



QBE Insurance (Australia) Limited

QBE Marine Specialty Risks Commercial Vessel

Marine Insurance Policy

This is an important document about insurance. It explains what is and what is not covered under the insurance policy and your and our obligations. To check the policy meets your needs, you need to understand it. If you cannot read and understand English please seek assistance from someone who can help you understand it in your preferred language.

此乃關於保險的重要文件，它解釋了根據保單條款什麼是受保、什麼是不受保項目，以及你方和我方的責任條款。你必須要了解後才能決定這項保險是否能滿足你的需要。如果你不能閱讀和理解英文，請向能幫助你用你熟悉的語言理解內容的人求助。

هذه وثيقة هامة عن التأمين، تشرح ما تغطيه بوليصة التأمين وما لا تغطيه بالإضافة إلى التزاماتنا والتزاماتك. يجب عليك فهم محتوى البوليصة حتى تتأكد من أنها تفي باحتياجاتك. إذا لم تكن تجيد قراءة الإنجليزية وفهمها، أطلب المساعدة من شخص يستطيع أن يعينك على فهم هذه الوثيقة باللغة التي تفضلها.

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Đây là một tài liệu quan trọng về bảo hiểm. Nó giải thích những gì được và những gì không được bảo hiểm theo hợp đồng bảo hiểm cũng như những nghĩa vụ của quý vị và của chúng tôi. Để kiểm tra liệu hợp đồng bảo hiểm có đáp ứng được những nhu cầu của quý vị hay không, quý vị cần phải hiểu nó. Nếu quý vị không thể đọc và hiểu tiếng Anh, vui lòng nhờ ai đó có thể giúp giải thích hợp đồng cho quý vị bằng ngôn ngữ quý vị ưa dùng.

Questo è un documento importante sull'assicurazione. Spiega cosa è e cosa non è coperto in base alla polizza assicurativa ed i tuoi ed i nostri obblighi. Per verificare che la polizza soddisfi le tue esigenze, devi capirla. Se non puoi leggere e capire l'inglese, fatti assistere da qualcuno che possa aiutarti a capirla nella tua lingua preferita.

Αυτό είναι ένα σημαντικό έγγραφο σχετικά με την ασφάλιση. Εξηγεί τι είναι και τι δεν καλύπτεται από το ασφαλιστήριο συμβόλαιο και τις δικές σας και τις δικές μας υποχρεώσεις. Για να ελέγξετε αν αυτό ανταποκρίνεται στις ανάγκες σας, πρέπει να το κατανοήσετε. Εάν δεν διαβάζετε ή δεν κατανοείτε την αγγλική γλώσσα, παρακαλείστε να ζητήσετε βοήθεια από κάποιον που μπορεί να σας βοηθήσει να το κατανοήσετε στη γλώσσα που προτιμάτε.

यह बीमा के बारे में एक महत्वपूर्ण दस्तावेज़ है। इसमें यह विवरण दिया गया है कि बीमा पॉलिसी में क्या कवर्ड (बीमे द्वारा सुरक्षित) है और क्या कवर्ड (बीमे द्वारा कवर्ड) नहीं है तथा इसमें आपके और हमारे दायित्वों के बारे में भी बताया गया है। यह जांच करने के लिए कि क्या पॉलिसी आपकी आवश्यकताओं को पूरा करती है, आपको इसे समझने की आवश्यकता है। यदि आप अंग्रेज़ी पढ़ और समझ नहीं सकते/सकती हैं तो कृपया किसी ऐसे व्यक्ति से सहायता लें जो आपको इसे आपकी पसंदीदा भाषा में समझने में मदद कर सकता हो।

Este es un documento importante sobre seguros. En él se explica lo que cubre y no cubre su póliza de seguro y tanto sus obligaciones como las nuestras. Deberá entenderlo para determinar si la póliza se adapta a sus necesidades. Si no lee ni entiende inglés, solicite la ayuda de alguien que le pueda ayudar a entenderlo en su idioma.

ਇਹ ਬੀਮੇ ਬਾਰੇ ਇੱਕ ਮਹਤਵਪੂਰਨ ਦਸਤਾਵੇਜ਼ ਹੈ। ਇਸ ਵਿੱਚ ਇਹ ਵੇਰਵਾ ਦਿਤਾ ਗਿਆ ਹੈ ਕਿ ਬੀਮਾ ਪਾਲਿਸੀ ਤਹਿਤ ਕੀ ਕਵਰਡ (ਬੀਮੇ ਦੁਆਰਾ ਸੁਰਖਿਅਤ) ਹੈ ਅਤੇ ਕਿ ਕਵਰਡ (ਬੀਮੇ ਦੁਆਰਾ ਸੁਰਖਿਅਤ) ਨਹੀਂ ਹੈ ਅਤੇ ਇਸ ਵਿੱਚ ਤੁਹਾਡੀਆਂ ਅਤੇ ਸਾਡੀਆਂ ਜ਼ਿੰਮੇਵਾਰੀਆਂ ਬਾਰੇ ਵੀ ਦੱਸਿਆ ਗਿਆ ਹੈ। ਇਹ ਜਾਂਚ ਕਰਨ ਲਈ ਕਿ ਕੀ ਪਾਲਿਸੀ ਤੁਹਾਡੀਆਂ ਲੋੜਾਂ ਨੂੰ ਪੂਰਾ ਕਰਦੀ ਹੈ, ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਦੀ ਲੋੜ ਹੈ। ਜੇ ਤੁਸੀਂ ਅੰਗਰੇਜ਼ੀ ਪੜ੍ਹ ਤੇ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਹੋ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਕਿਸੇ ਅਜਿਹੇ ਵਿਅਕਤੀ ਤੋਂ ਮਦਦ ਲਵੋ ਜੋ ਤੁਹਾਡੀ ਪਸੰਦੀਦਾ ਭਾਸ਼ਾ ਵਿੱਚ ਤੁਹਾਨੂੰ ਇਸਨੂੰ ਸਮਝਣ ਵਿੱਚ ਮਦਦ ਦੇ ਸਕੇ।

