



Nautilus Marine Personal Watercraft Insurance

Product Disclosure Statement



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Throughout this document, words appearing capitalised will have special meanings. These meanings are set out in the Policy section below headed "Definitions".

About AIG and Nautilus Marine

In this document, the insurer, AIG Australia Ltd acting through their agent, NM Insurance Pty Ltd is referred to as “**We**”, “**Us**”, and “**Our**”.

Throughout this document, words appearing capitalised will have special meanings. These meanings are set out in the **Policy** section below headed “Definitions”.

This Product Disclosure Statement (PDS) was prepared on 28 May 2019 and tells **You** about this **Personal Watercraft** Insurance to help **You** decide if the cover is right for **You** and whether to use **Our** services.

It also contains

- i. information about key benefits and significant features of this insurance;
- ii. important information about your rights and obligations such as the duty of disclosure and cooling off period and complaint procedures; and
- iii. information about the remuneration received by NM Insurance Pty Ltd and other entities involved in the distribution of the **Personal Watercraft** Insurance.

Any advice provided in this document is general only and does not take into account **Your** individual circumstances. **You** should carefully read it, and any other documentation **We** send **You** such as **Your Certificate of Insurance** to determine if the cover is appropriate for **You**. Keep them in a safe place for future reference.

About the Insurer

The underwriter of this insurance is AIG Australia. American International Group, Inc. (AIG) is a leading global insurance organization. Building on 100 years of experience, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to

customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange. Additional information about AIG can be found at www.aig.com | **You**Tube: www.youtube.com/aig | Twitter: @AIGinsurance www.twitter.com/AIGinsurance | LinkedIn: www.linkedin.com/company/aig. These references with additional information about AIG have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this PDS.

Our contact details are:

For NM Insurance Pty Ltd
Level 7, 99 Walker Street
North Sydney NSW 2060
Telephone: 02 8920 1157
Facsimile: 02 8920 1275
Email: customerservice@nminsurance.com.au

AIG Australia
Level 19, 2 Park Street
Sydney NSW 200
Telephone: 1300 030 886
Facsimile: 1300 634 940

Nautilus has been given a binder authority by the insurers AIG Australia Limited, which allows Nautilus to enter into this **Policy**, to administer it and to handle and settle claims made under it within the terms of the binder authority. In doing so Nautilus acts for the insurer not **You**. Nautilus’ Australian Financial Services Licence (“AFSL”) authorises it to provide these services and is providing these services under its own AFSL.

Introduction

This PDS and the information **We** send **You** about **Your** cover is designed to be simple and straight forward to make it easy for **You** to understand what is included in **Your** cover and what isn’t.

This **Personal Watercraft** Insurance has been designed by Nautilus in conjunction with **Personal Watercraft** owners like **You**, to protect **You** in the event of a **loss** such as a collision, sinking, **Fire**, storm or theft. Plus **We** also give **You** added benefits, to help **You** get back out on the water sooner.

Terms, conditions, limits and exclusions apply. **You** need to read all of the information provided by **Us** on this insurance to properly understand the cover provided.

Cooling off period

If **You** decide that **Your** insurance cover doesn't meet **Your** needs, for whatever reason, and **You** have not made a claim, **You** can cancel the **Policy** within 21 days of the start of **Your** insurance. **You** will receive a full refund of any premiums paid (less any taxes or duties **We** cannot recover).

Which terms form part of your cover

So that **You** understand exactly what **Your Personal Watercraft** Insurance covers and does not cover, make sure **You** read the PDS, cover sections as well as the limits and exclusions that apply and which are found in the PDS and the **Policy**.

In each cover section of the **Policy We** set out what **We** cover in the left hand column of a table. In the right hand columns of

the same table, under the heading (i) "Our Exclusions – **You** Are Not Covered For The Following" the exclusions and limitations respectively applying to each particular cover are set out in the same row as the cover. Any exclusion or imitation will therefore only apply to such cover if it corresponds or aligns with such cover.

Please also note that as **We** have combined the PDS with your **Policy**, the terms and conditions found in the PDS form part of your coverage terms. In the event of any conflict between the terms and conditions found in the PDS and the **Policy** terms and conditions, the terms and conditions of the **Policy** will prevail.

Queries and changes

We are here to answer any questions **You** have about **Your** cover. If **You** have any questions about this insurance or would like to update or change **Your** cover, please:

- contact **Your** insurance broker or insurance advisor
- call Nautilus: 1300 780 533

- email customerservice@nautilusinsurance.com.au
- write to Nautilus Marine Insurance
Level 7, 99 Walker Street, North Sydney NSW 2060
- visit www.nautilusinsurance.com.au
- For claims call: 1300 996 110

A Summary of Your Personal Watercraft Insurance

You will only be entitled to the cover provided by this **Personal Watercraft** Insurance for which **You** have paid the applicable premium and which is shown on **Your Certificate of Insurance**.

There are limits to the cover provided and while some of these are fixed, others may be extended by simply notifying **Us** of the items **You** own and their value.

There are also exclusions and limitations which apply to certain events, as well as general exclusions which apply to all cover under this insurance.

Certain words have defined meanings **You** need to understand, which are found in the Definitions section of the **Policy**.

Please also note that this is a limited summary only and not a full description of the covers. Each cover noted is subject to terms, conditions, exclusions and limitations that are not listed in the summary. **You** should read this PDS and **Policy** in full to properly understand the cover provided. **You** are not automatically insured under each cover.

In addition to assist with your decision to purchase this cover and to manage your expectations in the event of a claim **We** believe it is important to highlight some important terms and the main areas where cover is or is not available or where limited cover is available under this **Policy**, regardless of the situation. These are detailed below.

Work out what cover suits You

You need to ensure that the cover selected by **You** is suitable for **Your** needs and that the level of cover provided is adequate.

Depending on Your insurance needs You may elect to take out one of the following covers:

- Comprehensive Cover – This includes cover for **Accidental loss** or **Damage** to **Your Personal Watercraft**, the **Legal Liability** arising from the use of **Your Personal Watercraft** and Personal **Accident** cover;
- **Legal Liability** Cover – This cover is included when **You** select Comprehensive Cover. Otherwise **You** can choose to purchase **Legal Liability** cover only.

Your Personal Watercraft is comprised of the:

- **Hull**;
- **Motors** (including fuel tanks);
- **Trailer**;
- **Equipment and Accessories**.

Your Personal Watercraft includes any replacement **Personal Watercraft**. **Personal Watercraft** modifications are excluded unless **We** have agreed to them. If **We** have agreed this will be noted on **Your Certificate of Insurance** under '**Personal Watercraft Modifications**'. It does not include contents but limited cover is provided for **Personal Effects**, under the Additional Benefits section of the **Policy**.

For Comprehensive Cover the following are some of the important things you need to consider if and when you select this coverage.

Insuring Your Personal Watercraft

You are responsible for deciding the amount of **Your Sum Insured**. If **You** are having difficulties working out the values please seek the advice or a valuation from a professional **Personal Watercraft** dealer.

Your Personal Watercraft can be insured on the following basis:

1. Agreed Value: Personal Watercraft up to 2 years of age

When **You** have purchased **Your** brand new **Personal Watercraft** through a professional dealership primarily involved in the sale of **Personal Watercraft** or boats, **We** agree to insure **Your Personal Watercraft** for the purchase price paid for 2 calendar years from the date **You** purchased **Your Personal Watercraft**. The purchase price and date of purchase must be advised to **Us** at the time of entering into the **Policy**.

At the end of 2 calendar years from the date **You** purchased **Your Personal Watercraft** the **Policy** will automatically convert to operate on a **Market Value** basis. **You** can contact **Us** and request that cover be amended to an **Agreed Value** in which case **You** must provide **Us** with details of **Your** requested **Sum Insured**. If **We** cannot agree on the **Sum Insured** value with **You**, **Policy** will be issued on a **Market Value** basis.

Agreed Value: Personal Watercraft over 2 years of age

If **Your Personal Watercraft** is older than 2 years of age, **We** will agree to insure **Your Personal Watercraft**:

- where **You** have owned the **Personal Watercraft** for less than 2 years, for the purchase price paid by **You** for 2 calendar years from the date **You** purchased

Your Personal Watercraft. The purchase price and date of purchase must be advised at the time of entering into the **Policy**; or

- where **You** have owned the **Personal Watercraft** for more than 2 years, for a **Sum Insured** value that **We** agree will apply to **Your Personal Watercraft**.

If **We** cannot agree on the **Sum Insured** value with **You**, the **Policy** will be issued on a **Market Value** basis.

At the end of 2 calendar years from the date **You** purchased **Your Personal Watercraft** or the time **We** agreed to a **Sum Insured** value, the **Policy** will automatically convert to operate on a **Market Value** basis. **You** can contact **Us** and request that cover be amended to an **Agreed Value** in which case **You** must provide **Us** with details of **Your** requested **Sum Insured**. If **We** cannot agree on the **Sum Insured** value with **You**, **Policy** will be issued on a **Market Value** basis.

