



Nautilus Marine Commercial Boat Insurance

Product Disclosure Statement



Table of Contents

About the Insurer	4
Introduction	5
General Conditions	
Applying for cover	5
Determining Your premium	5
Your Policy comprises	5
Warranties	6
Licensing and Manning	6
Usage of Your Boat	6
Cover Type	6
Boat Condition	7
Modification or Mooring /Storage changes	7
Your Obligations	7
Transfer of Interest	7
Excess	7
Other Parties	8
Good and Services Tax (GST)	8
Other Insurance	8
Finance on your Boat	8
Geographic Limits	9
Total Loss	9
Making a Claim	9
Property Coverage & Exclusions	10
Insured Perils	10
Damage	10
Theft	11
Malicious Damage	11
Transit	11
Latent Defect	11

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

Table of Contents contd.

Additional Benefits	11
Personal Effects	11
Fishing, Diving and Water Ski Equipment	12
Emergency Transit	12
Repairers Negligence	12
Arrest or Detention	12
Government Authority	12
Expenses incurred to avoid or minimize your loss	13
Removal or Recovery of Wreck	13
Negligence of Master, Skipper, Crew or Hirers	13
Shore Cover	13
Loss of Hire Income	13
Optional Benefits	14
Sailboat Racing Cover	14
Breach by Hirer	14
Mechanical Breakdown	14
Legal Liability	14
Additional Benefit	15
Optional Benefit - Passenger Liability - excluding food and drink	16
Optional Benefit - Passenger Liability - including food and drink	16
Optional Benefit - Waterskiers/Aquaplaning Activities	16
Legal Liability - Exclusions to your liability	16
General Exclusions	17
Definitions	19
Canceling your Insurance	22
General Insurance Code of Practice	22
How we resolve your complaints	23
How we protect your privacy	23

This document was prepared on 28 May 2019.

This Policy document forms part of Your Nautilus Marine Commercial Boat Policy. This Policy is a marine insurance Policy of indemnity. It is a legal contract between You, the Insurer **AIG Australia Limited** and **NM Insurance Limited (Nautilus)**. In this document, the insurer acting through its agent, **Nautilus** is referred to as “We”, “Us”, and “Our”.

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

About Nautilus and its Services

Nautilus has been given a binder authority with **AIG Australia Limited** that allows Nautilus to enter into this policy, to handle and settle claims for it, subject to the terms of the binder authority. In doing so Nautilus acts for the Insurers, not for you. Nautilus’ Australian Financial Service Licence (“AFSL”) authorizes it to provide these services and is providing these services under its own AFSL.

Service

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;

- call 1300 780 533
- send an email to customerservice@nautilusinsurance.com.au
- write to **NM Insurance Limited**
Level 7, 99 Walker Street
North Sydney NSW 2060
- visit www.nautilusinsurance.com.au
- call **Your** insurance broker.

Understand this Insurance

Nautilus Commercial **Boat** Insurance is designed to protect **Your Boat(s)** against some of the most common **Events** such as; collision, sinking, fire, theft.

It also provides a broad range of Additional Benefits as well as the opportunity to add Optional Benefits such as Mechanical breakdown.

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 which apply to certain **Events** as well as general exclusions which apply to all cover under this insurance.

There are also **Warranties** that apply to the cover that require **You** to do something, not do something or comply

with them strictly.

Certain words have defined meanings **You** need to understand. See definitions section.

You should read this document in full to ensure **You** understand the insured events and benefits as well as the limits and exclusions to this cover.

Introduction

At Nautilus **We** aim to give **You** insurance for **Your** Commercial **Boat(s)** that is simple and straight forward, making it easy for **You** to understand. This document is an important part of **Your Policy** with Nautilus and **You** should make sure that **You** take the time to read it very carefully before making a decision on whether to purchase the insurance.

General Conditions

Applying for Cover

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

We provide cover to **You** on the terms contained in this document and any other document that **We** tell **You** forms part of the terms and conditions of **Your** cover, including **Your Certificate of Insurance**.

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**.

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 it **We** consider factors such as the cover **You** want, the **Boat(s)** **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** set these out in **Your Certificate of Insurance**.

A minimum **Premium** applies for this insurance irrespective of any discount **We** may apply. The amount of **Premium** **We** charge will not be less than this amount.

If the **Premium** is payable in instalments, this may increase the amount of the **Premium** that **You** must pay. If the **Premium** is payable in instalments, **You** must continue to pay the instalments to maintain cover.

Your Nautilus Marine Commercial Boat Policy Comprises:

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

Your current **Certificate of Insurance** shows:

- **You** as the named insured;
- **Your Policy** number;
- the insured **Boat** (s);
- the sums insured;
- **Premium** charges including government stamp duty; and GST (if applicable) and administration fee;

- the **Period of Insurance**;
- the name of any other interested parties;
- **Excesses** applicable;
- the type of insurance cover which **You** have taken;
- specific **Warranties** and endorsements;
- **Geographic Limits**.

These documents should be read together.

Please note that, apart from these documents, legislation may imply additional terms and conditions into the **Policy**.

All of the **Policy** documents together are evidence of **Your** contract of insurance with **Us** and that contract is formed only once **You** have received a copy of **Your Certificate of Insurance**.

If the **Policy** does not meet **Your** requirements or **You** would like **Us** to explain anything, please contact **Our** nearest office.

Warranty(ies)

Where any of the conditions contained in this document

- Require **You** to do something,
- Require **You** not to do something,
- Require **You** to comply with them,

You will have given an undertaking constituting a **Warranty** and **You** must ensure that **You** strictly comply with them.

Warranties are conditions which must be exactly complied with, whether material to the risk or not. Under the **Marine Insurance Act 1909** if they are not complied with, then, subject to any express provisions in the **Policy**, **We** are discharged from liability from the actual date of the breach of the **Warranty**, but without prejudice to any liability incurred by **Us** before that date.

Licensing and Manning of Your Boat(s)

Your Boat(s) must at all times be:

- in current survey and properly registered with the appropriate government authorities;
- operated in compliance with and within the limits of any licence or government authority restrictions or conditions; and
- operated by a **Master or Skipper** or other person who (where required) is the holder of an appropriate licence or competency certificate.