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About this booklet

There are two parts to this booklet. The first part is Important Information about this Policy including information about how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

The second part is your Policy Wording which sets out the detailed terms, conditions and exclusions of the Policy.

Because we don't know your own personal circumstances, you should treat any advice in this booklet as purely general in nature. It doesn't consider your objectives, financial situation or needs. You should carefully consider the information provided with regard to your personal circumstances to decide if it's right for you.

For more information or to make a claim

Please take the time to read through this booklet and if you have any questions, need more information or to confirm a transaction, please contact:

- Your financial services provider. The contact details for your financial services provider are set out in the financial services guide or other documentation they give you.

Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet. To make a claim under this Policy please contact:

- QBE by sending an email to marineclaims@qbe.com.

About QBE

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 (QBE) is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). We have been helping Australians protect the things that are important to them since 1886.

QBE in the community

Premiums4Good™

We are committed to giving back to the communities that we operate in. Through Premiums4Good, we invest a portion of customer premiums into investments that have additional social or environmental features. So, when you choose us as your insurer, your premium automatically does some good.

Important Information

In this first part of the booklet we explain important information about this Policy including how we'll protect your privacy and how to make a complaint or access our dispute resolution service.

Duty of disclosure

Before you enter into an insurance contract, you have a duty, under both the *Insurance Contracts Act 1984* (Cth) and the *Marine Insurance Act 1909* (Cth), 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

Where the Marine Insurance Act 1909 (Cth) applies:

If you fail to comply with your duty of disclosure, we may avoid the contract of insurance from its beginning.

Where the Insurance Contracts Act 1984 (Cth) applies:

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.

General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. You can read the Code at codeofpractice.com.au

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code. For more information about the Code Governance Committee please visit insurancecode.org.au

We recognise that family and domestic violence is a complex issue and we take it seriously. For more information about support, our Family and Domestic Violence Customer Support Policy is available at qbe.com/au

Privacy

We take the security of your personal information seriously.

We will collect personal information directly from you when you deal with us, or sometimes through our agents, other companies in the QBE group or suppliers acting on our behalf. We will only ever collect the personal information we need in order to provide our services to you, such as issuing and administering our products and services and processing claims. We will obtain consent before collecting sensitive information, such as health information, unless we are required or permitted by law to collect it without consent. Sometimes we may store and disclose your personal information overseas. When we do this, we ensure your information is retained in accordance with the Australian *Privacy Act 1988* and local privacy laws.

Our Privacy Policy describes in more detail from whom we collect personal information, as well as where we store it and the ways we could use it. You can find it at qbe.com/au/about/governance/privacy-policy

If you would like to access or correct your personal information please contact us at customer care@qbe.com or on 1300 650 503.

Complaints

We're here to help. If you're unhappy with any of our products or services, or the service or conduct of any of our suppliers, please let us know and we'll do our best to put things right.

Step 1 – Talk to us

Your first step is to get in touch with the team looking after your Policy, direct debit or claim. You'll find their contact details on your policy documents, letters or emails from us.

Please provide our team with as much information as possible so they can try to fix the problem quickly and fairly.

For additional assistance in lodging a complaint, please refer to qbe.com/au

Step 2 – Customer Relations

If your complaint isn't resolved by the team looking after your Policy, direct debit or claim, you can ask them to refer your complaint on to our Customer Relations team. A Dispute Resolution Specialist will review your complaint independently and provide you with our final decision.

You can also contact the Customer Relations team directly:

Phone:	1300 650 503
Fax:	(02) 8227 8594
Email:	complaints@qbe.com
Post:	GPO Box 219, Parramatta NSW 2124

Step 3 – Still not resolved?

If we're unable to resolve your complaint to your satisfaction within a reasonable time, or you're not happy with our final decision, you can refer your complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). We are a member of AFCA and their decisions are binding on us.

Phone:	1800 931 678
Email:	info@afca.org.au
Post:	GPO Box 3, Melbourne VIC 3001

AFCA will inform you if your complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA. For more information, visit afca.org.au

More information

You can find more information about how we deal with complaints on our website at qbe.com/au or you can call us on 133 723 to speak with us or request a copy of our complaints brochure at no charge by us.

Complaints just about privacy

If you're not happy with how we've handled your personal information, call us on 1300 650 503 or email us at customer care@qbe.com. If you're not satisfied with our response, you can contact the Office of the Australian Information Commissioner (OAIC):

Phone:	1300 363 992
Email:	enquiries@oaic.gov.au
Post:	GPO Box 5218, Sydney NSW 2001

Financial Claims Scheme

This Policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event QBE becomes insolvent. You may be entitled to access the FCS if you meet the eligibility criteria. For more information, contact the Australian Prudential Regulation Authority (APRA).