Market Value – If **We** cannot agree on a specified **Agreed Value Sum Insured** with **You** **We** will insure the **Personal Watercraft** on a **Market Value** basis. **We** will then pay up to the **Market Value** (i.e. the cost to replace **Your Personal Watercraft** with a similar item of the same age and condition) of the **Personal Watercraft** assessed at the time of the event giving rise to the **loss**, or the **Sum Insured** shown on **Your Certificate of Insurance**, whichever is the lesser.

Coverages Available

With Comprehensive Cover **Your Personal Watercraft** is protected against **Accidental loss** or **Damage**, including the following major events:

- theft;
- **Impact With a Solid Object**;
- sinking;
- **Fire**;
- storm;
- **Malicious Damage**;
- transit **Damage**;
- water inflow.

Additional Benefits

If **You** have selected Comprehensive Cover **You** are also automatically entitled to various Additional benefits such as cover for:

- **Personal Effects**;
- **Water Sports Equipment**;
- Emergency Assistance for **Your Personal Watercraft**;
- **Salvage Charges**;
- Personal **Accident** cover;
- Lost Keys;
- Tyre and Rim Cover.

You may also be able to extend **Your Comprehensive Personal Watercraft Cover** to include the following Optional benefit (an additional premium may apply):

- **Lay up** cover;
- **Personal Watercraft** Racing cover;

A detailed explanation of this cover is provided later in this document.

LEGAL LIABILITY COVER

For **Legal Liability** Cover, **We** cover **You** for **Your Legal Liability** for injury to other people or **Damage** to their property when using **Your Personal Watercraft** or in certain circumstances a substitute **Personal Watercraft**.

Legal Liability cover includes cover for **Accidental** discharge, release or escape of fuel or lubricant clean up costs, and Liability cover for **Waterskiing** and/or **Aquaplaning** activities.

Applying for Cover

When **You** apply for this insurance, **You** will need to complete a proposal. **We** will use and rely on the information supplied by **You** to decide the terms of cover **We** will provide.

If you are not eligible for cover under this **Policy**, then you can see if there are alternative options by contacting either the National Insurance Brokers Association or the Insurance Council of Australia. If you are not happy with our reasons as to why you are not eligible for cover, you can lodge a complaint with **Us** by following the complaints procedure outlined in this PDS.

When **We** agree to enter into a **Policy** with **You**, **Your Policy** with **Us** is made up of:

- this PDS;
- **Your Certificate of Insurance**; and
- any other document **We** tell **You** forms part of the terms and conditions of **Your** cover, including any endorsements issued by **Us**.

Your Certificate of Insurance will contain important information relevant to **Your** insurance including the **Period of Insurance**, **Your** premium, details of **Your** insured property and the cover selected by **You**, the **Excess(es)** that will apply to **You** and others and whether any standard terms have been varied by way of endorsement.

You need to keep these documents in a safe place together with receipts and other evidence of ownership and value of items **You** insure.

Determining Your Premium

When **You** buy **Your** insurance **We** tell **You** the premium **You** must pay and show it on **Your Certificate of Insurance**.

To determine **Your** premium **We** consider factors such as the cover **You** want, the **Personal Watercraft** **You** want to insure, the limits and **Excesses** that will apply and **Your** insurance history and whether **You** are paying by instalments or not.

It also includes an administration fee and amounts that take into account **Our** obligation to pay any relevant

compulsory government charges, taxes or levies (e.g. Stamp Duty and GST) for **Your** insurance. **We** show these on **Your Certificate of Insurance**.

We will reward **You** with a no claim bonus discount on **Your** premium when **You** buy the **Policy** if **You** have not experienced a recent pleasure craft related claim. **We** tell **You** what **Your** discount is when **You** apply for the **Policy**. **Your** premium is calculated on current rates and **We** then apply any no claim bonus premium discounts **You** may be entitled to. **You** will be entitled to our maximum no claim bonus premium discount if you have not experienced any pleasure craft related claims in the past 5 years.

Our no claim bonus discount works as follows:

- 30% discount if **You** have had no claims in the past 5 years;
- 20% discount if **You** have had 1 claim or less in the past 2 years;
- 10% discount if **You** have had 2 claims or less in the past 3 years; or
- 0% discount in all other cases.

The level of discount will be adjusted upon renewal depending on whether any claims are lodged during the previous **Period of Insurance** and this may either:

- increase **Your** discount if **You** have not made a claim (up to the next level or **Our** maximum level, whichever applies); or
- decrease **Your** discount (if **You** have made a claim); or
- remain the same.

If **You** hold the **Policy** with **Us** for three consecutive years and make no claims, **We** will apply **Our** maximum No Claim Bonus discount for all future renewals of the **Policy** with **Us**.

A minimum premium applies for this insurance irrespective of any discount that applies. The amount of premium **We** charge after taking into account **Your** no claim bonus (if any) will not be less than this amount.

If **Your** premium is payable in instalments, this may increase the amount of premium that **You** must pay. If the premium is payable in instalments, **You** must continue

to pay the instalments to maintain cover. If **You** pay by 7 or more instalments each year and **You** fail to pay an instalment on time then, if the instalment remains unpaid for at least 14 days, **We** may refuse to pay any claim that arises after the unpaid instalment was due.

You are responsible for ensuring that **Your** premiums are paid or **Your** cover could be put at risk. Please call **Us** if **You** are ever unsure about **Your** premiums.

We may deduct from any claim amount benefit payment, any unpaid premium or instalment of premium.

Your 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, 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.

Making a Claim

What happens if You need to make a claim?

We understand that it can be very stressful if **You** need to make a claim. **Our** claims team will be there to help **You** with advice and assistance when **You** need it most.

Nautilus has been appointed by **Us** to administer and settle claims on **Our** behalf within the binder authority. Nautilus'

handling of **Your** Claim will be in accordance with the requirements set out under the General Insurance Code of Practice (see below). The **Policy** provides further details as to how to make a claim.

The Financial Claims Scheme

The protection provided under the Federal Government's Financial Claims Scheme (the Scheme) applies to the **Policy**. In the unlikely event that the Insurer is unable to meet its obligations under the **Policy**, persons entitled to make a claim under the insurance cover under the **Policy** may be entitled to payment under the Scheme (access to the Scheme is subject to eligibility criteria). Information about the Scheme can be obtained from the APRA website at <https://www.fcs.gov.au>

Goods and Services Tax (GST)

Any claim payments made under this insurance will be based on GST inclusive costs, up to the relevant **Sum Insured, Market Value** or **Agreed Value** or maximum amount that **We** pay.

However, if **You** are or would be entitled to claim any input tax credit for the repair or replacement of the insured property or for other things covered, **We** will reduce any claim under the **Policy** by the amount of such input tax

credit. **You** must advise **Us** of **Your** correct input tax credit percentage where **You** are registered for GST. **You** are liable to **Us** for any GST liability **We** incur arising from **Your** incorrect advice or inaction.

General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice. This aims to raise the standards of practice and service in the insurance industry, improve the way claims and complaints are handled and help people better understand how general insurance works. Information brochures on the Code are

available upon request. As **We** act through **Our** agent, Nautilus, Nautilus will also be bound (where applicable) by the same found in the Code of Practice.

How We Resolve Your Complaints

We welcome every opportunity to resolve any concerns **You** may have with **Our** products or service. Any enquiry or complaint relating to this insurance or NM Insurance should first be referred to:

NM Insurance Pty Ltd, 28-32 George Street,
Level 7, 99 Walker Street, North Sydney NSW 2060
Telephone: 02 8920 1157
Facsimile: 02 8920 1275
Email: customerservice@nminsurance.com.au

You can register a complaint by telephoning **Us** on 1800 339 669, lodging **Your** complaint on **Our** website or by writing to:

The Compliance Manager
AIG Australia Limited
Level 12, 717 Bourke Street,
Docklands VIC 3008

As soon as **We** receive **Your** complaint **We** will take all possible steps to resolve it. **You** will receive a written response to **Your** complaint within 15 working days, unless **We** agree on a longer time frame with **You**.

If **You** are not satisfied with **Our** response to **Your** complaint, **You** may wish to have the matter reviewed by **Our** Internal Dispute Resolution Committee (IDRC). The IDRC is comprised of senior management of the company who have the experience and authority to decide on matters brought to them. If **You** wish to have **Your** complaint reviewed by IDRC please telephone or write to the person who has signed the response letter to **Your** complaint and provide them with detailed reasons for requesting the review. This information will greatly assist the IDRC in reviewing **Your** claim or enquiry.

Your complaint will then be treated as a dispute. **You** may also make a request for a review by the IDRC by contacting:

The Chairperson IDRC AIG Australia Limited
Level 12, 717 Bourke Street, Docklands VIC 3008

A written response setting out the final decision of the IDRC and the reasons for this decision will be provided to **You** within 15 working days of the date **You** advise **Us** **You** wish to take **Your** complaint to the IDRC.

