Your Vessel being used for hire or charter, or for payment or reward at the time of the Accident or loss unless We specially agree to cover this use and specify the cover in Your Policy Schedule.

Compulsory Insurance

Bodily injury to, or the illness or death of a person who is covered (or should have been covered) by any compulsory compensation insurance, including any compulsory third party vessel insurance.

Financial, emotional or psychological loss

Financial, emotional or psychological loss which occurs because You cannot use Your Vessel.

Fines or penalties

Any fines, penalties, aggravated, punitive or exemplary damages.

Intentional Act

Any claim caused by an intentional act by You, a person covered by this policy, or a person acting with Your express or implied consent, unless required by law.

Legal Confiscation

Any claim arising from or in connection with the lawful seizure or destruction of the Vessel, except where covered by the additional benefit for Damage caused to Your Vessel by any governmental authority.

Live-aboard

Your Vessel being used for permanent living accommodation, unless You tell Us beforehand and We agree in writing and it is shown in Your Policy Schedule.

Moorings

Loss or Damage to moorings.

Nuclear Activity

Loss, Damage, liability or expense directly or indirectly caused by or contributed to by, or arising from:

- ionising radiations 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. 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,
- 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,
- any chemical, biological, bio-chemical, or electromagnetic Weapon.

This Policy also excludes any loss, destruction, Damage, death, bodily 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.

Outside Geographical Limits

Your Legal Liability of Your Vessel being operated outside the geographical limits shown in Your Policy Schedule.

Unless You advise Us and We agree to extend cover in writing, Your Policy will be automatically suspended when Your Vessel clears Australian Customs and Immigration for the purpose of leaving Australian waters and will recommence when it clears Australian Customs and Immigration on return.

Overloaded Vessel

Your Legal Liability of Your Vessel being operated with more than the maximum number of passengers or load recommended by the Hull manufacturer.

Overpowered Vessel

Your Legal Liability of Your Vessel being operated with a Motor more powerful than recommended by the Hull manufacturer for the Hull specifications.

Overseas Actions

Actions that are brought against You in a court or tribunal outside Australia or a court or tribunal that applies laws other than the law of a State or Territory of Australia.

Personal Accident

Death or bodily injury to You arising out of the user of the Vessel for private pleasure purposes or voluntary rescue work.

Persons in Control

Your Legal Liability of Your Vessel being in the control of You or any person with Your express or implied consent while under the influence of alcohol or of any drug or had a percentage of alcohol or drugs in Your/their breath or blood in excess of the percentage permitted by law in the place where the loss, Damage or liability occurred.

But We will cover You if You Were not on board the Vessel 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.

Your Legal Liability of Your Vessel being under the control of a person not licensed under the applicable law: But We will cover You if the person:

- was not named as one of the Insured in Your Policy Schedule, and
- You can clearly demonstrate You had no reason to suspect that person was unlicensed.
- Your Vessel being towed on a Trailer and the driver with Your express or implied consent was not licensed to drive a vehicle in accordance with law.

But 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 that the driver was unlicensed.

Pollution

Any claim arising directly or indirectly from pollution or contamination by any substance except for the cover provided under Section 1– Legal Liability for Sudden and Accidental Discharge, Release or Escape of Fuel or Lubricants.

Racing

Your Legal Liability of Your Vessel 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 optional yacht club social racing risk extension and it is shown in Your Policy Schedule.

Sanctions Limitations and Exclusion Clause

We are not liable to make any payments for liability under any coverage sections of this Policy or make any payments under any extension for any loss or claim arising where the Insured person or any beneficiary under the Policy is a citizen or instrumental in the government of, any country(ies) against which any laws and/or regulations governing the Policy and/ or the Insurer, its parent company or its ultimate controlling entity have established an embargo or other form of economic sanction which have the effect of prohibiting the Insurer to provide insurance coverage, transacting business with or otherwise offering economic benefits to the Insured person or any other beneficiary under the Policy.

Scuba Diving

Death or bodily injury caused by the activity of scuba diving.

Speed

Your Legal Liability of Your Vessel being operated at a speed greater than 60 knots.

Tradespeople

Any claim arising as a result of work performed by any tradesperson or company engaged by You for the repair, service or maintenance of Your Vessel. We will also not cover the liability of any such tradesperson or company.

Trailer Being Towed

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.

Transport

- Your Legal Liability of Your Vessel being transported on a Trailer, unless the Vessel is designed and built for that purpose.
- Your Legal Liability of Your Vessel being loaded or unloaded or transported by a commercial carrier (other than incidental transport on a vehicular ferry) unless You tell us beforehand, and We agree in writing to provide the optional Transport Damage (Trailer Boats on their Trailer) cover or the optional Transport Damage (Trailer Boats not on their Trailer) cover and it is shown in Your Policy Schedule.