How to contact APRA

Phone	1300 558 849 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Online	www.apra.gov.au/financial-claims-scheme-general-insurers

Section 1: Words with special meanings

The words and terms used throughout this Policy have special meanings set out below.

Where other words and terms are only used in one section of the Policy, we'll describe their special meaning in that section.

When we say	We mean
Accident/ accidental	an unexpected and unintended event causing loss or damage and includes one accident or series of accidents arising out of the one insured event.
Commercial vessel	the vessel as specified in the Policy Schedule together with its equipment and accessories while being used as specified in the Policy Schedule for payment or reward.
Crew	any person (including the skipper/master) working on board the commercial vessel as an employee.
Damage	any form of physical harm to the commercial vessel.
Diving equipment	tanks, regulators, buoyancy compensation device, fins, wet and dry suits, pumps and other similar equipment used for the purpose of recreational/sport diving owned by you.
Equipment and accessories	safety equipment installed or carried in accordance with statutory requirements and any other equipment carried on board and used in conjunction with the operation of the commercial vessel including: <ul style="list-style-type: none"> • detachable canopies; • commercial vessel and power unit covers; • lifesaving equipment; • auto pilot; • electronic navigation equipment; • global positioning system; • two-way radios; as specified in the Policy Schedule.
Fishing equipment	rods, reels, tackle and other similar equipment used for the purpose of recreational/sport fishing owned by you.
Hull	the shell of the commercial vessel, deck, cabin, superstructure, fixtures and fittings that are not normally removable and normally sold with the commercial vessel.

When we say	We mean
Latent defect	any flaw in the material used in the construction of the hull and superstructure, motors/machinery, sails, masts, spars, standing and running rigging of the commercial vessel that is not known to you and is not discoverable by a competent trades person carrying out a normal inspection.
Legal liability	your legal liability (responsibility in law) arising out of the use of the commercial vessel to pay compensation for death or injury or damage to the property of other people, excluding any property owned by or in the physical or legal control of you.
Motors/machinery	inboard motors, outboard motors, stern drive units, jet units, gear boxes, propellers, shafts, skegs, fuel tanks including fuel lines, wiring harness and instruments, fixed generators and refrigeration machinery including ancillaries necessary for the operation of the machinery.
Net income	your total earnings, reflecting revenues adjusted for running costs, depreciation, interest, taxes and other expenses compared to the corresponding period of the previous year.
Omission	a failure to act and includes a failure to do something or say something.
Period of insurance	the period for which the cover under your Policy is in force. You will find the period of insurance in your Policy Schedule.
Permanent total disablement	being unable solely and directly due to an injury to carry out any occupation for which the injured person is fitted by reason of education, training or experience for a period of at least 12 consecutive months and remains unable to do so for a continuous indefinite period.
Personal effects	clothing, waterproof gear, shoes, wallets or purses, toilet articles, hats or caps, keys or pens, watches, jewellery, cameras and portable radios, compact disc players, MP3 players, but excluding money, credit cards, spectacles, sunglasses, mobile phones, pagers, consumable stores, compact discs, audio or video tapes.
Running costs	direct costs related to keeping the business operational compared to the corresponding period of the previous year.
Salvage	what is left of the commercial vessel after it has suffered loss or damage.

When we say	We mean
Seaworthy	that the commercial vessel must be reasonably fit in all respects, including the hull, motors/machinery and equipment and accessories during operation or mooring to encounter the ordinary perils of protected waters, inland waters, rivers, lakes, the sea and ports.
Sports equipment	waterskiing and aquaplaning equipment together with associated equipment.
Temporary total disablement	being unable solely and directly as a result of an injury to carry out all the normal duties of the injured persons' occupation.
Total loss	<p>(a) for your commercial vessel - irretrievable loss or total destruction of the entire vessel. A vessel is also considered to be a Total loss (Constructive Total Loss) in circumstances where, following loss or damage, your commercial vessel is uneconomical to repair or requires repairs costing more than the agreed value or market value of your vessel (whichever is applicable);</p> <p>(b) for the insured items of your commercial vessel - irretrievable loss of the claimed item(s). The lost or damaged item will also be considered to be a Total loss (Constructive Total Loss) in circumstances where, following insured damage, the item is uneconomical to repair or requires repairs costing more than the market value of the claimed item or the sum insured for that item (where specified).</p>
Total sum insured	the amount we have agreed to insure your commercial vessel for and is the total of the values for the hull, motors/machinery, sails, masts, spars, standing and running rigging, equipment and accessories and trailer. This is specified in your Policy Schedule.
We/us/our	QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545.
You/your	any of the person or persons/company named as the insured in the Policy Schedule, including any person allowed by you to control your commercial vessel. If more than one person is named as the insured in the Policy Schedule, we will treat an act, omission, statement or a claim by any one of those persons as an act, omission, statement or a claim by all of them.

Section 2: This insurance contract

Your 'Commercial vessel insurance Policy' is a contract between us and you. It is a contract of Marine Insurance as defined by the *Marine Insurance Act 1909* (Cth).

We will cover your commercial vessel up to the total sum insured specified in the Policy Schedule during the period of insurance, subject to the terms and conditions set out in this Policy Wording.