If **We** are unable to provide a written response setting out the final decision **We** will keep **You** informed of progress at least every 10 days. If **You** are not satisfied with the finding of the IDRC, or if **We** have been unable to resolve **Your** complaint within 45 calendar days, **You** may be able to lodge a complaint with the Australian Financial Complaints Authority (AFCA).

AFCA provides fair and independent financial services complaint resolution that is free to consumers. AFCA can make decisions with which **We** are obliged to comply. Its contact details are:

Website: <http://www.afca.org.au> Email: info@afca.org.au
Tel: 1800 931 678 (local call fee applies)
In writing to Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

You should note that use of AFCA does not preclude **You** from subsequently exercising any legal rights which **You** may have if **You** are still unhappy with the outcome. Before doing so however, **We** strongly recommend that **You** obtain independent legal advice.

If **Your** complaint does not fall within AFCA's rules, **We** will advise you to seek independent legal advice or give **You** information about any other external dispute resolution options (if any) that may be available to **You**.

Other Important Information

Updating this PDS

We may need to update this PDS from time to time if certain changes occur where required and permitted by law.

We will issue **You** with a new PDS or Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, **We** may issue **You** with notice of this information in other forms or keep an internal record of such changes (**You** can get a paper copy free of charge by calling Us).

Distribution of this insurance by personal watercraft dealers

Pursuant to the ASIC Corporations (Basic Deposit and General Insurance Product Distribution) Instrument 2015/682 certain persons, including selected **Personal Watercraft** dealers, finance companies, and occasionally

other persons have been authorised by Nautilus under their own AFSL as its general insurance distributors to deal in this insurance on Nautilus' behalf.

These persons are not authorised to provide any advice on this insurance and have no binding authority to enter into any **Policy** or settle any claim or otherwise act on behalf of AIG Australia Limited.

Any person who provides financial services to **You** as Nautilus's general insurance distributor will tell **You** that they are acting in that capacity.

Distributors' remuneration

These distributors receive a commission whenever **You** enter into a **Policy** arranged by them (including renewals and some variations which increase the premium payable). The commission excludes GST and is a percentage of underwriters base premium (i.e. premium excluding the amounts included by the underwriters in relation to applicable stamp duty, fire service levy, GST or any other government charges, taxes, fees or levies). The commission is included as part of **Your** premium. In addition the distributors must also provide you with details of the complaints resolution process outlined in the PDS.

How Nautilus is remunerated for the services provided

Nautilus also receives a commission whenever **You** enter into a **Policy** arranged by them or their **Personal Watercraft** dealer distributors (including renewals and some variations which increase the premium payable. **We** may also advance Nautilus other money in the period to cover marketing and other costs and expenses which is agreed on a case by case basis.

For services in administering this insurance Nautilus may be paid a profit share amount in relation to all **Personal Watercraft** Insurance policies entered into in each annual period. The amount Nautilus can receive is a percentage of the net profit amount (if any) which is determined by **Us** and is based on the total premium excluding certain costs, expenses, fees and liabilities in relation to the policies (e.g. taxes and charges on the **Policy**, reinsurance costs, claims payments, commission paid and administrative costs) over a 12 month period.

If there is no net profit in the annual period, Nautilus receives no profit share. Any profit share amount is paid 3 months after the annual period ends.

Nautilus will also charge **You** an administration fee, which varies depending on the dealing service it provides **You** with. The fee is paid in addition to the premium and is shown on **Your Certificate of Insurance**.

Nautilus' staff receive an annual salary that may include bonuses based on performance criteria (which can include sales performance) and the achievement of company goals.

Remuneration payable to referrers

Nautilus will in some cases pay a pre agreed fee and/or a commission which is a percentage of the premium, to persons who refer **You** to it if **You** buy the insurance.

The amount paid will depend on the person who refers **You** and their level of involvement in the transaction.

Further information about remuneration

If **You** would like more details about the remuneration (including commission) or other benefits Nautilus, its distributors or referrers receive, please ask for it within a reasonable period after **You** receive this document and before this insurance is issued to **You**.

How We Protect Your Privacy

This notice sets out how AIG Australia and NM Insurance collect, use and disclose personal information about:

- You, if an individual; and
- other individuals **You** provide information about.

Further information about **Our Privacy Policies** is available at:

- for AIG Australia, at www.aig.com.au or by contacting AIG Australia at HYPERLINK "mailto:australia.privacy.manager@aig.com" australia.privacy.manager@aig.com or on 1300 030 886, and
- for NM Insurance, at www.nminsurace.com.au or by contacting NM Insurance at customerservice@nminsurace.com.au or on 1300 153 638.

In this Privacy Notice section, "**We**", "**Our**" and "**Us**" refers as applicable to each of AIG Australia and NM Insurance.

How We Collect Your Personal Information

AIG Australia and NM Insurance usually collect personal information from **You** or **Your** agents.

We may also collect personal information from:

- **Our** agents and service providers;
- other insurers;
- people who are involved in a claim or assist **Us** in investigating or processing claims, including third parties claiming under **Your Policy**, witnesses and medical practitioners;
- parties who may be arranging insurance cover for a group that **You** are a part of;
- providers of marketing lists and industry databases; and
- publically available sources.

Why We Collect Your Personal Information

AIG Australia and NM Insurance collect information necessary to:

- underwrite and administer **Your** insurance cover;

- improve customer service and products and carry out research and analysis, including data analytics; and
- advise **You** of **Our** and other products and services that may interest You.

You have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in AIG Australia declining cover, cancelling **Your** insurance cover or reducing the level of cover, or declining claims.

To Whom We Disclose Your Personal Information

In the course of underwriting and administering **Your Policy We** may disclose **Your** information to:

- **Your** or **Our** agents, entities to which AIG Australia and NM Insurance is related, reinsurers, contractors or third party providers providing services related to the administration of **Your Policy**;
- banks and financial institutions for policy payments;
- **Your** or **Our** agents, assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- entities to which AIG Australia is related and third party providers for data analytics functions;
- other entities to enable them to offer their products or services to You; and
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

AIG Australia is likely to disclose information to some of these entities located overseas, including in the following countries: United States of America, Canada, Bermuda, United Kingdom, Ireland, Belgium, The Netherlands, Germany, France, Singapore, Malaysia, the Philippines, India, Hong Kong, New Zealand as well as any country in which **You** have a claim and such other countries as may be notified in the AIG Australia Privacy Policy from time to time.

You may request not to receive direct marketing communications from AIG Australia or NM Insurance.

Access To Your Personal Information

Our Privacy Policies contain information about how **You** may access and seek correction of personal information **We** hold about you. In summary, **You** may gain access to **Your** personal information by submitting a written request to AIG Australia or NM Insurance.

In some circumstances permitted under the Privacy Act 1988, AIG Australia or NM Insurance may not permit access to **Your** personal information. Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful.

Complaints

Our Privacy Policies also contains information about how you may complain about a breach of the applicable privacy principles and how **We** will deal with such a complaint.

Consent

Your application includes a consent that you and any other individuals you provide information about consent to the collection, use and disclosure of personal information as set out in this notice.

Contact Us and opting out

If **You** wish to withdraw **Your** consent, including for things such as receiving information on products and offers by **Us** or persons **We** have an association with, please contact Us.

NM Insurance:

By phone: 1300 780 533

By email: customerservice@nminsurance.com.au;

In writing: Level 7, 99 Walker Street, North Sydney NSW 2060

AIG:

By phone: 1300 030 886

By email: australia.privacy.manager@aig.com

In writing: Privacy Manager,

AIG Australia Limited,

Level 12, 717 Bourke Street, Docklands Vic 3008

Policy Wording

Comprehensive Cover

This cover will only apply if **You** have selected it, paid the applicable premium and it is shown as covered on **Your Certificate of Insurance**.

Subject to the terms, conditions limitations and exclusion of **Your Policy** and any other documentation provided to **You**, **We** will cover **You** for **loss** or **Damage** to **Your Personal Watercraft** caused by any of the Insured **Events** specified in the left hand column of the table below.

The exclusions operative and any applicable limits in relation to such specific insured events only are found in the right hand column directly adjacent to such specific insured events.

Please however note that any other exclusions, conditions and limits which are of a more general nature and detailed elsewhere in the **Policy** and other documentation provided to you may also be applicable to such specific insured event.