Unlawful Purposes

Your Legal Liability of Your Vessel being used for an unlawful purpose.

Unseaworthy Vessel

You not keeping the Vessel in good order and repair, or in a proper state of seaworthiness and in compliance with any statutory requirements (e.g. Waterways Authority Regulations).

Unsuitable Moorings

Loss or Damage to Your Vessel as a result of the mooring for Your Vessel not being:

- of a suitable design and weighting for the Vessel;
- appropriately sited; and

- in good order and maintained as per applicable statutory requirements at least on an annual basis.

Vessels on swing moorings

Loss or Damage to Third Party property arising from Your Vessel breaking away from a mooring not being;

- of a suitable design and weighting for the Vessel,
- appropriately sited, and
- in good order and maintained as per applicable statutory requirements at least on an annual basis.

Water Skiing

Water skiing and/or aquaplaning.

Wear and tear

Loss or Damage caused by:

- wear & tear
- mould, mildew, timber rot, delamination, osmosis, deterioration
- vermin and/or marine growth
- rusting or other forms of corrosion, or electrolysis
- lack of maintenance

Yacht Racing

Losses while participating in Yacht Racing unless You have chosen the optional Yacht Racing extension and it is shown in Your Policy Schedule.

SECTION 3 - CLAIMS

How to make a claim

Please contact Us or Your Financial Services Provider to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where You have told Us about them beforehand and We have accepted Your claim.

What You must do

For Us to consider Your claim, You must:

- make a report to the Police if there is injury, malicious Damage and Theft or attempted Theft of Your Vessel
- contact Us and tell Us details of what has happened
- complete Our claim form and any other form We ask You to complete and submit to Our office in order for Your claim to be reviewed.

What You must NOT do

Only We have the right to settle or defend a claim against You by another person. If We agree You have a claim, only We have the right to.

- make or accept any offer or payment, or in any other way admit You are liable
- settle or attempt to settle any claim, or
- defend any claim.

Providing proof

So that Your claim can be assessed quickly You should keep the following:

- Receipts or other confirmation of purchase, and
- valuations.

We may ask You for these if You make a claim. You must be able to prove to Us that You have suffered a loss that is covered by this Policy before We will pay You for it.

We may ask You for these if You make a claim.

When We may refuse a claim

We may refuse a claim if amongst other things:

- You do not do what Your duty to disclose facts (Duty of Disclosure) requires You to do in the application or when making a claim, You:
 - are not truthful
 - have not given Us or refuse to give full and complete details, or
 - have not told Us something when You should have.
- You do not at all times take reasonable care to:
 - prevent Theft of the Vessel, outboard Motor(s) or the equipment and accessories
 - protect Your Vessel against any initial or further loss or Damage
 - keep Your Vessel in good condition
 - prevent death, bodily injury, or illness to Third Parties, or loss or Damage to their property, and
 - obey any statutory requirements that safeguard people or their property.
- You do not give Us the documents and information We may need to help Us decide on any amount that We may pay You
- You do any of the following without Our knowledge and consent:

- make or accept any offer or payment, or in any other way admit You are liable
- settle or attempt to settle any claim, or
- defend any claim.
- You do not as soon as possible make a report to the Police about:
 - any injury, or
 - any malicious Damage to Your Vessel, or
 - any Theft or attempted Theft of Your Vessel.
- You must give Us a written statement from the Police saying that You reported such an event to them.
- You do not comply with the Policy conditions
- You make a fraudulent claim.

What We do

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for Damages. If We do this, We will do it in Your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving Us any statements, documents or assistance We require. This may include giving evidence in any legal proceedings.

What You must pay if You make a claim – Excess

For most claims You make on this Policy, You will have to pay the Excess which is shown in Your Policy Schedule or, unless specifically mentioned in Your Policy Schedule, an Excess mentioned in this Policy Wording.

When You will NOT have to pay an Excess

You will NOT have to pay an Excess for claims:

- arising out of death or bodily injury under the Liability cover,

What can affect a claim

We will reduce the amount of a claim by the Excess shown in the Policy Terms and Conditions or in Your Policy Schedule.

We may refuse to pay a claim if You are in breach of Your Duty of Disclosure or any of the conditions of this Policy, including any endorsements noted on or attached to Your Policy Schedule.

We pay only once for loss or Damage from the same event covered by this Policy.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent, or
- any fraudulent means or devices are used by You or anyone acting on Your behalf to obtain any benefits under this Policy.

The amount of any claim may be reduced

The amount of any claim made under the Policy may be reduced:

- (a) where an Excess applies. Any applicable Excess will be shown in Your Policy Schedule, or in the Policy booklet,
- (b) if You do not adequately secure Your Vessel.

SECTION 4 – GENERAL CONDITIONS

The following General conditions apply to all Sections of this Policy.