Usage of Your Boat(s)

This **Policy** provides cover for **Your Boat(s)** based on the commercial use declared by **You** and shown on **Your Certificate of Insurance**.

The usage includes voluntary rescue work and incidental private use by **You** and **Your Crew** provided that statutory commercial licensing, registration, classification and survey requirements are complied with.

Work Out What Cover Suits You and How Much Insurance You Need

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

You are responsible for deciding the amount of **Your Sum Insured**. **You** can choose two types of cover:

Market Value Cover – **We** pay up to the **Market Value** of **Your Boat(s)** (i.e. the cost to replace the item with a similar item of the same age and condition), but never more than the **Sum Insured** shown on **Your Certificate of Insurance**.

Agreed Value Cover – **We** pay the **Sum Insured** **We** agree with **You** in the event of **loss** or **Damage** to **Your Boat(s)**. **You** must obtain a valuation from an professional commercial **Boat**, or yacht broker or marine surveyor and **We** must agree and accept the valuation. The **Agreed Value** will be shown on **Your Certificate of Insurance**. The maximum amount **We** will pay for any item not listed with

an **Agreed Value** on **Your Certificate of Insurance** will be its current **Market Value**.

Keep Your Boat(s) and Equipment in Good condition and Repair and Always Protect Them

You must maintain **Your Boat(s)** and equipment in a good state of repair and condition. Any **loss** or damage caused by poor maintenance or lack of maintenance is not covered under the **Policy**. **You** must also make reasonable efforts to protect **Your Boat(s)** and equipment 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 Boat(s)** and/or equipment **You** must make reasonable efforts to prevent any further **loss** or damage. If **Your Boat(s)** is/are kept on a mooring(s) **You** must make sure that the mooring(s) is / are in good order and repair. This means that the mooring must be well maintained and serviced on at least an annual basis.

Tell Us if You modify Your Boat(s) or Change its Use or Change Your Normal Storage or Mooring Location;

- **You** must tell **Us** if **You** modify **Your Boat(s)** from the manufacturers original specifications;
- **You** must tell **Us** if there is change in the use of **Your Boat(s)** that is different to the use originally advised;
- **You** must tell **Us** if **You** change **Your** normal storage

or mooring location.

If **You** do not provide **Us** with this information **You** may not be covered in the event of a claim.

When **You** provide this information to **Us We** may alter the terms and conditions of the **Policy**, this may involve payment of an additional **Premium** or change in **Excess** structure.

Alternatively **We** may cancel the **Policy** or decide to not renew the cover.

Ensure Your Premiums Are Always Paid

You are responsible for ensuring that **Your** premiums are paid or **Your** cover could be put at risk, **Your Policy** may be cancelled or a claim could be denied.

Please call **Us** if **You** are ever unsure about **Your** premiums.

Meeting Your other obligations

You will need to meet all conditions and terms of the **Policy**, or **We** may reduce or refuse to pay a claim and /or cancel/avoid the **Policy**.

Transfer of Interest

If **Your Boat(s)** is/are sold, transferred to a new owner, or there is a change in any interest in the ownership of **Your Boat** the **Policy** will automatically be cancelled from the time of such sale, transfer or change of ownership.

Excess

An **Excess** is the amount **You** contribute when a claim is accepted under this insurance. The **Excess** applicable to **Your** cover is shown on **Your Certificate of Insurance** or detailed within this document.

Specific Excess Details

In addition to the **Excess** shown on **Your Certificate of Insurance**, the following **Excesses** apply as well:

Trailerable Boat Submersion Excess:

- If **Your Boat** is under 10 meters in length and designed to be legally trailered on its own **Trailer**, in the event of **loss** or **Damage** to **Your Boat** caused by submersion an **Excess** of \$2,000 will apply in the event of partial, **Total**, and/or constructive **Total Loss**. This excess will not apply if at the time of the **Event** **Your Boat** is kept in a berth, on its own **Trailer**, or has been left unattended for less than 24 hours.

Named Cyclone Excess:

- In the event of **loss** or **Damage** to **Your Boat** caused by a **Named Cyclone**, a **Named Cyclone Excess** of \$5,000 or 5% of the total claim which ever amount is greater will be applied,. This excess will apply to all claims including a **Total** and/or constructive **Total Loss**. This excess will not apply if **Your Boat** is secured ashore on its own **Trailer** and reasonable care has been taken to protect **Your Boat** from the **Named Cyclone**.

No Excess is Payable for Claims Relating to:

- death or **bodily injury** under the **Legal Liability** cover provided by the **Policy**.
- emergency transit.

Other Party's Interest

We only cover **Your** interest in the **Boat**, 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) who **You** want to be covered by the **Policy**. **We** will cover their interests only if **You** have told **Us** about them and **We** have shown them as a beneficiary on **Your Certificate of Insurance**.

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.

If **You** are registered, or required to be registered, for GST and would be entitled to an input tax credit if **You** were to incur the cost to which the claim relates, then **We** will reduce any amount **We** pay under a claim by an amount equal to the amount of **Your** input tax credit entitlement.

This provision applies to any amount **We** pay, including where **We** state elsewhere in this **Policy** that an amount will include GST.

For the purpose of this **Policy**, payment in relation to the **Agreed Value** will be taken to have been made in full even if the amount **We** pay has been reduced in accordance with this provision.

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.

Other Insurance

We will not pay (where **We** are legally entitled to do so) more than a rateable portion of any **loss**, damage or expense in situations where **Your Boat** is also covered under another insurance **Policy** irrespective of whether that insurance **Policy** was arranged by **You** or any other party.

If You Have Borrowed Money to Buy Your Boat(s)

If the person from whom **You** have borrowed money ("a credit provider") is shown on **Your Certificate of Insurance** as having an interest in **Your Boat(s)** 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** loan.

Protecting Your Boat

You must at all times take reasonable precautions:

- to protect the **Boat(s)** from **loss** or **Damage**;
- to minimise **loss** or prevent further **loss** or damage following an **Event** that causes **loss** or **Damage** to **Your Boat(s)**;
- to preserve **Our** recovery rights against any other party who may be responsible for the **loss**, damage or liability.