We will also cover you for your legal liability for death or bodily injury to other people or accidental damage to other people's property that your commercial vessel may cause during the period of insurance, subject to the terms and conditions set out in this Policy Wording.

The Policy Wording and the Policy Schedule together make up our contract with you. The Policy Schedule shows the terms and conditions that are specific to your Policy and should be read together with this Policy Wording.

If there is any conflict between this Policy Wording and your Policy Schedule, the Policy Schedule prevails. It states:

- the names of the people who are insured under this Policy;
- the amount for which we have agreed to cover your commercial vessel; and
- other terms and conditions specific to your Policy.

We will give you a new Policy Schedule with each renewal of or change to the Policy and the most recent Policy Schedule is the only one which applies to your Policy.

If the Policy does not meet your requirements or if you would like us to explain anything about the Policy Wording, please contact us, your insurance broker or our agent.

Underinsurance

We require you to insure for the full value or maximum potential risk. If you do not do so, and you are underinsured, we may pay you less in the event of a claim, calculated in accordance with either the Policy Wording or the *Marine Insurance Act 1909* (Cth) where applicable, which takes into account the degree of underinsurance.

Keeping us informed

You must tell us as soon as possible of any change in the information disclosed to us at the commencement or renewal of this Policy or in your Policy Schedule, including:

- any significant change in the condition or use of your commercial vessel; or
- any change in the management or ownership of your commercial vessel.

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 be entitled to do the following:

- refuse to pay your claim; or
- reduce the amount we pay you for your claim under your Policy; or
- cancel your insurance Policy.

When there is more than one insured

When there is more than one insured on your Policy, we may treat what any one of them says or does in relation to your Policy or any claim under it, as said or done by each of the insureds. We may rely on a request from one insured to change or cancel your Policy or tell us where a claim payment should be paid. Where a payment is made to one insured under this Policy, we have no further obligations to any other insured regarding that payment.

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 the 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 immediately any letters, demands, notices or Court documents you receive relating to an accident that resulted or could result in a claim.

Section 3: What is covered

We will cover your commercial vessel specified in the Policy Schedule which includes:

- the hull;
- motors/machinery;
- equipment and accessories (excluding sporting equipment);
- sails, masts, spars, booms and fittings, spinnaker poles, standing and running rigging;
- trailer; and
- dinghy or tender used with your commercial vessel which is capable of a speed of 20 knots or less;

while navigating or in transit within the navigational limits specified in the Policy Schedule including while the commercial vessel is at any marina, slipway or location when laid-up ashore.

What is not covered

- any commercial vessel capable of a speed exceeding 50 knots;
- moorings;
- personal effects of any paying passenger unless you have requested and we have agreed to provide the optional 'Passenger liability – Commercial use' extension (see section 8).

What can be covered additionally (on application)

We may specifically agree to cover you for the following items and specify them in the Policy Schedule:

- any dinghy or tender used with your commercial vessel capable of a speed exceeding 20 knots;
- sports, fishing and diving equipment; and/or
- consumable stores.

Note: These items are not covered unless agreed in writing by us.

Section 4: Loss or damage to your vessel

What you are covered for

We will cover you for loss or damage to your commercial vessel caused by any of the following insured events:

Accidental damage

- if your commercial vessel is damaged accidentally;
- if your commercial vessel sinks accidentally, provided it was in seaworthy condition at the time of sinking.

Other damage

Loss or damage caused by:

- a latent defect within the hull or motors/machinery (excluding the cost and expense of replacing or repairing the defective part) causing loss or damage to your commercial vessel; or
- negligence of the employed skipper, master and/or crew; or
- negligence of the repairers (excluding you) or charterers, provided the loss or damage has not resulted from lack of due diligence by you.

Theft

- of the entire commercial vessel including trailer, equipment and accessories;
- of part of the commercial vessel including trailer, motors/machinery, equipment and accessories from:
 - the commercial vessel; or
 - the place of storage of the commercial vessel, trailer or the equipment and accessories,

provided there is visible evidence of forcible and violent removal/entry into the commercial vessel or place of storage.

Malicious damage

If your commercial vessel is damaged maliciously.

Transit damage

If your commercial vessel is accidentally damaged during transit on its own trailer by road, rail or ship provided your commercial vessel is designed to be normally trailered and you are complying with all statutory requirements.

We will also cover you for accidental damage to your commercial vessel whilst a professional road transporter is transporting your vessel provided you inform us beforehand and we have agreed to extend cover in writing.

Other expenses incurred to avoid or minimise loss (salvage costs)

If your commercial vessel gets into difficulties or is damaged accidentally, we will pay the reasonable costs of action to:

- minimise loss or damage; or
- remove the commercial vessel to safety; or
- dry all the electrical equipment in the power unit(s); or
- clean and oil the power unit(s); or
- land towing costs to take your commercial vessel to the nearest repairer in an emergency following a loss, limited to a total amount payable to \$750 for all claims during the period of insurance.

You do not need our authority to take such action if it is an emergency and you are unable to contact us to obtain authority except where the 'Loss of hire/income extension' (section 5) applies where we must be notified before any repairs are carried out. However, you must advise us as soon as possible after the action has been taken.

These costs are recoverable in addition to the sum insured of your vessel. The additional amount we will pay is limited to the sum insured of your vessel.