Changing Your Policy

If You want to make a change to this Policy, the change becomes effective when:

- We agree to it, and
- We give You a new Policy Schedule detailing the change.

How Goods and Services Tax (GST) affects any payments We make

The amount of Premium payable by You for this Policy includes an amount on account of the GST on the Premium.

When We pay a claim, Your GST status will determine the amount We pay.

When You are:

- a) not registered for GST, the amount We pay is the Sum Insured/Limit of Indemnity or the other limits of insurance cover including GST;
- b) registered for GST, We will pay the Sum Insured/Limit of Indemnity 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 & Taxable Percentage. Any GST liability arising from Your incorrect advice is payable by You.

Where the settlement of Your claim is less than the Sum Insured/Limit of Indemnity 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.

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.

Taxable Percentage is Your entitlement to an Input Tax Credit on Your Premium as a percentage of the total GST on that Premium.

Taxation implications

There may be other taxation implications affecting You, depending upon Your own circumstances. We recommend that You seek independent professional advice.

Cancelling Your Policy

How You may cancel this Policy

- You may cancel this Policy at any time by telling Us in writing that You want to cancel it. You can do this by giving the notice to Us or Your Financial Services Provider.
- Where 'You' involves more than one person, We will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the Insured.

How We may cancel this Policy

- We may cancel this Policy in any of the circumstances permitted by law by informing You in writing in accordance with the Insurance Contracts Act 1984 (Cth).
- We will give You this notice in person or send it to Your address last known to Us.

The Premium

Where the Policy is cancelled We will refund to You the proportion of the Premium for the remaining Period of insurance.

Preventing Our right of recovery

If You have agreed not to seek compensation from another person who is liable to compensate You for any loss, Damage or liability which is covered by this Policy, We will not cover You under this Policy for that loss, Damage or liability.

If more than one person is insured by this Policy

If more than one person is insured by this Policy, an act, Omission, statement or claim by any one of the Insured people has the same effect as an act, Omission, statement or claim by all of those people.

Other party's interests

You must tell Us of the interests of all parties (e.g. financiers, owners, lessors) who will be covered under this Policy. We will protect their interests only if You have told Us about them and We have noted them on Your Policy Schedule.

If You sell or give away Your Vessel

If You sell or otherwise give away Your Vessel or part-ownership in a Vessel and do not tell Us:

- the cover under this Policy ceases immediately without any notice to You from the time of sale or You otherwise give away Your Vessel.

When You tell Us that You no longer own the Vessel, 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.

Keeping Us informed

You must tell Us as soon as reasonably practicable:

- if there is any significant change in the condition or use of Your Vessel which may affect Our decision to provide this insurance
- if any event happens that could mean You will make a claim and/or a claim may be made against You by another person, You must tell Us within 30 days of the event happening.

If You do not keep Us informed We may do the following:

- refuse to pay Your claim, or
- reduce the amount We pay You for Your claim under Your Policy, or
- cancel Your Policy.

Law & Practice

Any dispute arising from this Policy will be determined by the Courts, and in accordance with the laws of the State or Territory of Australia where Your Vessel is normally based or located.

Notices

Any notice We give You will be in writing, and it will be effective:

- if it is delivered to You personally, or
- if it is delivered or posted to Your address last known to Us.

We may agree to send Your Policy documents and Policy related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and Policy communications will be provided to You in this way until You tell Us otherwise or We tell You it is no longer suitable. If We agree to communicate with You electronically, You will need to provide Us with Your current email address and Your Australian mobile phone number. Each electronic communication will be deemed to

be received by You at the time it leaves Our information system. You may contact Us in writing or by phone to confirm any transactions under Your insurance if Your Financial Services Adviser does not already have the required Policy confirmation details.

It is important for You to tell Us of any change of address as soon as reasonably practicable.

Other insurance policies

If at the time of an Accident another Policy is in force covering the same risk, We will only pay the amount in excess of the amount that is recovered under those Policies, limited to the sum insured shown in Your Policy Schedule.

Other interests

You must not transfer any interests in this Policy without Our written consent. We will not withhold our written consent unreasonably.

Any person whose interests You have told Us about and We have shown in Your Policy Schedule is bound by the terms of this Policy.

Your duty to co-operate

In the event of a claim, any benefits that this Policy gives You depend on You giving Us full details of Your loss and any help that We require, including further written statements and documents We consider relevant. We may also require You to attend Court to give evidence.

You must help Us even after We have paid Your claim. We may attempt to recover the amount of Our payment from the person who caused You to suffer loss or Damage, or We may want to defend You if it is alleged that You caused loss or Damage to someone else.

You must send to Us as soon as reasonably practicable any letters, demands, notices or Court documents You receive relating to an Accident that resulted or could result in a claim.