INSURED EVENT - YOU ARE COVERED FOR:	OUR EXCLUSIONS - YOU ARE NOT COVERED FOR THE FOLLOWING: (See also General Exclusions)	COVER LIMIT PER CLAIM
<p>ACCIDENTAL LOSS OR DAMAGE</p> <p>We will cover You for Accidental loss or Damage to Your Personal Watercraft while it is being used by You or someone you have entrusted it to. This includes Damage caused by Fire, storm, Impact With a Solid Object, sinking and any other event not specifically excluded by the Policy.</p>	<ul style="list-style-type: none"> Loss or Damage specifically excluded under the other Insured Events listed in this table. 	<p>Sum Insured as specified on Your Certificate of Insurance.</p>
<p>THEFT</p> <p>We will cover You for the theft of Your Personal Watercraft and or/Water Sports Equipment.</p>	<ul style="list-style-type: none"> Theft by someone who is using Your Personal Watercraft with Your consent. 	<p>Sum Insured as specified on Your Certificate of Insurance.</p>
<p>MALICIOUS DAMAGE</p> <p>We will cover You for Malicious Damage to Your Personal Watercraft.</p>	<ul style="list-style-type: none"> Malicious Loss or Damage caused by You or a person acting with Your express or implied consent. 	<p>Sum Insured as specified on Your Certificate of Insurance.</p>
<p>TRANSIT DAMAGE</p> <p>We will cover You for loss or Damage sustained in an Accident which occurs while Your Personal Watercraft is being transported on its own Trailer by road, rail or ship.</p>	<p>Loss or Damage if:</p> <ul style="list-style-type: none"> Your Personal Watercraft is not designed to be normally transported on a Personal Watercraft Trailer; You have not complied with statutory requirements. 	<p>Sum Insured as specified on Your Certificate of Insurance.</p>
<p>WATER INFLOW</p> <p>We will cover You for loss or Damage sustained to Your Personal Watercraft by the entry of water into the Motor.</p>		

Additional Benefits for Personal Watercraft Cover

Subject to the terms, conditions limitations and exclusion of **Your Policy** and any other documentation provided

to **You**, the **Policy** is extended to include the following Additional Benefits when **Your Personal Watercraft** is lost or **Damaged** as a result of one of the Insured **Events** detailed under INSURED EVENT – YOU ARE COVERED FOR. The cover limits detail the maximum amounts that apply to each additional benefit in the event of such **loss** of **Damage** including any sub limits that may apply. The exclusions operative and any applicable limits in relation to such benefits only are found in the right hand column directly adjacent to such specific additional benefit.

Please however note that any other exclusions, conditions and limits which are of a more general nature and detailed elsewhere in the **Policy** and other documentation provided to you may also be applicable to such specific additional benefit.

INSURED EVENT – YOU ARE COVERED FOR:	OUR EXCLUSIONS – YOU ARE NOT COVERED FOR THE FOLLOWING: (See also General Exclusions)	COVER LIMIT PER CLAIM
<p>2 YEARS REPLACEMENT</p> <p>If Your Personal Watercraft is declared a Total Loss within 2 years of its original registration, We will at Our option replace Your Personal Watercraft with one of the same make, model or series. If a replacement Personal Watercraft is not currently available We will pay You either the Market Value or Agreed Value, whichever is shown on Your current Certificate of Insurance.</p> <p>Subject to the applicable exclusion, We will also pay Out of Pocket Expenses up to the limits noted in the Additional Benefits section of this Policy below.</p> <p>The cover provided will end as soon as one of the following occurs:</p> <ul style="list-style-type: none"> • The Policy is cancelled; • Two years from the original registration of Your Personal Watercraft; • Your Personal Watercraft has been sold. 		<p>Sum Insured as specified on Your Certificate of Insurance.</p>

<p>TYRE AND RIM</p> <p>We will cover You for loss or Damage to Your Personal Watercraft's Trailer tyre/s and or rim/s due to Impact which causes the tyre to puncture, burst, blow out or Damage to the rim so the tyre cannot be inflated. No Excess is applicable to a claim made under this additional benefit.</p>	<ul style="list-style-type: none"> • Failure of the tyre/s or rim/s due to wear and tear or gradual deterioration. 	<p>\$1,500 in total.</p>
<p>PERSONAL EFFECTS</p> <p>We will cover theft, loss or Damage to Personal Effects owned by You and Your passengers, which are being used or stored on Your Personal Watercraft at the time of loss or Damage. Proof of ownership will be required to substantiate any claim payable under this benefit.</p> <p>Unless otherwise agreed in the Policy, a \$200 Excess applies to all claims made under this additional benefit.</p>	<ul style="list-style-type: none"> • Loss or Damage to Personal Effects other than clothing, shoes, waterproof apparel, prescription glasses, prescription sunglasses, and go pro cameras. • Loss or Damage to Personal Effects unless they were on You or Your passengers or were used or stored on or in Your Personal Watercraft at the time of loss. • Theft of Personal Effects unless there is physical evidence of violent and forcible entry into Your place of storage. 	<p>\$1,500 per item, and \$10,000 in aggregate.</p>
<p>WATER SPORTS EQUIPMENT</p> <p>We will cover theft, loss or Damage to Water Sports Equipment owned by You, which is being used or stored on Your Personal Watercraft at the time of loss or Damage. Proof of ownership will be required to substantiate any claim payable under this benefit. Unless otherwise agreed in the Policy, a \$200 Excess applies to all claims made under this additional benefit.</p>	<ul style="list-style-type: none"> • Theft of Water Sport Equipment unless there is physical evidence of violent and forcible entry into the place of storage on Your Personal Water craft. • Loss or Damage to Water Sport Equipment unless the items were on or being used with Your Personal Watercraft at the time of loss. • Theft of Water Sport Equipment unless there is physical evidence of violent and forcible entry into Your place of storage. 	<p>\$1,500 per item, and \$10,000 in aggregate.</p>
<p>EMERGENCY ASSISTANCE</p> <p>We will pay the cost of towing Your Personal Watercraft in an emergency to Your home or the nearest place where repairs can be made.</p> <p>No Excess is applicable to a claim made under this additional benefit.</p>		<p>\$5,000 in total.</p>

<p>LOST KEYS</p> <p>We will cover You for the loss or theft of the keys of Your Personal Watercraft including the costs associated with recoding the new keys. No Excess is applicable to a claim made under this additional benefit.</p>		\$1,500 in total.
<p>OUT OF POCKET EXPENSES</p> <p>We will cover You for the following in connection with replacing Your Personal Watercraft as a result of a Total Loss:</p> <ul style="list-style-type: none"> • Dealer delivery fees; • Registration costs; • Stamp duty (if applicable). 	<ul style="list-style-type: none"> • Out of Pocket Expenses unless We replace Your Personal Watercraft within 3 years of its original date of registration. 	\$1,500 in total.
<p>REPATRIATION COSTS</p> <p>We will pay the reasonable travel costs for You and/ or Your immediate family members to return to Your home city after an event occurs which results in a claim payable under this policy. The cover provided by this benefit will only be paid if the loss or damage sustained by Your Personal Watercraft necessitates Your immediate return home. No excess is applicable to a claim made under this additional benefit.</p>		\$2,000 in total.

<p>PERSONAL ACCIDENT</p> <p>You are covered in the event of</p> <ul style="list-style-type: none"> • death; or • an injury causing permanent and total loss of: <ol style="list-style-type: none"> i. sight of an eye; ii. the use of a limb; iii. the thumb or any finger; <p>caused directly and solely by a violent, visible and external Accident which occurs while You are using Your Personal Watercraft for private pleasure purposes or voluntary rescue work.</p> <p>We will pay up to:</p> <ul style="list-style-type: none"> • the Personal Accident Sum Insured of \$50,000 or the amount shown on Your Certificate of Insurance for claims involving death, permanent and total loss of use of a limb or the total loss of sight of an eye; • up to 20% of the Personal Accident Sum Insured of \$50,000 or the amount shown on Your Certificate of Insurance for claims involving permanent and total loss of the thumb or any finger. <p>We will also pay:</p> <ul style="list-style-type: none"> • Your reasonable costs up to \$5000 for certain emergency expenses You incur as a result of the personal Accident providing that the costs are not covered by Medicare, workers compensation or another government or private scheme or arrangement. You must produce receipts for all costs incurred. • You funeral expenses to a maximum benefit of • \$5,000 where Your death arises directly and solely by an Accident which occurred whilst using Your Personal Watercraft. 	<p>The cover under this additional benefit only applies to individual(s) that are listed as an insured on Your Certificate of Insurance.</p> <p>If more than one individual is listed as an insured on Your Certificate of Insurance the amount payable to the individual claiming under this additional benefit will be limited to the amount payable, divided by the number of individuals shown on Your Certificate of Insurance as insureds.</p> <p>Our payment is subject to the individual claiming under this additional benefit obtaining medical attention for the Accidental injury from a registered medical practitioner and undergoing any medical examination requested by Us.</p> <p>The cover under this additional benefit does not apply whilst racing.</p> <p>We will not pay for any claims where providing such payment would result in Us contravening the Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth) or the National Health Act 1953 (Cth) or any applicable legislation, including Workers Compensation Legislation.</p> <p>We will not pay for any claims where:</p> <ul style="list-style-type: none"> • the injury or death is self-inflicted, including suicide or attempted suicide whilst sane or insane; or • the death, permanent injury, total loss of the use of a limb, thumb or any finger, or loss of sight of an eye occurs after 12 months of the date of the Accident. 	
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The **Policy** is extended to include the following Additional Benefits when **Your Personal Watercraft** is lost or **Damaged** as a result of one of the Insured **Events** detailed under INSURED EVENT – YOU ARE COVERED FOR. The cover limits detail the maximum amounts that apply to each additional benefit in the event of such **loss** of

Damage including any sub limits that may apply. The exclusions operative and any applicable limits in relation to such benefits only are found in the right hand column directly adjacent to such specific additional benefit.