Government authority

If your commercial vessel is deliberately damaged by Federal, State, or Local authorities exercising their rights under current legislation in order to prevent or minimise an environmental hazard/pollution resulting from an insured event and provided this has not resulted from your lack of due diligence.

War

If your commercial vessel, whilst afloat, suffers loss or damage due to any acts of war, civil war, revolution, rebellion, insurrection, civil strife or any hostile act by or against a belligerent power.

Arrest or detention cover

We will cover loss or damage to your vessel as well as reasonable legal fees and expenses incurred by you to obtain the release of your vessel following impounding, arrest, detention, confiscation or any like act by governmental authorities as a result of an act committed by any charterer, master or crew.

This coverage is provided you were without knowledge of such an act committed by a charterer, master or member of crew.

Personal and crew property

If a claim is paid under this Policy for loss or damage to your commercial vessel, we will also cover you for loss or damage to any personal property of yours or property belonging to your crew which were on board your commercial vessel at the time of the such loss. Subject to a limit of \$1,000 each and every loss or series of losses caused by the one insured event.

Such personal property covered is defined in the 'Personal effects' definition.

Repairer's negligence

We will cover loss damage to your commercial vessel as a result of a negligent act or breach of contract of the repairer in respect of any repair, alteration or maintenance of your commercial vessel.

What you are not covered for

We will not cover you for:

1. theft by persons to whom you have loaned or hired your commercial vessel;
2. loss or damage or sinking intentionally caused by you or a person acting with your express or implied consent unless required by law;
3. any loss or damage or sinking caused by or arising from the unseaworthiness or lack of repair of your commercial vessel including wear and tear, deterioration, wet or dry rot, rusting or other forms of corrosion, vermin, marine growth or delamination;
4. mechanical, structural electrical or electronic failures unless caused by an accident covered by this Policy;
5. damage to sails and protective covers caused by the force of wind while set unless there has also been damage caused to the masts and spars or the commercial vessel has been stranded or in collision or contact with any external substance other than water;
6. the cost of repairing or replacing any part of the commercial vessel defective by reason of fault or error in design or construction;
7. unrepaired damage to your commercial vessel;
8. financial loss which occurs because you can not use your commercial vessel unless you have requested and we have agreed to provide the optional Loss of Hire/Income extension (see section 6);
9. loss, damage or expense caused directly or indirectly by radiation, radioactive material, nuclear process or from nuclear weapons or material;
10. your commercial vessel is undergoing major hull repair or alteration (e.g. extending the length of the boat, major refurbishment of deck, cabin and hull or replacing inboard engines) unless you tell us beforehand in writing and we agree in writing to cover you;
11. loss, damage or liability arising directly or indirectly from capture, seizure, arrest, restraint, detention or attempted threat or any consequences thereof;
12. any reduction in value of your commercial vessel due to the vessel's age, condition or because of repairs or unrepaired damage.

Section 5: Additional benefits

This Policy includes the following additional benefits subject to the exclusions and general conditions listed in sections 4, 6, 7, 8, 9, 10 and 11.

Crew accident cover

If a person acting in their capacity as a paid permanent skipper or paid crew member of the vessel suffers a bodily injury as a result of an accident during the period of insurance and caused directly out of the use of the commercial vessel that results within six calendar months in either:

- death;
- temporary total disablement;
- permanent total disablement;

we will pay:

- death - the sum of \$25,000;
- temporary total disablement - the sum of \$250 per week, limited to 100 weeks;
- permanent total disablement - the sum of \$25,000.

To qualify for payment, the injured person must obtain and follow advice of a qualified medical practitioner (other than his or her spouse) as soon as possible after the accident.

Section 6: Optional extensions

Only when it is specified in the Policy Schedule that the Policy includes the following optional extensions, cover is extended as follows, subject to the exclusions and general conditions listed in sections 4, 6, 7, 8, 9, 10 and 11.

Loss of hire/income

This cover is extended to indemnify you for your loss of net income in consequence of the commercial vessel being partially or totally prevented from earning net income as a result of loss or damage to the commercial vessel covered by section 3 or 4 occurring during the period of insurance.

How much we will pay

The maximum period of indemnity is 30 consecutive calendar days (unless otherwise specified in the Policy Schedule) after the application of the deductible (see below).

1. The maximum daily indemnity is limited to \$500 per day (unless otherwise specified in the Policy Schedule).
2. Maximum amount payable by us shall not exceed \$15,000 in the aggregate any one loss or series of losses caused by the one insured event (unless otherwise specified in the Policy Schedule).
3. If there is a total or constructive total loss of the commercial vessel, the maximum amount payable by us is \$15,000 (unless otherwise specified in the Policy Schedule).

Deductible

The first 30 days (unless otherwise specified in the Policy Schedule) that the vessel is prevented from earning net income as a result of the insured event forming part of the claim. This deductible shall not apply in the event of a total or constructive total loss of the commercial vessel.

Exclusions

This cover excludes loss of net income arising from:

1. loss, damage or occurrence excluded by section 3 or 4 of this Policy;
2. any delay caused by the insolvency or inability to pay of you or your clients;
3. loss, damage or expense caused by your wilful misconduct;
4. loss, damage or expense caused by delay;
5. loss, damage or expense caused by war, governmental acts, requisition or seizure by legal process;
6. loss, damage or expense caused by civil commotions, riots, strikes, lockouts, sabotage, industrial action or other similar causes;
7. loss, damage or expense caused directly or indirectly by radiation, radioactive material, nuclear process or from nuclear weapons or material;
8. any fine or penalty.