Geographic Limits and Period of Insurance

Cover is only provided under the **Policy** in relation to **Events** causing **loss**, damage or liability which occurs:

- 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 Boat(s)** clears Australian Customs and Immigration for the purpose of leaving Australian waters and will recommence when the **Boat(s)** has cleared Australian Customs and Immigration on its return. However **We** will provide cover in circumstances where **Your Boat(s)** goes beyond the **Geographic Limits**;
- to reasonably respond to an unforeseen emergency; or
- because of circumstances beyond the reasonable control of the person in charge or control of **Your Boat**; or
- **We** have agreed to extend cover in writing.

If Your Boat is a Total Loss

If there has been a **Total Loss** claim paid, **Your Boat(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 Boat(s)** on a **Total Loss** basis.

Making a Claim

If an **Event** occurs that is likely to result in a claim, **You** will need to comply with the following applicable obligations:

- Report the **Accident** to the appropriate marine authority;
- Do what **You** can to prevent any further **loss**, damage, cost or liability;
- Notify the police if the **loss** or **Damage** involves theft, attempted theft, **Malicious Damage** or impact;
- Call Nautilus **Marine** on 1300 996 110 or **Your** insurance broker as soon as possible;
- Email: claims@nautilusinsurance.com.au

You must not, without **Our** consent:

- admit guilt, fault or liability;
- 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); or
- dispose of any damaged property.

Failure to comply with the above will result in **Us** not meeting **Your** claim.

You must also:

- provide **Us** with the proof that **We** require regarding lost or damaged items;
- help **Us** manage the claim, which may include **Us** inspecting **Your Boat(s)** 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 any 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 under the **Policy** and to exercise for **Our** benefit **Your** legal right of recovery against any other party; and
- tell **Us** about any other insurance that may be relevant to the claim.

If **Your Boat(s)** is/are covered under the **Policy** **We** will at **Our** discretion:

- repair or replace **Your Boat(s)** or item(s); or
- pay **You** the reasonable cost of repairing or replacing **Your Boat(s)** and/ or item(s) less any depreciation and/ or that may apply; or
- pay **You** the **Agreed Value** or **Market Value** of **Your Boat(s)** and or item(s) (whichever is applicable).

Costs of Dismantling, Diagnosis and Reassembly

If **You** make a claim for **loss** or **Damage** to **Your Boat(s)**, **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 shown on **Your Certificate of Insurance** less any applicable **Excess**.

If **We** pay **You** the reasonable cost of repairing or replacing **Your Boat(s)** and or item(s), **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 **We** accept **Your** claim **We** will pay for **Damage** to mechanical and electrical components of the **Motor(s)** up to it/their **Agreed Value** or **Market Value** (whichever is applicable), on a new for old basis up to 12 months of age. Where possible **We** will use the manufacturer's genuine parts.

Property Coverage and Exclusions

Following an **Event** **You** are covered for the following insured perils up to the **Sum Insured** shown on **Your Certificate of Insurance**.

Insured perils

1. Damage

You are covered for **Damage** resulting from an **Event**.

Exclusions applicable to Damage

You are not covered for **Damage**:

- in respect of an outboard **Motor** when secured to the **Boat(s)** or **Boat's Tender** in a manner other than that specifically recommended by the manufacturer of the **Motor**, the **Boat(s)** or the **Boat's Tender**.
- specifically excluded under the Exclusions section or where your claim is in whole or part covered by one or other Insured Perils specified in this **Policy**.
- specifically covered under other sections and other parts of this policy.

2. Theft

You are covered for the theft of the **Boat(s)** and/or its **Contents**.

Exclusions applicable to Theft

You are not covered for theft:

- when another person is using the **Boat(s)** with **Your** consent unless **We** have agreed in writing to provide cover for bare boat chartering of **Your Boat** or for its use by a member of a **Managed Recreational Boating Group**.
- of **Contents** unless there is physical evidence of violent and forcible entry into **Your Boat(s)** or the **loss** involves violent and forcible removal of the items from the place of storage on **Your Boat**.

3. Malicious Damage

You are covered for **Malicious Damage** resulting from an event.

Exclusions applicable to Malicious Damage

You are not covered for **Malicious Damage** caused by **You** or a person acting with **Your** express or implied consent.

4. Transit Damage

You are covered for **Damage** resulting from an **Event** which occurs whilst **Your Boat(s)** is being transported on its own **Trailer** by road, rail or ship.

Exclusions applicable to Transit Loss or Damage

You are not covered under this insured peril if:

- **Your Boat(s)** is/are not a **Trailerable Boat**;
- **You** have not complied with all statutory requirements;
- **Your Boat(s)** is/are being transported by a professional carrier unless **We** have agreed to extend cover for such transport in writing.

5. Latent Defect

We will cover **You** for damage to your **Boat(s)** arising from a **Latent Defect** provided such defect is found only within the **Hull, Motors**, masts, spars and rigging of **Your Boat(s)**.

Exclusions applicable to Latent Defect Cover

You are not covered:

- if the **Latent Defect** resulted from a lack of due diligence on **Your** part;
- for the actual cost of repairing or replacing the latent defect or the latently defective part.

6. Additional Benefits

The **Policy** is extended to include the following additional benefits.

6.1 Personal Effects

We will pay up to \$5,000 per **Event** and in the aggregate for **loss** or damage to **Personal Effects**.

Our payment under this Additional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Proof of ownership will be required to substantiate any claim payable under this benefit.

Unless otherwise agreed in the **Policy**, the excess for this coverage is \$200.

Theft of **Personal Effects** is excluded unless there is physical evidence of violent and forcible entry into **Your Boat(s)** or the **loss** involves violent and forcible removal of the items from the place of storage on **Your Boat**.

6.2 Fishing Gear, Diving

Equipment and Water Ski Equipment

We will pay up to \$5,000 per **Event** and in the aggregate for **loss** or damage to **Your Fishing Gear, Diving Equipment** or **Water Ski Equipment** provided that they are being stored on **Your Boat(s)** at the time of **loss** or damage.