Subject to all applicable limitations, terms and exclusions, **We** Agree to provide the following covers;

ADDITIONAL BENEFITS	
<p>VOLUNTARY RESCUE WORK</p> <p>We extend cover under this Policy for loss or Damage caused by the Insured Events detailed under the INSURED EVENT – YOU ARE COVERED FOR: section where You use Your Personal Watercraft for voluntary rescue work.</p> <p>CONSIGNMENT</p> <p>We extend cover under this Policy for loss or Damage caused by the Insured Events detailed on under the INSURED EVENT – YOU ARE COVERED FOR: section while Your Personal Watercraft is on consignment for sale at a commercial marine dealership.</p> <p>Lay up cover is not available while Your Personal Watercraft is on consignment.</p>	<p>SALVAGE</p> <p>If Your Personal Watercraft is Damaged or sinks Accidentally and We agree to recover it or the law requires that it must be removed, We will pay the reasonable costs of the Salvage Charges incurred for the removal/recovery of the wreck. This cost will be paid in addition to the Sum Insured for Your Personal Watercraft noted on Your Certificate of Insurance.</p> <p>REPLACEMENT PERSONAL WATERCRAFT</p> <p>Cover is provided if You purchase another Personal Watercraft to replace Your Personal Watercraft described on Your Certificate of Insurance, and You have:</p> <ul style="list-style-type: none"> • notified Us within 21 days of its purchase; and • We have agreed to cover it under the Policy; and • You have agreed to pay Us the premium We require for it.

Optional Benefits for Personal Watercraft Cover

Subject to the terms, conditions limitations and exclusion of **Your Policy** and any other documentation provided to **You**, the following Optional Benefits can be added to **Your Comprehensive cover**. An additional premium may apply.

If selected any benefits **We** agree to provide cover for will be shown on **Your Certificate of Insurance**. The cover limits detail the maximum amounts that apply to each additional benefit in the event of such **loss of Damage** including any sub limits that may apply. The exclusions operative and any applicable limits in relation to such benefits only are found in the right hand column directly adjacent to such specific additional benefit.

Please however note that any other exclusions, conditions and limits which are of a more general nature and detailed elsewhere in the **Policy** and other documentation provided to you may also be applicable to such specific additional benefit.

OPTIONAL BENEFITS - YOU CAN ADD TO YOUR COVER: (only applicable if We have agreed to provide the cover and if specified as covered in the Certificate of Insurance)	OUR EXCLUSIONS - YOU ARE NOT COVERED FOR THE FOLLOWING: (See also General Exclusions)	COVER LIMIT PER CLAIM
<p>LAY UP COVER</p> <p>If You take this option, the cover for Your Personal Watercraft is restricted to Accidental loss or Damage caused by the Insured Events detailed on under the INSURED EVENT – YOU ARE COVERED FOR: section, occurring while Your Personal Watercraft is within the gates, walls or fence of Your home address (or at any location You have advised Us of and We have agreed to cover in writing) as shown on Your Certificate of Insurance. This restriction in cover gives You a monthly discounted premium and only applies during the period shown on Your Certificate of Insurance.</p> <p>Lay up cover is not available while Your Boat is on consignment.</p>	<p>Loss or Damage while in transit unless Your Personal Watercraft is being taken to or from a marine dealership for servicing and maintenance.</p> <p>Loss of Damage while Your Personal Watercraft is on consignment.</p>	<p>Sum Insured.</p>
<p>PERSONAL WATERCRAFT RACING</p> <p>If You have paid the additional premium required and Your Certificate of Insurance has racing cover endorsed onto Your Policy, We will cover You for loss or Damage sustained to Your Personal Watercraft whilst You are competing in any sanctioned Australian Watercraft Association race or event.</p>	<p>Your Legal Liability to pay compensation caused by Your negligence for Accidental death or bodily injury when such Accident arises directly or indirectly out of or caused by or in connection with the use of Your Personal Watercraft once the race or event has commenced. Sanctioned races or events are deemed to have commenced once the race director/race officials have active control of the race or event.</p>	<p>Sum Insured.</p>

Legal Liability Cover

The cover provided in this section will apply if **You** have selected **Personal Watercraft** Cover or **You** otherwise choose just to take out **Legal Liability** Cover, paid the applicable premium and it is shown as covered on **Your Certificate of Insurance** (subject to the other terms and conditions, exclusions and limitations of the **Policy**).

We will cover Your Legal Liability

To pay compensation as a result of an **Accident** which is caused by **Your** negligence when:

- i. using **Your** own **Personal Watercraft** which causes:
 - **Accidental** death or **bodily injury** to a person other than **You**;
 - **Accidental Damage** to other people's property;
 - **Accidental** death or **bodily injury** to **You** when another person allowed by **You** is in control of **Your Personal Watercraft**.

Cover under (i) will also cover the negligence of someone using **Your** Personal Water Craft with **Your** permission.
- ii. when using a substitute **Personal Watercraft** which causes:
 - **Accidental** death or **bodily injury** to a person other than **You**;
 - **Accidental Damage** to other people's property; provided that:
 - **You** have permission from the owner to use the substitute **Personal Watercraft**;
 - **Your Personal Watercraft** is not being used at the time;
 - **You** or any member of **Your** household do not own or have any interest in the substitute **Personal Watercraft**.

The amount We will Pay

We will pay the cost of compensation and legal fees and expenses that **You** or any other person covered by the **Policy** is legally liable for provided that **We** consent to the

costs of any legal fees and expenses **You** or they incur in writing before they are incurred.

The maximum amount **We** will pay under this cover is the **Limit of Liability** amount shown on **Your Certificate of Insurance** in total for all claims that arise from any one **Accident**, during the **Period of Insurance**.

This maximum includes all legal fees and expenses.

Accidental discharge, release or escape of fuel or lubricants and clean up after an Accident

We will cover **You** for:

- property **Damage** caused by or arising from a sudden unexpected and unintended discharge directly or indirectly arising from the release or escape of fuel or lubricants from **Your Personal Watercraft** occurring at a clearly identifiable time and place during the **Period of Insurance**, provided that the fuel or lubricants are being used in connection with the operation of **Your Personal Watercraft** at the time of **Loss**;
- the cost of cleaning an **Accident** site following the abovementioned discharge, release, or escape of fuel or lubricants provided that **You** are legally liable for the clean- up; and
- any fines or penalties imposed on **You** for a breach of any federal, state or local environmental protection legislation ("the breach") provided that the breach was not caused by gross negligence or misconduct by **You** or any person in possession of **Your Personal Watercraft** with **Your** permission. Cover for fines and penalties is limited to a maximum of \$50,000 during the **Period of Insurance**.

We will pay no more than \$500,000 (inclusive of legal costs and any fines or penalties) for any one **Accident** or discharge or series of accidents or discharges arising out of the same event in relation to this cover.

Water-Skiing and Aquaplaning Activities

We will cover **You** or any person allowed by **You** to control **Your Personal Watercraft** with **Your** permission and the observer (within the requirements of any law) against **Legal Liability** for:

- **Accidental** death or **bodily injury** to a water skier or aquaplaner (including **You**) towed by **Your Personal Watercraft**;
- **Accidental** death or **bodily injury** to any person caused by a water skier or aquaplaner being towed by **Your Personal Watercraft**;
- **Accidental Damage** to another person's property caused by a water skier or aquaplaner being towed by **Your Personal Watercraft**.

This benefit will also cover the water skier or aquaplaner being towed by **Your Personal Watercraft** for their **Legal Liability** to others for **Accidental** death or **bodily injury** or **Damage** to another person's property.

In addition to the **Legal Liability** exclusions specified under "exclusions to **Your Legal Liability** cover", the following exclusions will apply to this benefit.

Liability arising out of Waterskiing or Aquaplaning when:

- there is not a legally competent observer in addition to the driver on board **Your Personal Watercraft** at the time of the **Accident**;
- an aerial device or ski ramp is being used;
- a ski pole is being used unless it has been professionally designed, manufactured and installed.

Liability arising out of the towing of:

- any person by **Your Personal Watercraft** that breaches any statutory requirements;

- any device not designed and professionally manufactured for the purpose of being towed behind **Your Personal Watercraft**.