Claims provisions

Basis of valuation

The actual revenue for a claim under this Policy shall be evidenced by booking schedules for the corresponding period for the previous year. If no evidence can be provided to demonstrate that the commercial vessel would have earned any income during the period of indemnity, the daily indemnity shall be limited to the running costs of the commercial vessel for that period.

Recoveries

Where a recovery for loss of net income is obtained from a third party, we are entitled to this recovery to the extent of the amount paid by them.

Separate repair periods

Where, due to a single insured event, the commercial vessel is prevented from earning net income on separate occasions (not exceeding three) by reason of repairs, these separate occasions may be added together to arrive at the total claim, provided that repairs are completed within 12 months of the expiry of this policy. The period the commercial vessel is prevented from earning net income will be counted irrespective of the expiry date of this Policy provided that the repairs are completed within 12 months of the expiry of this Policy.

Organisation of repairs

All repairs shall be arranged with due diligence and promptness. We have the right to request you to incur any expense that would reduce their liability under this Policy provided we shall pay for these expenses.

Common time/ simultaneous repairs

Where damage repairs are carried out at the same time as other repairs for your account which are immediately necessary for safety purposes or to allow the commercial vessel to earn net income and which are not claimable under this Policy, the net income lost during as much time as is common to both classes of work in excess of the deductible shall be divided equally between us and you. If the time necessary to effect damage repairs is extended by any other repairs for your account, the period of indemnity is limited to the time that would have been taken to effect damage repairs caused by the insured event had they been effected alone.

Notification

All possible claims are to be reported to us as soon as possible and we are to be notified before any repairs are carried out.

Other provisions

Sale of vessel

Should the commercial vessel be sold, this extension is automatically cancelled. In this event, we agree to return a pro-rata net monthly premium, provided there are no claims on this Policy prior to cancellation.

Automatic reinstatement clause

The indemnity granted by this extension is limited to the amount specified in the Policy Schedule and shall be reduced by any claims paid. Reinstatement of the indemnity specified in the Policy Schedule shall be automatic excluding claims for total and/or constructive total loss, subject to payment of the appropriate additional premium plus government charges (where applicable).

Sports, fishing and/or diving equipment

We agree to provide additional cover to you for:

- Accidental damage to your sports, fishing and diving equipment while on your commercial vessel (excluding while in use).
- Theft of your sports, fishing and diving equipment provided there is visible evidence of forcible and violent entry:
 - (i) into the securely locked commercial vessel or securely locked compartment within the commercial vessel; or
 - (ii) into the normal securely locked place of storage of the commercial vessel or equipment.

The maximum amount we will pay is \$20,000 in total with a limit of \$2,000 on any one item.

Section 7: Legal liability cover

What you are covered for

Legal liability – Operating your own commercial vessel:

We cover you and any person allowed by you to control your commercial vessel against legal liability for:

- accidental death or bodily injury to a person other than:
 - you;
 - your crew;
 - paying passengers unless you have requested and we have agreed to provide the optional 'Passenger liability – Commercial use' extension (see section 8).
- accidental damage to other peoples' property (excluding paying passengers and crew unless you have requested and we have agreed to provide the optional 'Passenger liability - Commercial use' extension (see section 8),

caused by the use of your commercial vessel.

- the costs associated with your commercial vessel being damaged or sinking accidentally and if we decide to recover it or if the law requires that it must be removed, we will pay the reasonable costs of the removal/recovery of the wreck provided it was in seaworthy condition at the time of sinking. These costs are recoverable in addition to the total sum insured of your commercial vessel and are subject to a limit of \$10,000,000 each and every loss or series of losses caused by the one insured event.

What you are not covered for

Legal liability – Operating your own commercial vessel

We will not cover any liability, cost or expense in respect of:

1. death or bodily injury to you or your crew;
2. loss of or damage to any cargo or property owned by you or your crew or in your custody or control or the cargo or property of any other person covered by this Policy;
3. death or bodily injury caused by the use of the trailer while it is attached to a motor vehicle or it breaks away or accidentally detaches from the vehicle;
4. death or bodily injury or property damage intentionally caused by a person covered by this Policy;
5. 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 insurance and Workers' Compensation insurance;
6. death or bodily injury to paying passengers unless you pay and additional premium and we agree to provide the optional 'Passenger liability – Commercial use' extension (see section 8);

7. death or bodily injury caused by the activity of:
 - scuba diving, diving or diving operations, or in connection with the supplying, usage and/or instructions in the use of diving equipment, diving accessories and similar equipment;
 - boom netting, water skiing or aquaplaning;
 - snorkeling or tunnel diving;
 - towing of persons or objects in the air including para-sailing; or
 - any other similar activity involving swimming by persons carried by the commercial vessel.
8. the liability of any trades person or company engaged in repair, service or maintenance of your commercial vessel;
9. the use of any fishing, sports, waterskiing or aquaplaning equipment;
10. any claim arising directly or indirectly from pollution or contamination by any substance unless you pay an additional premium and we agree to provide the optional Pollution liability – Commercial use extension (see section 8);
11. towing vessels unless the vessel(s) is in distress and in response to a distress call from another vessel;
12. loss, damage or expense caused directly or indirectly by radiation, radioactive material, nuclear process or from nuclear weapons or material;
13. 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;
14. any fine or penalty;
15. aggravated, exemplary or punitive damages;
16. the carrying or passing on of any infectious disease or virus.