Proof of ownership will be required to substantiate any claim payable under this benefit.

Our payment under this Additional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Unless otherwise agreed in the **Policy**, the excess for this coverage is \$200.

Theft of **Fishing Gear, Diving Equipment, Water Ski Equipment** is excluded unless there is physical evidence of violent and forcible entry into **Your Boat(s)** or the **loss** involves violent and forcible removal of the items from the place of storage on **Your Boat**.

6.3 Emergency Transit

We will pay up to \$2,000 per **Event** and in the Aggregate towards the cost of towing **Your Boat(s)** in an emergency to **Your** home port or the nearest place where repairs can be made.

Our payment under this Additional Benefit will be in addition to the **Sum Insured** for **Your Boat(s)**.

Unless otherwise agreed in the policy, no excess will apply to this Additional Benefit.

6.4 Repairer's Negligence

We will pay for **Damage** caused by the negligence of any repairer who is engaged by **You** to repair **Your Boat(s)** provided the repairer has the necessary skills to carry out such repairs and/or is licensed to carry out such repairs.

No cover will be provided under this Additional Benefit if it is already covered under the Liability Section of this **Policy**.

No cover will be provided under this Additional Benefit if the **Damage** to the **Boat(s)** would also be covered under

Insured perils 1 to 5.

Our payment will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Unless otherwise agreed in the **Policy** the basic excess shown on **Your Certificate of Insurance** will apply.

6.5 Arrest or Detention

We will pay for **Damage** together with reasonable legal fees and expenses incurred in obtaining the release of the **Boat(s)** following impounding, arrest, detention, confiscation or any similar act by any government as a result of any act committed without **Your** knowledge by a hirer, master or **Crew** member.

No cover will be provided under this Additional Benefit if the **Damage** to the **Boat(s)** would also be covered under Insured perils 1 to 5.

Our payment under this Additional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Unless otherwise agreed in the policy, the basic excess shown on **Your Certificate of Insurance** will apply.

6.6 Government Authority

We will pay for **Damage** caused directly by any Government Authority acting in the interests of public welfare to prevent or mitigate a pollution hazard, or the threat of a pollution hazard, which has arisen directly from **Damage** which is covered by this **Policy**. There is no cover under this additional benefit if the act of the Government Authority has resulted from a lack of due diligence by **You** to prevent or mitigate such hazard or threat.

No cover will be provided under this Additional Benefit if the **Damage** to the **Boat(s)** would also be covered under one or other of the Insured perils 1 to 5.

Our payment under this Additional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Unless otherwise agreed in the policy, the basic excess shown on **Your Certificate of Insurance** will apply.

6.7 Expenses to Avoid or Minimise Loss

We will pay the reasonable cost to minimize **Damage** resulting from an **Event**. The cover for this additional benefit will be restricted to the cost incurred in:

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

No cover will be provided under this Additional Benefit if the **Damage** would also be covered under Insured perils 1 to 5.

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

These emergency costs are paid in addition to the **Sum Insured** shown on **Your Certificate of Insurance** for **Your Boat(s)**.

6.8 Recovery or Removal of Wreck

If **Your Boat** suffers **Damage** **We** will pay the reasonable cost for the removal or recovery of the remains of **Your Boat(s)** and **We** agree to recover it or the law requires the wreck to be removed.

These costs will be paid in addition to the **Sum Insured** for **Your Boat(s)**.

6.9 Negligence/Wrongful Act of Master, Skipper, Crew, Hirers

We will pay **Damage** arising out of the negligence or wrongful act of the master, skipper, **Crew** and hirers.

There is no cover under this additional benefit if the **Damage** has resulted from a lack of due diligence by **You** or the **Boat(s)** owners or managers.

No cover will be provided under this Additional Benefit if

the **Damage** to the **Boat(s)** would also be covered under one or other of the Insured perils 1 to 5 or under the **Legal Liability** section of the **Policy**.

Unless otherwise agreed in the policy, the basic excess shown on **Your Certificate of Insurance** will apply.

Our payment under this Additional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

6.10 Shore Cover

Provided the **Damage** is covered under this **Policy**, the **Policy** is extended to provide coverage whilst the **Boat(s)** or part of the **Boat(s)** is ashore being repaired, overhauled or being refitted and during transit from and to the **Boat(s)** for that purpose.

Our payment under this Additional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Unless otherwise agreed in the **Policy**, the basic excess shown on **Your Certificate of Insurance** will apply.

6.11 Loss of Hire Income

We will pay for **Your loss** of hire income arising out of the **Damage** to **Your Boat(s)** that occurs during the **Period of Insurance** to a **Boat(s)** shown on **Your Certificate of Insurance**: for one third of **Your** normal daily hire fee limited to a maximum of \$1,000 per day for the period the **Boat(s)** are temporarily disabled from earning anticipated hire income as a result of such **Damage**.

There is no cover for **loss** of hire income during the first 30 days following such **Damage**. Coverage under this benefit is limited to 14 days of **loss** of hire income.

There is no benefit payable under this additional benefit if the **loss** of hire income:

- is not caused by an Insured peril 1 to 6;
- arises out of **loss** or **Damage** that is excluded under either the Insured Perils 1 to 6 or the General Exclusions section of the document;
- follows a **Total Loss** of the **Boat(s)**; or
- arises from inadequate repairs or workmanship being affected to the **Boat(s)**.

It is a requirement of this additional benefit that **You** keep

and make available to **Us**, a complete and accurate record of the daily hire fees for all charters during the currency of the **Policy** to substantiate the **loss** of hire income being claimed.

These costs will be paid in addition to the **Sum Insured** for **Your Boat(s)**.

7. Optional Benefits

Subject to all policy terms, conditions and exclusions of the **Policy**, the following optional benefits can be added for an additional **Premium**. If selected, any benefits will be shown on **Your Certificate of Insurance**.

Coverage under these optional benefits is also conditional on the **loss** or **Damage** being covered under Insured Perils 1 to 5.

Sailboat Racing Cover

If selected, **You** are covered for **Damage** resulting from an **Event** whilst **Your Boat(s)** is competing in sailboat races of up to 100 nautical miles.