Exclusions to Your Legal Liability Cover

We will not pay for **Legal Liability** that arises:

- from **bodily injury**, illness or death:
 - to **You** or any person covered by the **Policy** unless specifically covered elsewhere in this **Policy**;
 - to any person allowed by **You** to control **Your Personal Watercraft**;
 - to a person who is covered or should have been covered by any compulsory compensation insurance, including any compulsory third party insurance;
 - either caused by, directly or indirectly from, or in any way connected to the activity of scuba diving.
- from **Loss** or **Damage** to:
 - any property owned by **You** or in **Your** physical or legal control;
 - any property owned by, or in the physical or legal control of a person allowed by **You** to control **Your Personal Watercraft**;
 - third party property arising while **Your Personal Watercraft** is being towed by a vehicle or from **Your Personal Watercraft** breaking away from or **Accidentally** becoming detached from the towing vehicle.
- while **Your Personal Watercraft** is in the charge of or physical control of **Personal Watercraft** repairers, yacht clubs or marina operators unless for emergency purposes to minimise any **loss** or **Damage** covered under the **Policy**;
- out of the towing of any persons or objects in the air;

- from the transmission of any disease;
- from asbestos or any product containing asbestos;
- from any event or liability for which **You** are required by law to hold an insurance **Policy** or otherwise covered under any compulsory insurance;
- for any penalties, fines, punitive or exemplary or aggravated damages for which **You** are liable;
- for actions brought against **You** in a court outside Australia or a court that applies law that is not Australian law;
- **Your** own gross negligence or misconduct;
- the gross negligence or misconduct of any person in possession of **Your Personal Watercraft** with **Your** permission.

General Exclusions Operative In Respect of Comprehensive Cover As Well As Legal Liability Cover

You are not covered for any liability, loss or Damage or costs incurred caused by, arising or resulting from:

- the failure to maintain **Your Personal Watercraft** in good order and repair, or in a proper state of seaworthiness and in compliance with any statutory requirements;
- wear and tear, mould, gradual deterioration, delamination, vermin, corrosion, electrolysis, osmosis or marine growth;
- inherent defects, structural faults, faulty workmanship

- or faulty design;
- the use of **Your Personal Watercraft** covered by the **Policy** for hire, charter or reward of any kind unless **You** have advised **Us** and **We** have agreed to extend cover in writing;
- any illegal or deliberate action by **You**, or someone acting with **Your** express or implied consent;
- **Your Personal Watercraft** covered by the **Policy** having been fitted with a **Motor** more powerful than that recommended by the manufacturer of the **Hull**, unless agreed in writing;
- the lawful seizure, confiscation, nationalisation or requisition of **Your Personal Watercraft** covered by the **Policy**;
- Irrespective of whether **You** have given permission to a person, **Your Personal Watercraft** covered by the **Policy** being under the control of:
 - an unlicensed person when a license is necessary;
 - a person under the influence of alcohol or drugs;
 - a person who has been refused **Personal Watercraft** or **Boat** Insurance within the last five years unless **You** have advised **Us** of the refusal and **We** have agreed in writing to cover that person under the **Policy**.

Provided that **You** can show that (i) **You** did not know or had no reason to suspect that the person in control of **Your Personal Watercraft** fell into any of the aforementioned categories or (ii)

it was reasonable for that person to assume control of **Your Personal Watercraft** as a result of an unforeseen emergency, then this exclusion shall not apply.

- **Your Personal Watercraft** covered by the **Policy** being used for **Personal Watercraft** racing or speed tests, unless **You** have advised **Us** and **We** have agreed to extend cover in writing;
- a lack of reasonable care, protection and/or security of **Your Personal Watercraft** covered by the **Policy** or other insured property;
- **Your Personal Watercraft** covered by the **Policy** exceeding the speed limit shown on **Your Certificate of Insurance**;
- the use of **Your Personal Watercraft** covered by the **Policy** or other insured property for any unlawful or

illegal purpose;

- false or fraudulent representation by **You** or any person who is acting with **Your** express or implied consent. In addition to refusing payment of the claim, **We** will be entitled to cancel the **Policy** under these circumstances;
- war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or by contamination or pollution by chemical, biological or nuclear agents which results from an act of terrorism;
- pollution or contamination except as otherwise specifically covered in the **Policy**;
- an incident involving **Your Personal Watercraft** while it is outside the **Geographic Limits** shown on **Your Certificate of Insurance** unless specified in this insurance or unless **You** have advised **Us** and **We** have agreed to extend cover in writing;
- a bushfire or named cyclone within the first 48 hours of the start of the **Policy** unless **You** bought **Your Personal Watercraft** on the original start date of the **Policy** (not including a renewal) or **You** transferred a **Personal Watercraft Insurance Policy**, with equivalent cover, from another insurance company without interruption in cover;
- electronic or mechanical derangement of electronic equipment, data, virus, malfunction or processing error;
- mechanical, structural, electrical or electronic breakdown or malfunction unless directly caused by one of the insured events listed earlier in this **Policy**;
- the modification of **Your Personal Watercraft** from the manufacturer's specifications unless **You** have advised **Us** and **We** have agreed to extend cover in writing;
- mechanical parts that are not in accordance with the manufacturer's original specifications; unless **You** have advised **Us** and **We** have agreed to extend in writing;
- a **Motor** caused by or resulting from seizure and/or overheating unless caused by an **Accident** which is otherwise an accepted claim under the **Policy**;
- radioactivity or the use, existence or escape of any nuclear fuel, nuclear material or nuclear waste.

You are also not covered for:

- **loss** of income or **loss** of profit;
- **Your** liability under any contract, or if **You** have agreed to or accepted liability without **Our** agreement first;
- acts or omissions by **You** or someone with **Your** consent, if the acts are unlawful or are intended to be done with reckless disregard for the consequences.

Goods and Services Tax (GST)

This insurance does not cover any amount of GST or any fine, penalty or charge that **You** are liable for because of a failure

to disclose or a mis-statement made by **You** in relation to **Your** entitlement to an input tax credit. **You** must tell **Us** if **You** become aware that the extent of **Your** entitlement to an input tax credit for **Your** premium, disclosed to **Us** is incorrect.

General Conditions Applicable to all Coverages Under The Policy

Keep Insured Property in good condition and Repair and always protected

Irrespective of whether **Your** cover is Comprehensive or **Legal Liability** only, **You** must maintain **Your Personal Watercraft, Trailer, Equipment and Accessories** in a good state of repair and condition. Any **loss** or **Damage** caused by poor maintenance is not covered under the **Policy**.

You must also make reasonable efforts to protect **Your Personal Watercraft, Trailer, Equipment and Accessories** from any **loss** or **Damage**. If **You** make a claim and knew about something that could cause **loss** or **Damage** to **Your** property and **You** did not make reasonable efforts to avoid it before the **loss** or **Damage** occurred, then **We** may reduce or refuse to pay a claim. If **You** do suffer **loss** or **Damage** to **Your Personal Watercraft, Trailer, Equipment and Accessories** **You** must also make reasonable efforts to prevent any further **loss** or **Damage**.

Keep proof of ownership and value

When **You** make a claim for **loss** or **Damage**, **We** will require proof that **You** owned the item/s and of its value/s or **Your** claim may not be paid.

The easiest way to do this is by keeping receipts, valuations and other forms of purchase confirmation such as model and serial numbers.

Current colour photos of **Your Personal Watercraft** and **Equipment and Accessories** are another means proof of ownership can be substantiated.

Tell Us if you modify your Personal Watercraft or change its use

We allow modifications to **Your Personal Watercraft** that **You** have told **Us** about, providing they have been fitted by a professional **Personal Watercraft** dealer and **We** have agreed to cover them in writing.

It is important to note that adding modifications to **Your Personal Watercraft** can change the **Excess** as well as **Your Policy** premium. Alternatively **We** may cancel the **Policy** or decide not to offer renewal.

Please be aware that some modifications **We** don't know about or don't agree to insure may entitle **Us** to refuse or reduce a claim payment. Therefore always answer any questions **We** ask **You** about **Your Personal Watercraft** accurately and honestly and tell **Us** about any modifications you make to **Your Personal Watercraft**.

Transfer of Interest

If **Your Personal Watercraft** is sold or transferred to a new owner, or there is a change in any interest in the ownership of **Your Personal Watercraft**, the **Policy** will no longer cover **Your Personal Watercraft** from the time of such sale, transfer or change of ownership. **We** will cover **Your** replacement **Personal Watercraft** in accordance with the replacement **Personal Watercraft** benefit in the Additional Benefits section of this **Policy**.

Meeting your other obligations

You will need to meet other conditions of the **Policy**, such as claims conditions, or **We** may reduce or refuse to pay a claim and/or cancel the **Policy** to the extent permitted by law.

Applicable Excess

An **Excess** is the amount **You** contribute when a claim is accepted under this insurance. The **Excess** applicable to **Your** cover may depend on the type of claim **You** make and is shown on **Your Certificate of Insurance** and/or **Your PDS/Policy**.

Specific Excess Details

There is however some **Excesses** which may apply irrespective of whether they are reflected on the **Certificate of Insurance**.

These are:

- A \$2,000 **Excess** will be applied to any claim for theft when **You** store **Your Personal Watercraft** within a complex that has shared parking arrangements and there are no signs of visible and forcible removal of **Your Personal Watercraft**.
- A \$1,000 **Excess** will be applied to any claim for theft where there is no physical evidence of violent and forcible removal of **Your Personal Watercraft**.
- the **Excess** noted on the **Certificate of Insurance** will be applied to any claim for **loss** or **Damage** to **Your**

Personal Watercraft's Motor caused by water inflow where the **Hull** has had an **Impact With a Solid Object** that has caused a break in the **Hull**.