Section 8: Additional Optional cover available

Passenger liability – Commercial use

What you are additionally covered for

If we have agreed to cover you and have shown it in your Policy Schedule, we will cover you or any person allowed by you to control your commercial vessel (within the requirements of any law) against legal liability for:

- accidental death or bodily injury to a passenger while:
 - being carried by the commercial vessel;
 - entering or leaving the commercial vessel including a jetty, pontoon or wharf operated or maintained by you;
- accidental death or bodily injury to a passenger caused by food and drink prepared and served by you;
- accidental damage to personal effects of a passenger while on your commercial vessel, subject to a limit of \$200 any one item to a maximum of \$2,000 in total for any one passenger for any loss or series of losses caused by the one insured event, (unless otherwise specified in the Policy Schedule).

Pollution liability – Commercial use

What you are additionally covered for

If we have agreed to cover you and have shown it in your Policy Schedule, we will cover you or any person allowed by you to control your commercial 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 commercial vessel provided the discharge, emission, spillage or leakage does not arise from wilful negligence or wilful misconduct with your knowledge;
- any costs associated with the cleaning up of an accident site following an insured event provided that you were liable for the clean up and the discharge, emission, spillage or leakage and was not caused by your wilful misconduct or negligence, subject to a limit of \$500,000 each and every loss or series of losses caused by the one insured event.

This extension of cover excludes:

- death, bodily injury or illness;
- contractual or assumed liability;
- any loss of use or consequential 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.

The sections of this Policy Wording called:

- 'What you are not covered for – Legal liability – Operating your own commercial vessel'; and
- 'General exclusions – applicable to all sections';

also apply to both of these additional cover extensions.

Section 9: General exclusions – applicable to all sections

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

1. your commercial vessel is outside the navigational limits specified in the Policy Schedule;
2. your commercial vessel was being operated:
 - (i) at a speed greater than its maximum designed speed;
 - (ii) with a motor more powerful than recommended by the manufacturer;
 - (iii) with more than the maximum number of passengers or load recommended by the manufacturer;
 - (iv) outside the limits imposed by any Certificate of Construction and Performance, Licence or similar document.
3. your commercial vessel was 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 unless you were not on board the commercial 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 or any drug or had a percentage of alcohol or drugs in excess of legal limits;
4. your commercial vessel was under the control of a person not licensed under the applicable law, unless you were not in the commercial vessel at the time and can clearly demonstrate that you had no reason to suspect that the person was unlicensed;
5. your commercial vessel was being used in a racing, speed tests or trials;
6. your commercial vessel was being used for an unlawful purpose;
7. your commercial vessel was being used without commercial licensing, registration, classification or survey requirements being complied with;
8. your commercial vessel was being towed on a trailer and the driver with your express or implied consent was not licensed to drive a vehicle in accordance with the law, unless 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;
9. your commercial vessel is being loaded, unloaded or transported by a commercial carrier unless you tell us beforehand in writing, and we agree in writing to cover you;
10. you do not keep the commercial 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 including the mooring of your vessel not being:
 - of suitable design and weighing for the vessel;
 - appropriately sited; and
 - in good order and regularly maintained on an annual basis.
11. your commercial vessel is undergoing major hull repair or undergoing alteration unless you tell us beforehand in writing, and we agree in writing to cover you.

In addition, this Policy excludes loss, damage, destruction, death, 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.

In no case shall this insurance cover 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, biochemical, or electromagnetic weapon.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to the above exclusions.

Laws impacting cover

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that it is unlawful for us to do so.

Sanctions limitation and exclusion

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose us to any sanction, prohibition or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

Marine Cyber Endorsement

1. Subject only to paragraph 3 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus, computer process or any other electronic system.
2. Subject to the conditions, limitations and exclusions of the policy to which this clause attaches, the indemnity otherwise recoverable hereunder shall not be prejudiced by the use or operation of any computer, computer system, computer software programme, computer process or any other electronic system, if such use or operation is not as a means for inflicting harm.
3. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, paragraph 1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

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Communicable Disease Exclusion

1. Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - (a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and
 - (b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and
 - (c) the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

Section 10: General conditions – applicable to all sections

The cover provided by this Policy is subject to the following additional conditions:

Alteration of risk

You must give us notice as soon as practicable if there is any material change in the circumstances or nature of the risks covered by this Policy, as disclosed at the commencement or renewal of this Policy or in your Policy Schedule, or no claim arising after the change shall be payable unless we have agreed to the change in writing.

Authorisation

We may give to and obtain from any other insurers, any insurance reference bureaux and any credit reporting agencies any information relating to your credit or insurance history as well as insurance claims information obtained during the course of this Policy.

Due care

At all times, you must take appropriate care in the operation of the commercial vessel in your care, custody or control.

Preventing our right of recovery

If you've agreed with or told someone who caused you loss, damage or liability covered by your policy that you won't hold them responsible then, to the extent we've been prejudiced by this act, we won't cover you for that loss, damage or liability.