Our payment under this Optional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Breach by Bareboat Hirer or Member of a Managed Recreational Boating Group

If selected, **You** are covered for **Damage** resulting from an **Event** whilst **Your Boat(s)** is under the control of a bareboat hirer or member of a **Managed Recreational Boating Group** notwithstanding that the **loss** or **Damage** arises solely by reason of a wrongful act or misconduct of the bareboat hirer or member of a **Managed Recreational Boating Group** who is using the **Boat(s)**.

You will not be covered under this optional benefit if **You** were aware that the bareboat hirer or member of a

Managed Recreational Boating Group was committing a wrongful act at the time of taking control of **Your Boat(s)**.

Our payment under this Optional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Mechanical Breakdown

If selected, **You** are covered for mechanical breakdown of **Motor/s** and or refrigeration unit/s on the **Boat(s)** which causes immediate stoppage of the **Boat(s)** and such **Motor** or refrigeration unit requires repair or replacement so as to enable the **Motor** and/or refrigeration units to continue operating.

This extension only applies to **Motor/s** and or refrigeration up to 5 years from the date of manufacture that have been regularly serviced and maintained in accordance with the manufacturer's recommendations.

In the event of a claim, copies of service records will be required. No cover will be provided:

- where the **Motor/s** and/or refrigeration are still covered under the manufacturer's original or any extended warranty; or
- the **loss** or damage was as a result of the failure of maintenance items such as seals, gaskets and filters.

In the event of a claim under this additional benefit an additional **Excess** of 10% of the repair costs will be applied to the standard **Policy Excess**.

Our payment under this Optional Benefit will not be in addition to the **Sum Insured** for **Your Boat(s)**.

Legal Liability

This coverage is subject to all **Policy** terms, conditions and exclusions.

We will cover **Your Legal Liability**.

We will not cover **Your** legal Liability for:

- death or **bodily injury** to **You** ;
- **loss** or damage to **Your** property;

- death or **bodily injury** to paying passengers unless agreed and extended;
- **loss** or damage to paying passengers property unless agreed and extended.

We will also pay legal fees and expenses provided that **We** consent to the costs of any legal fees and expenses **You** incur in writing before they are incurred.

Cover under this **Legal Liability** is extended when **You** are using a substitute **Boat(s)** that is not owned by **You**, a member of **Your** household or any person in **Your** employ because **Your** own **Boat** is unable to be used because it is undergoing unscheduled maintenance or repairs. There is no cover for damage to the substitute **Boat(s)** while being used by **You**.

We do not cover any **Legal Liability** arising out of the **Other Related Business Activities** **You** undertake in using **Your Boat(s)**.

The Amount We Will Pay

The maximum amount **We** will pay for **Legal Liability** (including the Additional Benefits detailed below) is the **Limit of Liability** amount shown on **Your Certificate of Insurance** in total for all claims that arise from any one **Event**. All legal fees and expenses are included in this **Limit of Liability** and are not in addition to such **Limit of Liability**.

Legal Liability - Additional Benefit

The accidental discharge, release or escape of fuel, lubricants or sewage

We will cover **You** for **Your Legal Liability** in connection with;

- **Damage** caused by or arising from a sudden and

unexpected and unintended discharge directly or indirectly arising from the release or escape of fuel, lubricants or sewage from **Your Boat(s)** occurring at a clearly identifiable time and place during the **Period of Insurance** (the discharge);

- clean-up costs following an Insured Peril set out under Insured Peril 1 to 6, provided **You** are liable for the clean up or;
- any fines and penalties imposed on **You** for a breach of any federal, state or local environmental protection legislation, following the discharge up to a maximum of \$50,000 in the **Period of Insurance**.

No coverage will be provided under this additional benefit for legal liability arising from

- **Your** own gross negligence or willful misconduct;
- the gross negligence or willful misconduct of any person in possession of **Your Boat(s)** with **Your** permission or knowledge other than where the usage of **Your Boat(s)** is shown as bare boat charter/hire or recreational boating club on **Your Certificate of Insurance**;
- fuel or lubricants not being used in connection with the operation of **Your Boat** at the time of **loss**.

We will pay no more than \$500,000 (inclusive of legal costs and any fines or penalties) in the aggregate for any discharge or series of accidents or discharges arising out of one **Event**.

12. Legal Liability – Optional Benefits

Subject to all policy terms, conditions and exclusions of the **Policy**, the following Optional Benefits can be added for an additional **Premium**. If selected, any benefits will be shown on **Your Certificate of Insurance**.

Passenger Liability – Excluding Food and Drink

If selected, **We** will provide cover for **Your Legal Liability** for death or **bodily injury** to any paying passenger on **Your Boat** or damage to their property provided such passengers are either being carried on, embarking or disembarking to or from **Your Boat(s)** via a private or commercial jetty, pontoon or wharf.

If a **Tender** is insured under this **Policy** the cover provided under this optional benefit extends to include your **Legal Liability** arising from the transfer of passengers from **Your Boat(s)** to shore.

Your Certificate of Insurance will show the Limits Of Liability that apply to this cover, together with the maximum number of paying passengers.

Passenger Liability – Including Food and Drink

If selected, **We** will provide cover for **Your Legal Liability** for death or **bodily injury** to any paying passenger on **Your Boat** arising out of the condition or quality of any food or drink sold or supplied by **You** on **Your Boat**, damage to their property provided such passengers are either being carried on, embarking or disembarking to or from **Your Boat(s)** via a private or commercial jetty, pontoon or wharf.

If a **Tender** is insured under this **Policy** the cover provided under this optional benefit extends to include your **Legal Liability** arising from the transfer of passengers from **Your Boat(s)** to shore.

This extension does not cover the **Legal Liability** of any private or contract caterer providing services or food or drink on your **Boat**.