- A \$5,000 **Excess** will be applied to any claim for **loss** or **Damage** to **Your Personal Watercraft's Motor** caused by water inflow where there has been no **Impact With a Solid Object** and no break in the **Hull**.
- A \$5,000 **Excess** applies if **Your Personal Watercraft** is uneconomical to repair due to water inflow **Damage** and **Your Personal Watercraft** is declared a **Total Loss**.

The **Personal Watercraft's** seat detaching from the **Hull** is not considered a "break in the **Hull**" for the purpose of applying some of these **Excesses**.

Age/Experience Excess

An additional **Excess** of \$500 will apply in addition to the basic **Excess** noted on **Your Certificate of Insurance** for any claim for **loss** or **Damage** caused to, or by, **Your Personal Watercraft** whilst it is being operated by any person:

- Who is 25 years of age or younger, or;
- Who has held an approved licence or licence endorsement issued by the respective State or Territory for the use of **Personal Watercraft** for less than 2 years.

This additional **Excess** does not apply to Theft or Water Inflow claims.

Racing Excess

If **Your Policy** covers **You** for racing an **Excess** of \$1,000 will apply to all claims for **loss** or **Damage** caused to, or by, **Your Personal Watercraft** whilst it is being raced.

Nil Excess

No **Excess** is payable for claims relating to:

- death or **bodily injury** under the Personal **Accident** and or **Legal Liability** cover provided by the **Policy**;
- **loss of Damage** to **Your Personal Watercraft** which is

caused by a third party providing **You** can identify the third party at fault and provide their name, address, phone number and insurance company details. This waiver of the **Excess** does not apply to any claims whilst racing **Your Personal Watercraft**;

- theft if **Your Personal Watercraft** was fitted with an Australian supplied and monitored Microdot Identification system or GPS/ GSM Tracking device and there is evidence of violent and forcible removal of **Your Personal Watercraft**.
- Lost Keys; or
- Emergency Assistance.

Other Party's Interests

We only cover **Your** interest in the insured property, unless **We** specifically include cover for the interest of another party.

You must tell **Us** of the interests of all parties (e.g. credit providers or other owners) whose interests **You** want covered by the **Policy**. **We** will cover their interests only if **You** have told **Us** about them and **We** have shown them on **Your Certificate of Insurance**.

If You Have Borrowed Money to Buy Your Personal Watercraft

If a credit provider is shown as having an interest in **Your Personal Watercraft** on **Your Certificate of Insurance** and, if **You** have a claim and **We** agree to settle on a cash basis, **We** have the option of making this payment to the credit provider in full or part settlement of **Your** claim.

In this situation, **We** will pay the credit provider the amount **We** agree to settle the claim, up to the amount outstanding under **Your** finance contract.

Reinstatement of Sum Insured for Certain Claims

When **We** pay a claim for **Your Personal Watercraft** that is not a **Total Loss**, or repair an item, the relevant **Sum**

Insured for **Your Personal Watercraft** or item will be automatically reinstated to the same amount shown on **Your Certificate of Insurance** unless **We** tell **You** otherwise in writing.

If Your Personal Watercraft is a Total Loss

If there has been a **Total Loss** payout made by Ourselves, **Your Personal Watercraft, Trailer** and/ or any item/s will become **Our** property and **We** will keep the proceeds of any **Salvage** sold.

There is no premium refund payable if **We** settle a claim for **Your Personal Watercraft** on a **Total Loss** basis.

Claims

If an event occurs that is likely to result in a claim, you will need to do the following. Please note all items may be applicable to **Your** claim.

- report the **Accident** to the appropriate Maritime Authority;
- do what **You** can to prevent any further **loss, Damage, cost** or liability;
- tell the police if the event involves theft, attempted theft, **Malicious Damage** or impact;
- contact Nautilus as soon as possible;
 - call 1300 780 533 or the claims hotline 1300 996 110; or
 - email: claimsteam@nautilusinsurance.com.au

You must never, without Our consent:

- admit guilt, fault or liability or take any action which may be construed as such (except where required by law);
- offer or negotiate to pay a claim;
- approve any repairs or arrange replacements (other

than emergency repairs necessary to minimise or prevent further **loss** or **Damage**);

- dispose of any **Damaged** property.

We will also require You to:

- provide **Us** with the proof that **We** require regarding lost or **Damaged** items or **Out of Pocket Expenses**;
- help **Us** manage the claim, which may include **Us** inspecting **Your Personal Watercraft** or asking **You** questions, or **You** providing written statements to **Us** under oath;
- keep items that have been **Damaged** and allow **Us** to inspect them or assess repair costs;
- allow **Us** to take possession of **Damaged** property that is the subject of a claim;
- send **Us** any communication **You** receive relating to the claim (including telling **Us** of pending court proceedings or offers of settlement);
- help **Us** as **We** work to negotiate, defend or settle any claim made under the **Policy** and to exercise for **Our** benefit **Your** legal right of recovery against any other party;
- tell **Us** about any other insurance that may be relevant to the claim.

What happens after you make a claim?

If **Your Personal Watercraft** is covered under the **Policy** **We** will at **Our** discretion:

- repair or replace **Your Personal Watercraft, Trailer** or **Personal Effects, or Equipment and Accessories**; or
- pay **You** the reasonable cost of repairing or replacing **Your Personal Watercraft, Trailer** or **Personal Effects, or Equipment and Accessories** less any depreciation and/ or contribution that may apply; or
- pay **You** the **Agreed Value** or **Market Value** of **Your Personal Watercraft** or **Personal Effects** or **Equipment and Accessories** (whichever is applicable).

Costs of dismantling, diagnosis and reassembly

If **You** make a claim for **loss** or **Damage** to **Your Personal Watercraft**, **We** may require **You** to dismantle it or authorise **Us** to dismantle it, so **We** can assess **Your** claim and/or decide if it is valid. **We** may refuse to assess or pay **Your** claim if **You** do not agree to this.

If **We** determine that the claimed **loss** or **Damage** is not covered, **You** will be responsible for the costs of the above dismantling as well as any costs associated with it (including but not limited to any diagnosis, reassembly, repair, and/or replacement costs).

If **We** determine that the claimed **loss** or **Damage** is covered, **We** will settle **Your** claim in accordance with the terms and conditions of the **Policy** (including the operation of any **Excess**).

However, **We** will never pay more than the relevant **Sum Insured** or limit specified in this document or on **Your Certificate of Insurance**, less any applicable **Excess**.

If **We** pay **You** the reasonable cost of repairing or replacing **Your Personal Watercraft, Trailer or Personal Effects or Equipment and Accessories** **Our** payment will be based on the cost required to repair or replace it as near as possible to its appearance and condition immediately prior to the claimed **loss** or **Damage**.

If **Your** claim involves **loss** or **Damage** to the mechanical and electrical components of the **Motor** and **We** decide to repair or replace the **Motor** then **We** will only use, genuine parts subject to the availability of such parts.

Expenses to avoid or minimise loss

If **Your Personal Watercraft** sustains **Damage** or gets into difficulties in an **Accident**, **We** will pay the reasonable cost to minimise **loss** or **Damage** such as:

- removing **Your Personal Watercraft** to safety (including emergency towing);
- drying all the electrical equipment on the **Personal Watercraft** and **Motor**;
- cleaning and oiling of the **Motor** by a qualified mechanic.

You do not need **Our** authority to take such action if it is an emergency and **You** are unable to contact **Us** to obtain **Our** authority. **You** must however advise **Us** as soon as possible after the action has been taken.

Such costs incurred in such an emergency situation is in addition to the **Sum Insured** shown on **Your Certificate of Insurance** for **Your Personal Watercraft**.

Geographic limits and Period of Insurance

Cover is only provided under the **Policy** in relation to events causing **loss, Damage** or liability which occur:

- during the **Period of Insurance**; and
- within the **Geographic Limits** shown on **Your Certificate of Insurance**. All cover provided by the **Policy** will be automatically suspended when **Your Personal Watercraft** clears Australian Customs and Immigration for the purpose of leaving Australian waters and will recommence when it clears Australian Customs and Immigration on return.

However We will provide cover in the following circumstances:

- if **Your Personal Watercraft** goes beyond the **Geographic Limits** to reasonably respond to an unforeseen emergency;
- if **Your Personal Watercraft** goes beyond the **Geographic Limits** because of circumstances beyond **Your** control or the reasonable control of the person in charge or control of **Your Personal Watercraft**;
- if **You** advise **Us** **You** will go beyond the **Geographic Limits** and **We** agree to extend cover in writing.

Sanctions

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 in, or 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.

Definitions

Accident / Accidental / Accidentally

means an event that occurred during the **Period of Insurance** that **You** did not expect or intend to happen. It also includes a series of accidents arising out of the one event.