Survey/manning warranty

Warranted that at inception and throughout the period of insurance the commercial vessel must at all times be:

- registered and in current survey with the appropriate governmental authorities according to the type and class of operation and that its type and class are maintained;
- operated within the specified limits as permitted by the appropriate governmental authorities;
- in compliance with all regulations as required by the appropriate governmental authorities;
- operated by a master or any other person in charge of the commercial vessel who is the holder of a 'Certificate of Competency' issued by the appropriate governmental authorities; and
- any conditions attaching to or imposed by the registration of the commercial vessel are complied with by the dates stipulated in those conditions.

Third party interests

You must inform us of the interests of all third parties (e.g. financiers or lessors) to be covered by this Policy. We protect the interest of third parties only if you have informed them and such interest(s) are noted in the Policy Schedule.

The interest of the third party is not to exceed 50% of the total sum insured unless agreed to in writing by us.

Other insurance

If at the time of the loss 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.

References to legislation

Legislation referenced in this Policy includes subsequent legislation. Any term used in this Policy and defined by reference to legislation will have the meaning given in any replacement definition or definition with materially the same object or purpose in subsequent legislation.

'Subsequent legislation' means:

- an act or regulation as amended, replaced or re-enacted;
- where an act or regulation has been repealed, the current equivalent act or regulation (Commonwealth, State or Territory) with materially the same object or purpose whether in whole or in part.

Sending you documents

Documents relating to your insurance policy will be sent by post or email. Where you have been given the choice, they will be sent by your chosen delivery method and you can change your preference at any time.

It is your responsibility to make sure your contact details are current (including telephone number, email and mailing address where relevant) and you must update these as soon as they change.

Section 11: Claims

Notification of claims – What you must do

For us to consider your claim, you must:

- promptly take all responsible precautions to prevent any further loss or damage to your commercial vessel including electrical equipment and components which have been submerged and in the case of a motor, the flushing out and oiling of the motor and the drying out of it and all other electrical equipment and components;
- make a report to the Police if there is injury, malicious damage, theft or attempted theft of your commercial vessel;
- contact us and give us details of what has happened; and
- complete our claim form and any other form we ask you to complete, and take it or mail it to our claims department at any of our offices.

You must not authorise repairs to your commercial vessel without our consent.

Only we have the right to settle or defend a claim against you by another party.

If we agree you have a claim, you should not without our consent:

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

How much we pay – Market value

How much we pay – Loss of or damage to your commercial vessel

Where in the Policy Schedule it does not state 'So valued', this is a market value Policy cover.

We may decide either to repair or replace an item, or to pay the cost of replacing an item.

This amount that we will pay is determined by:

- comparing the value of the item with an item of equal age and condition; or
- the new replacement value less reasonable depreciation based upon the age and condition of the item; or
- the actual cost of an item of equal age and condition, whichever is the lesser.

When we take the option of repairing an item, the amount that we pay is limited by the actual value of the item being repaired or the new replacement value less reasonable depreciation based upon the age and condition of the item.

In the event of a total loss we will pay you the sum insured (market value) of the item involved and take ownership of any salvage.

Remember that the maximum amount payable in respect of each item is as listed in the Policy Schedule.

How much we pay – Agreed value

How much we pay – Loss of or damage to your commercial vessel

If the Policy Schedule states sum insured 'So valued', this is an agreed value Policy cover.

There are separate sums insured for:

- the hull and motors/machinery;
- equipment and accessories including sails, masts, spars, standing and running rigging, tender and trailer.

Your Policy Schedule lists the sum insured for each of these items separately. In the event of a claim, the maximum we will pay you for each item is the agreed sum insured for that item.

We will either:

- repair or replace an item; or
- pay you the reasonable cost of repairing or replacing the item involved; or
- pay you the agreed sum insured of the item involved and take ownership of any salvage.

Remember that the maximum amount payable in respect of each item is as listed in the Policy Schedule.

Limit on what we pay

Loss or damage to your commercial vessel (agreed or market value)

Our liability is limited to the amount specified in the Policy Schedule any one loss or series of losses caused by the one insured event (excluding additional benefits and applicable optional extensions specified in sections 5 and 6).

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.

Limit on what we pay

Legal liability

The maximum we will pay is the amount specified in the Policy Schedule in total for all claims that arise from any one loss or series of losses caused by the one insured event and legal fees and expenses incurred by you with our consent or recoverable from you in connection with an insured event.

Deductible

The amount specified in the Policy Schedule as the deductible will be deducted from each and every loss except for claims for:

- total and/or constructive total loss of the entire vessel; and
- death or personal injury under the liability cover specified in section 7.

Miscellaneous claims conditions

(a) Automatic reinstatement

When an amount is paid under this Policy, the limit of liability is automatically reinstated to the amount specified in the Policy Schedule, subject to payment of an additional premium and government charges (where applicable).

(b) Fraudulent claims

If any claim is fraudulent or false in any respect, to the extent permitted by law, we may refuse to pay the whole or part of the claim.

We are also entitled to cancel this Policy.

How Goods and Services Tax 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:

- not registered for GST, the amount we pay is the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- 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* (Cth) 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.

Section 12: Cancellation

At any time, you may cancel this Policy by giving us notice in writing.

We may cancel this Policy only when permitted by the *Marine Insurance Act 1909* (Cth) to do so.

Upon cancellation, we will refund a pro-rata proportion of the premium received by us relating to the unexpired period of insurance.