Water-skiing and Aquaplaning Activities

If selected, **We** will provide cover for the **Legal Liability** of **You** and the observer (within the requirements of any law) for:

- accidental death or **bodily injury** to a water skier or aquaplaner towed by **Your Boat(s)**;
- accidental death or **bodily injury** to any person caused by a waterskier or aquaplaner being towed by **Your Boat(s)**;
- accidental damage to another person's property caused by a water skier or aquaplaner being towed by **Your Boat(s)**;

This benefit will also cover the water skier or aquaplaner being towed by **Your Boat (s)** for their **Legal Liability** to others for accidental death or **bodily injury** or damage to another person's property. **Your Certificate of Insurance** will show the Limits of Liability that apply to **Your** policy.

In addition to the **Legal Liability** exclusions noted in this document, the following exclusions apply to this optional benefit:

- **Legal Liability** arising out of waters skiing or aquaplaning when:
 - there is not a legally competent observer in addition to the driver on board **Your Boat(s)** at the time of the incident;
 - an aerial device or ski ramp is being used;
 - a ski mast, ski pole, or ski tower are being used unless it has been professionally designed, manufactured and installed;
 - involved with any competition waterskiing/ wakeboarding or waterskiing racing whatsoever; or
 - using any device not designed and professionally manufactured for the purpose of being towed behind a **Boat** (i.e. surfboards, tyre tubes etc).

13. Exclusions to Your Legal Liability Cover

We will not cover your **Legal Liability**:

- for **bodily injury**, illness or death:
 - to **You** or any person covered by the **Policy**;
- to any person, (other than a bare boat hirer or a **Managed Recreational Boating Group**) who is allowed by **You** to control **Your Boat**;
- to any person who, in respect of the claimable **loss**, is covered or should have been covered by any compulsory compensation insurance, including any compulsory third party insurance, or applicable workers compensation;
 - directly or indirectly from, or in anyway connected with the activity of scuba diving, boom netting or parasailing;
- for **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 Boat(s)**;
 - third party property arising while **Your Boat(s)** is/are being towed by a vehicle or from the **Boat(s)** breaking away from or accidentally becoming detached from the towing vehicle;
- while **Your Boat(s)** is in the charge of or physical control of builders, repairers, yacht clubs or marina operators unless for emergency purposes to minimise any **loss** or damage covered under the **Policy**;
- other than from the **Hull, Motors**, masts, spars, rigging, sails, **Equipment and Accessories** being on and/or used on the insured **Boat(s), Boat Tender** or **Trailer**;
- arising out of the towing of any person or objects in the air;
- for the transmission of any disease;
- for asbestos or any product containing asbestos;
- arising out of any **Event** or liability for which **You** are required by law to hold an insurance **Policy**;
- for any penalties, fines, punitive or exemplary or aggravated damages for which **You** are liable unless otherwise covered by this **Policy**;
- for actions brought against **You** in a court outside Australia or a court that applies law that is not Australian law.

General Exclusions

You are not covered for any **loss** or **damage**, legal liability or **Damage** caused by or resulting from, or the costs incurred from or of:

- the failure to maintain **Your Boat(s)** in good order and repair, or in a proper state of seaworthiness and in compliance with all statutory requirements;
- wear and tear, mould, gradual deterioration, timber rot, **Delamination**, vermin, corrosion, rust, **Electrolysis**, **Osmosis** or marine growth;
- **Inherent Defects**, structural faults, faulty workmanship (unless coverage provided elsewhere within this **Policy**), manufacturer's defects or faulty design;
- **Damage** to sails caused by normal wear and tear and/or wind or water;
- the use of **Your Boat(s)** for bareboat hire, bareboat charter or bareboat 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 Boat(s)** or any **Boat(s)** covered by the **Policy** having been fitted with a **Motor** more powerful than that recommended by the manufacturer of the **Hull**;
- the lawful seizure, confiscation, nationalisation or requisition of **Your Boat(s)** or any other item covered by this **Policy** (this exclusion does not apply to coverage afforded under 6.5 Arrest or Detention additional benefit provided within this **Policy**);
- the mooring for **Your Boat(s)** or any **Boat(s)** covered by the **Policy** not being:
 - of a suitable design and weighting for the **Boat(s)**;
 - appropriately sited;
 - in good order and regularly maintained on an annual basis;
- while **Your Boat(s)** or any **Boat(s)** covered by the **Policy** being under the control of:

- an unlicensed person when a license is necessary;
 - a person without adequate experience to reasonably control the **Boat(s)**;
 - a person under the influence of alcohol or drugs; or
 - a person who has been refused **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**.

This exclusion does not apply if **You** can prove that:

- **You** did not know or had no reason to suspect that the person in control of the **Boat(s)** fell into any of the aforementioned categories;
- it was reasonable for that person to assume control of the **Boat(s)** as a result of an unforeseen emergency.
- while **Your Boat(s)** is being used for power **Boat** 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 Boat(s)** or other insured property;
- **Your Boat(s)** exceeding the speed limit shown on **Your Certificate of Insurance**;
- the use of **Your Boat(s)** or any **Boat(s)** 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. **We** may refuse payment of the claim and/or cancel or avoid 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 Boat(s)** while it is outside the **Geographic Limits** shown on **Your Certificate of Insurance** unless otherwise specifically covered elsewhere in this **Policy** and/or **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 Boat(s)** on the start date of the **Policy** (not including a renewal) or **You** transferred a **Boat(s)** 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 Perils 1-5 listed in this **Policy**; or
 - **We** have agreed to extend cover in writing;
- the modification of **Your Boat(s)** and/or **Motor(s)** 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;
- a **Motor** caused by or resulting from seizure and/or overheating unless covered under this **Policy**;
- radioactivity or the use, existence or escape of any nuclear fuel, nuclear material or nuclear waste;
- improving or altering **Your Boat(s)** unless **You** have advised **Us** and **We** have agreed to extend in writing;
- any consequential **loss** or **loss** of profit unless otherwise covered under the **Loss** of Charter Hire Section;
- **Your** liability under any contract, or if **You** have agreed to or accepted liability without **Our** prior agreement;
- 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;
- any mental or psychological injury;
- the transportation of **Your Boat(s)** other than a **Trailerable Boat(s)** by road, rail or ship including loading and unloading unless we have agreed to extend in writing prior to the conveyance commencing;
- The towing of any other boat or watercraft except **Your Boat's Tender** by **Your Boat** unless previously approved by us in writing. This exclusion shall not apply if **You** are rendering emergency assistance to a distressed boat.