Agreed Value

means the amount(s) **We** agree to insure **Your Personal Watercraft** as shown on **Your Certificate of Insurance**. If **We** have issued an **Agreed Value Policy Your Certificate of Insurance** will show **Agreed Value**.

Certificate of Insurance

means the relevant **Certificate of Insurance We** give **You** when **You** first buy the **Policy** or whenever any part of the **Policy** is changed or when the **Policy** is renewed. **You** should always check to ensure the information shown on **Your Certificate of Insurance** is correct. If anything is incorrect please contact **Us** immediately.

Damage / Damaged

means any form of physical harm that occurs to **Your Personal Watercraft** during the **Period of Insurance**, excluding any normal wear and tear or any evident prior to this **Policy** being incepted.

Equipment and Accessories

means items manufactured and intended for use on **Your Personal Watercraft** which are portable or not permanently attached to the **Hull**.

Equipment includes depth sounders, marine radios/transceivers, navigation equipment, fish finders, tools.

Accessories include **Personal Watercraft** covers, portable fuel tanks (fuel bladders), anchors and safety equipment as required by law.

Excess

means the amount **You** must contribute when a claim is accepted under the **Policy** as shown on **Your Certificate of Insurance** or detailed further within this **Your Policy**.

Finance Contract

means the finance arrangement with the credit provider for **Your Personal Watercraft** which provider and the amount financed shown on **Your Certificate of Insurance**.

Fire

means **Accidental Damage** caused to the **Personal Watercraft** from combustion of materials.

Geographic Limit(s)

means all waters within Australia and those waters off the coast of Australia as shown on **Your Certificate of Insurance** and/or other **Policy** documents.

Hull

means the shell of the **Personal Watercraft**, deck, fixtures and fittings that are not normally removable and would normally be sold with the **Personal Watercraft**.

Impact With a Solid Object

means hitting or coming into contact with a non liquid substance (e.g. wave).

Lay up

means the period nominated by **You** during which **You** do not use **Your Personal Watercraft** and **You** keep it on its **Trailer** at the address shown on **Your Certificate of Insurance**.

Loss

means any **Damage**, destruction, death, injury, illness,

liability, cost or expense resulting from the use of **Your Personal Watercraft** during the **Period of Insurance**.

Limit of Liability

means the amount shown on **Your Certificate of Insurance** which is maximum amount **We** will pay for all claims that arise from one **Accident** under the **Legal Liability** cover. This maximum includes all legal fees and expenses.

Malicious Damage

means intentional **Damage** to **Your Personal Watercraft** by someone other than **You** and without **Your** consent.

Market Value

means the retail value of items of a similar type, age and condition, with adjustment for special features if any. **We** may use recognised industry publications to calculate the value of **Your Personal Watercraft**. If **We** have issued a **Market Value Policy Your Certificate of Insurance** will show **Market Value**.

Motor

means the engine as described on **Your Certificate of Insurance** and include the gearbox, jet unit, wiring harness, instruments and control cables.

Out of Pocket Expenses

means any of the following in connection with replacing **Your Personal Watercraft** as a result of a **Total Loss**:

- delivery charges;
- registration costs;
- stamp duty.

Period of Insurance

means the period of time that **You** are covered by the **Policy**. It commences at the time **We** agree to insure **You** and finishes at 4.00pm on the date of expiry of the **Policy**. This period is shown on **Your Certificate of Insurance**.

Personal Effects

means clothing, shoes, waterproof apparel, prescription

glasses, prescription sunglasses, belonging to **You** or any passenger which are being used or stored on **Your Personal Water Craft** at the time of **loss**.

Unless otherwise agreed in the policy, the cover limit provided under **Personal Effects** is not payable over and above the **Sum Insured** in the event of a **Total Loss**.

Personal Watercraft

means the **Personal Watercraft** described on **Your Certificate of Insurance**, including its **Hull, Motor/s** (including fuel tanks), **Trailer, Equipment and Accessories**. A **Personal Watercraft** (PWC) is a craft propelled by an inboard motor powering a water jet pump. The operator sits, stands or kneels on the craft and uses handle bars to steer the craft.

Personal Watercraft modifications are excluded unless **We** have agreed to them. If **We** have agreed this will be noted on **Your Certificate of Insurance** under '**Personal Watercraft Modifications**'. It includes any replacement **Personal Watercraft**.

Policy

means **Your** insurance contract with Us. It includes;

- the PDS,
- the **Policy** Wording document,
- the **Certificate of Insurance**, and

any other document **We** tell **You** forms part of the terms and conditions of **Your** cover, including any endorsement is issued by Us.

Salvage

means either the action of saving **Your Personal Watercraft** in a time of peril or what is left of **Your Personal Watercraft** after it has suffered **loss** or **Damage**.

Salvage Charges

means reasonable charges and expenses which are incurred in **Salvage** or in preventing or minimising **loss** or **Damage** to **Your Personal Watercraft**.

Sum Insured

- means for an **Agreed Value Policy** the sum(s) insured

shown on **Your Certificate of Insurance** for any item(s). This is the maximum amount **We** will pay in relation to the relevant item(s).

- means for a **Market Value Policy** the maximum amount **We** will pay for any item(s), which will be the lesser of either the Sum.

Insured shown on **Your Certificate of Insurance** or the **Market Value** of the lost or **Damaged** property.

Tools

means those tools used for the normal operation of **Your Personal Watercraft**.

Total Loss

means;

- the **loss** of **Your** entire **Personal Watercraft** for a period **We** determine is reasonable in the circumstances; or
- **Damage** to **Your Personal Watercraft** which **We** consider to be uneconomical to repair.

Trailer

means a roadworthy vehicle in a condition that complies with registration requirements and is designed to be towed by a motor vehicle and used in transporting **Your Personal Watercraft** as shown on **Your Certificate of Insurance**.

Waterskiing or Aquaplaning

Means a person or persons being towed across the surface of the water either barefoot, or on waterskis or other similar equipment professionally designed and manufactured for the purpose of being towed by **Your Personal Watercraft**.

Water Sports Equipment

means **Water Sports Equipment** owned by **You**, such as rods, reels, tackle and other similar equipment used for recreational fishing), diving equipment (i.e. tanks, regulators, fins, snorkels, buoyancy compensation devices and other commercially manufactured equipment used for recreational diving) and **Waterskiing or Aquaplaning** equipment (i.e. waterskis, wakeboards, kneeboards, vests, ropes and other professionally designed and

manufactured equipment for the purpose of **Waterskiing, Aquaplaning** or wakeboarding behind **Your Personal Watercraft**.

Watersports **Equipment** does not include flyboards and any other aerial devices. Proof of ownership will be required to substantiate any claims for **Water Sports Equipment**.

Unless otherwise agreed in the policy, the cover limit provided under Watersports **Equipment** is not payable over and above the **Sum Insured** in the event of a **Total Loss**.

We, Us, Our

means AIG Australia Limited acting through their agent NM Insurance Limited (ABN 34 100 633 038) (AFSL 227186).

You, Your

means the person or persons named as the insured on **Your Certificate of Insurance**. If more than one person is named as the insured, **We** will treat a statement, act, omission or claim of any one of those people as a statement, act, omission or claim by all those people.

Our Obligations to You

Renewing the Policy

At least 14 days before the **Policy** expires **We** will send **You** a renewal notice, outlining **Our** renewal terms, if any. **You** are not obliged to renew the **Policy** with Us.

If **You** pay **Your Policy** in monthly instalments then unless **You** are otherwise notified by **Us**, **We** will automatically renew **Your Policy** each year on the terms contained in the renewal invitation **We** send **You**, unless **You** tell **Us** otherwise prior to the expiry date. This **Policy** (together with any amendments, updates or endorsements that **We** give **You** in writing) also applies for any offer of renewal **We** make, unless **We** tell **You** otherwise or issue **You** with a new updated **Policy**.

You cooling off period continues to apply on each renewal. Each renewal is a separate contract and not an extension of the prior contract.

Cancelling Your Insurance

You can cancel the **Policy** at any time by calling Us. **We** will explain the cancellation process to **You**. **We** will refund any premium **You** have paid, less an amount that covers the period for which **You** were insured, unless there has been a **Total Loss** in which case there is no premium refund.

We can cancel **Your** insurance to the extent permitted by law, for example if **You** do not comply with the **Policy** terms and conditions, fail to pay **Your** premium, make a fraudulent claim or if **You** did not comply with **Your** Duty of Disclosure or misrepresented information when **You** entered into the **Policy**. If **We** cancel the **Policy** **We** will send **You** a cancellation letter.

Confirming Transactions

You may contact **Us** in writing or by phone to confirm any transactions under **Your** insurance if **You** or **Your** adviser do not already have the required **Policy** confirmation details.



Nautilus Marine Underwriting Agency Ltd

Speak to the experts that give you the best solutions, Nautilus Marine.

Cover arranged by Nautilus Marine and Underwritten by AIG.

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