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

Certain words used in this document have special meanings. This section contains such terms. In some cases, certain words may be given a special meaning when used or in the other documents making up the **Policy**.

Accessories

means items manufactured and intended for use on **Your Boat(s)** that are portable or not permanently attached to the **Hull**, inclusive of **Your Boat(s)** covers and canopies, batteries, portable fuel tanks, anchors, paddles, oars, **Tender** and similar items used for safety equipment as required by law.

Agreed Value

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

Boat(s)

means the **Boat(s)** shown on **Your Certificate of Insurance**, including its **Hull** and **Contents, Motors** (including fuel tanks), masts, spars, rigging and sails, **Trailer, Equipment and Accessories** and **Boat Tender**. It includes any replacement **Boat(s)**.

It excludes modifications **You** have not told **Us** about or which are not shown on **Your Certificate of Insurance**.

Certificate of Insurance

means the relevant **Certificate of Insurance We** give **You**. **We** give **You** a **Certificate of Insurance** 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 the information shown on **Your Certificate of Insurance** is correct. If anything is incorrect **You** should contact **Us** immediately.

Contents

Means only portable household goods, appliances, refrigerators, microwave ovens, televisions, glassware, crockery, cutlery and cooking utensils for use and kept on **Your Boat** only. The limit of cover for **Contents** is included in the **Sum Insured**.

Contents does NOT include:

antiques, ornaments, works of art, jewellery, precious stones, furs, curios, **collectibles**, items that contain gold and silver, bonds, cash, credit cards, cheques and any similar financial items, cameras, portable radios, mobile phones, pagers, electronic organisers, **Tools** of trade, bicycles, computers, software and computing equipment or **Personal Effects**.

Crew

means any person including the **Master or Skipper** working on board the **Boat(s)** as an employee.

Damage

means any form of physical harm that occurs to **Your Boat(s)** during the period of Insurance, excluding any normal wear and tear or any physical harm evident prior to this **Policy** being incepted.

Delamination

means the peeling or separation into thin layers of the materials used in the construction of or part of the **Boat(s)**.

Diving Equipment

means recognised and commercially manufactured sports diving equipment including regulators, tanks and buoyancy compensation devices owned hired or leased by **You**.

Electrolysis

means the chemical decomposition by electric action.

Endorsement

means an amendment made to and forming part of the **Policy** which is evidenced by an **Endorsement** certificate.

Equipment

means items manufactured and intended for use on **Your Boat(s)** that are portable or not permanently attached to the **Hull**, inclusive of depth sounders, marine radios/transceivers, navigation equipment, fish finders, and **Tools**.

Event

means a sudden, unexpected and accidental occurrence which happens within the **Period of Insurance**. An occurrence caused by the same, repeated general harmful condition that results in an occurrence within the period of insurance, unless an excluded cause of **loss**, is considered to be one occurrence.

Excess

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

Fishing Gear

means rods, reels, tackle and other similar equipment owned or leased by **You** and used for the purpose of recreational/sport or commercial fishing. Non-prescription sunglasses are not covered.

Geographic Limit(s)

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

Hull

means the shell of the **Boat(s)**, deck, fixtures and fittings either on or below deck that are not normally removable and would normally be sold with the **Boat(s)**.

Inherent Defect

means the inbuilt property of the **Boat(s)** itself which may cause or contribute to the **Damage**.

Latent Defect

means a hidden flaw or defect in the construction of the **Boat(s)** which is not readily discoverable by a reasonable person having the necessary skills or qualifications to detect such flaw.

Legal Liability

means **Your** liability at law arising out of the use of **Your Boat(s)** to pay compensation for death, injury or property damage of other people, excluding property owned by **You** or in **Your** physical or legal control.

Limit of Liability

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

Malicious Damage

means intentional **Damage** to **Your Boat(s)** by someone other than **You** and without **Your** consent and knowledge.

Managed Recreational Boating Group

means a professionally managed boat membership program that provide shares and or memberships for recreational use of boats.

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 amount.

Master or Skipper

means any person employed by you or on your behalf

under an employment agreement and as the **Crew Member** to be in charge of the shipboard management and navigation of **Your Boat(s)**.

Motor

means stern drive units, inboard and outboard engines as shown on **Your Certificate of Insurance** and include the propeller(s), shaft(s), gearbox(s), skeg(s), jet unit(s), wiring harness(es), instruments, portable fuel tank(s), battery(ies), control cables, desailinator(s), thrusters, and generator(s).

Named Cyclone

means a cyclone that has been given a name by the Bureau of Meteorology in Australia, or equivalent body if the cyclone is named outside of Australian waters.

Other Related Business Activities

means activities other than those used in the actual operation or direct use of the **Boat(s)** including;

- any underwater activity;
- any airborne activity;
- the transport of goods in return for remuneration.

Osmosis

means blistering of a gel coat and entrapment of moisture.

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, and manchester belonging to **You** or **Your Crew** and which are being used or stored on **Your Boat(s)** at the time of **loss**.

Policy

means **Your** insurance contract with Us. It includes this document, **Your** insurance application and **Your Certificate of Insurance** including any endorsements issued by Us.

Premium

means the **Premium** shown on the relevant **Certificate of Insurance** or any **Endorsement** certificate.

Salvage

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

Salvage Charges

means reasonable charges and expenses which are incurred in **Salvage** or in preventing or minimising **Damage** to **Your Boat(s)**.

Seaworthy

means a **Boat(s)** that is/are well maintained, in good repair, is/ are adequately manned by competent **Crew**, properly equipped and provisioned, and in all respects in a condition to withstand the ordinary perils of the sea.

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). For a **Market Value Policy** the maximum amount **We** will pay for any item(s) 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.

Tender

means an auxiliary **Boat** or dinghy used as a lifeboat or means of transportation between **Your Boat(s)** and shore. The **Boat's Tender** must be marked with the same registration number as the **Boat(s)** shown on **Your current Certificate of Insurance** and not registered in its own right.

Tools

means those **Tools** used for the normal operation of the

Boat(s).

Total Loss

means the **loss** of **Your** entire **Boat** or **Damage** to **Your Boat** which **We** consider to be uneconomical to repair.

Trailer

means a vehicle designed to be towed by a **Motor** vehicle and used in transporting the **Boat(s)** shown on **Your Certificate of Insurance**. It must be roadworthy, and in a condition that complies with registration requirements.

Trailerable Boat

means a **Boat** less than 10m in length that is designed to be legally trailered on a **Trailer**.

Warranty(ies)

means a condition which must be exactly complied with, whether material to the risk or not.

Water Ski Equipment

means commercially manufactured water ski or aquaplaning equipment owned by **You**.

We, Us, Our

means AIG Australia Limited.

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.

Cancelling Your Insurance

You can cancel the **Policy** at any time by calling Us. **We** will explain the cancellation process to **You**.

When We Can Cancel

We may cancel this **Policy** by giving 30 days' notice.

Cancelling Your insurance

You can cancel the **Policy** at any time by calling Us. **We** will explain the cancellation process to **You**.

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,
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**.

How We Protect Your Privacy

AIG Australia and Nautilus are committed to protecting **Your** privacy in accordance with the Privacy Act 1988 (Cth) (the "Act") and the Australian Privacy Principles (APPs). In this section dealing with Privacy, "We", "Our" and "Us" refers to both AIG Australia and Nautilus.

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

- For AIG Australia at www.aig.com.au or by contacting AIG at australia.privacy.manager@aig.com or on 1300 030 886; and
- for Nautilus at www.nautilusinsurance.com.au or by contacting Nautilus at customerservice@nautilusinsurance.com.au or on 1300 780 533

This Privacy Statement outlines why, how we collect, disclose and handle **Your** personal information (including sensitive information) as defined in the Act about:

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

Why We Collect Your Personal Information

We collect **Your** personal information (including sensitive information) so **We** can:

- underwrite and administer **Your** insurance cover
- advise **You** about and determine what other service or products **We** can (i) provide to **You** or (ii) that may interest **You**;
- identify **You** and conduct necessary checks;
- issue, manage and administer services and products provided to **You** or others, including processing requests for quotes, applications for insurance, underwriting and pricing policies, issuing **You** with a policy, managing claims, claims investigation, handling and settlement;
- maintain and improve **Our** services and products;
- make special offers or offer other services and products provided by **Us** or those **We** have an association with, that might be of interest to **You**;
- carry out research and analysis, including data analytics.

You also 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, a cancellation of **Your** insurance cover or reducing the level of cover, or declining claims.

If **You** choose not to provide **Us** with the information **We** have requested, **We** may not be able to provide **You** with **Our** services or products or properly manage and administer services and products provided to **You** or others.

How We Collect Your Personal Information

Collection can take place by telephone, email, or in writing and through websites (from data **You** input directly or through cookies and other web analytic tools).

We collect it directly from **You** or **Your** agent.

There may, however, be occasions where **We** collect **Your** personal information from someone else.

This may include:

- our authorised representatives;
- other Insurers;
- our legal or other advisors
- anyone **You** have authorised to deal with **Us** on **Your** behalf
- our distributors or referrers, agents or related companies;
- service providers;
- another party involved in a claim including parties who assist **Us** in investigating or processing claims;
- third parties who may be arranging insurance cover for a group that **You** are a part of;
- providers of marketing lists and industry databases;
- publically available sources
- third parties claiming under **Your Policy**;
- witnesses and medical practitioners;
- family members; and
- in the case of AIG personal information provided to them by Nautilus

If **You** provide **Us** with personal information about another person **You** must only do so with their consent and agree to make them aware of:

- this privacy notice;
- that **You** will, or may, provide their information to **Us**

and third parties **We** may provide it to;

- the relevant purposes **We** and any of such third parties will use it for; and
- how such persons can access their personal information.

If it is sensitive information **We** rely on **You** to have obtained such other persons consent on these matters. If **You** have not done so, or will not do so, **You** must tell **Us** before **You** provide their relevant personal information.

To Whom We disclose Your Personal Information

In the course of underwriting and administering **Your Policy** as well as providing services to **You**, we may disclose **Your** information to:

- entities to which **We** are related, in the case of Nautilus, their insurers, reinsurers, contractors **Our** representatives or third party providers providing services related to **Us** or who are administering **Your** policy;
- other insurers and reinsurers;
- banks and financial institutions for **Policy** payments;
- assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- other entities to enable them to offer their products or services to **You**;
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law;
- **Your** agents;
- **Our** legal, accounting and other professional advisers;
- data warehouses and consultants;
- mailing houses and marketing companies;
- insurance reference bureaus;
- credit providers;
- social media and other similar sites and networks, membership;
- loyalty and rewards programs or partners;
- providers of medical and non-medical assistance and services;
- investigators, **loss** assessors and adjusters;

- other parties **We** may be able to claim or recover against;
- anyone either of **Us** appoint to review and handle complaints or disputes; and
- any other parties where permitted or required by law.

We also may need to disclose information to persons located overseas.

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.

These countries may change from time to time and as may be notified in **Our Privacy Policy** from time to time.

You can contact Nautilus or AIG Australia for details or refer to the AIG Privacy **Policy** or the Nautilus Insurance Privacy **Policy** available at **Our** respective websites www.aig.com.au and www.nautilusinsurance.com.au.

Access to Your Personal Information

Our Privacy Policies contains 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 Us.

In some circumstances permitted under the Privacy Act 1988, we 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.

For more information about **Our** privacy practices including how **We** collect, use or disclose information, how to access or seek correction to **Your** information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled, please refer to the AIG Privacy **Policy** or the Nautilus

Insurance Privacy **Policy** available at **Our** respective websites www.aig.com.au and www.nautilusinsurance.com.au or by contacting **Us** (**Our** contact details are below).

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@nminsurace.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



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.

ABN: 34 100 633 038 **AFSL:** 227186

P: 02 8920 1157 **F:** 02 8920 1275

A: Level 7, 99 Walker Street, North Sydney NSW 2060

www.nautilusinsurance.com.au