



# Apia Boat Insurance

Product Disclosure Statement

Rewarding experience



---

## Contents

Introduction	3
Welcome to Apia Boat Insurance	3
Important information about us	6
Glossary of important words and phrases	7
Summary of features and covers	11
About your premium	12
Paying your premium	12
Your responsibilities	13
When you need to contact us	14
Proof of ownership and value	14
About your cover	15
About your boat	15
About your boat contents	16
Types of cover	17
Comprehensive cover	18
Third party cover	19
Limits on cover	20
Additional features	21
Additional covers	26
Optional covers	30
Legal Liability exclusions	32
General exclusions	34
Claims	40
Making a claim	40
Minimum steps you must take to prevent theft	42
Minimum proofs of ownership and value	44
How to establish your loss	44
Your excess	45
How we settle your claim	47
Repairs	48
If we decide your boat is a total loss	49
Salvaged items	50
After we pay your claim	50
Other important information	51
What happens with cancellations?	51
How we will deal with a complaint	52
Report insurance fraud	53
General Insurance Code of Practice	53
Financial Claims Scheme	53

---

# Introduction

## Welcome to Apia Boat Insurance

Thank you for choosing Apia. If you need anything in relation to your insurance, or if you need to make a claim, you can contact us on **13 50 50**.

### Why is this document important?

This Product Disclosure Statement (PDS) is an important legal document that contains details of your Apia Boat Insurance if you purchase this product from us. It also explains in the 'Important information about us' statement (see page 6), certain information about the financial services we offer, how we are remunerated and what relationships we have with others, to help you decide if you would like to use the services we offer. This PDS also explains how we will deal with your complaint if you ever have a concern with your dealings with us. You will receive a PDS if you buy a policy or if we provide another financial service to you.

Before you decide to buy this product from us, please read this PDS carefully. If you purchase this product, your policy comprises of this PDS and your certificate which shows the details particular to you.

You may need to refer to this document from time to time. So keep it in a safe place.

### How to use this PDS

We have designed this PDS so that it is easy for you to see what is covered and what is not covered. In most areas of the PDS, we have put a '✓' ahead of what 'We cover', and an '✗' ahead of what 'We do not cover'. Where a limit applies to a particular benefit of this policy, in most cases, it will be shown within 'We cover' under the heading of 'Limit'.

### Updating information

The information in this PDS was current at the date of preparation. We may update some of the information in the PDS that is not materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by contacting us on **135050**. We will give you a free paper copy of any updates if you request them.

In some circumstances the terms and conditions of this PDS may be amended by a Supplementary PDS (SPDS).

### PED Guide

Throughout this PDS you will be referred to a guide called: Premiums, Excesses, Discounts and Claim Payments Guide, indicated as 'Refer to the PED Guide for further information'. This guide will provide you with further information and is available at [apia.com.au](http://apia.com.au). You can also obtain a copy of this guide on request, at no charge, if you contact us on **13 50 50**.

---

## **Communicating with you**

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

Each electronic communication will be deemed to be received by you at the time it leaves our information system.

## **Our agreement with you**

Apia on behalf of AAI Limited (see page 7) agrees in return for your premium to insure you in the circumstances and subject to the conditions, limits and exclusions set out in your policy.

## **Cooling off period**

After this insurance begins or you renew your policy for another period of insurance, you have **21** days to consider the information in this PDS. This is called the 'cooling off period'. If you wish, and provided you have not made a claim, you can exercise your cooling off rights within **21** days from the day cover began or was renewed. When you exercise your cooling off rights, we will refund in full the money you have paid for that period of insurance but you will have no cover from when your policy would have otherwise begun or from your renewal date.

Alternatively, you can cancel your policy at any time during the period of insurance. When you do this and unless we tell you otherwise, you will have cover up until the date of cancellation. For more information see 'Cancellation by you' on page 51.

## **Who is this product designed for?**

This insurance product is designed for owners of boats that are used for private use only (see page 10).

This product excludes cover for boats used for any business or commercial activity. See page 7 for the definition of 'business or commercial activity'.

---

## **We rely on the accuracy of your information**

When we agree to insure you, to renew or vary your policy, or to pay your claim, we rely on the accuracy of the information you give us. If that information is not accurate, we can reduce or deny any claim you make or cancel your policy. We never want to have to do that, so you must answer honestly, correctly and completely, the questions we ask about:

- you;
- your boat;
- any events that result in a claim on your policy.

When you receive your renewal, please carefully check the information it shows. If any of that information is incorrect or incomplete, please call us on **13 50 50**.

## **Exclusion for new policies**

There is no cover for bushfire, storm, flood or tsunami in the first **72** hours of your policy. Very limited exceptions apply. For full details see 'General exclusions – Bushfire, storms, floods, tsunamis in the first 72 hours of cover' on page 34.

## **More than one named insured**

If there is more than one named insured on your certificate, we will treat a statement, act, omission, claim, request or direction (including to alter or cancel your policy) made by one as a statement, act, omission, claim, request or direction by all those named as insured on your certificate.

## **Some words in your policy have special meanings**

Some words when used in this PDS have special meanings. Most of the words with special meanings are defined in the 'Glossary of important words and phrases' section on pages 7 to 10.

---

## Important information about us

This important information about us statement was completed on 7 April 2016.

### Who are we?

Australian Pensioners Insurance Agency Pty Limited ABN 14 099 650 996 (Apia), authorised representative No. 239591. The contact details for Apia are on the back cover.

### Who do we act for?

Apia is an agent (acting under a binder) and authorised representative of AAI Limited ABN 48 005 297 807 (AAI Limited). AAI Limited holds Australian Financial Services Licence No. 230859. The contact details for AAI Limited are on the back cover. AAI Limited has authorised this 'Important information about us' statement.

AAI Limited has prepared this PDS and is the insurer of the policies referred to under 'What financial services do we offer' that are arranged by Apia. Apia is a wholly owned subsidiary of AAI Limited and both are members of the Suncorp Group. As AAI Limited is regulated by the Australian Prudential Regulation Authority (APRA) it is exempt from the requirement to hold professional indemnity insurance cover. AAI Limited as the insurer will receive the premiums paid for the policy.

### What financial services do we offer?

Apia is authorised by, and acts on behalf of AAI Limited to issue insurance under a binder, to arrange, vary and cancel insurance, handle and settle claims and provide general and personal financial product advice in relation to Apia branded general insurance policies issued by AAI Limited.

### How are we paid for providing the financial services?

Apia does not receive any commissions or benefits from AAI Limited for giving you advice or for the insurance policies it arranges. AAI Limited and other Suncorp Group companies provide Apia with the resources it needs to provide the financial services, such as staff employed by the Suncorp Group of companies. In addition to their salary, staff may receive bonuses if they achieve their performance targets. You will not be charged an additional fee as a direct result of this.

### How we will deal with a complaint

Apia provides a complaint resolution process. For full details see page 52.

---

## Glossary of important words and phrases

### Amount covered

means market value or the amount shown on your certificate, whichever is less.

### AAI Limited

means AAI Limited ABN 48 005 297 807, AFSL No. 230859.

### Apia

means Australian Pensioners Insurance Agency Pty Limited ABN 14 099 650 996.

### Boat

see page 15.

### Boat contents

see pages 16 & 17.

### Boat hull

see pages 15 & 16.

### Boat motor

see page 16.

### Boat trailer

see page 16.

### Business or commercial activity

- an activity that earns you income that must be declared to the ATO; **or**
- hiring or chartering your boat for reward; **or**
- teaching or tutoring people on or in your boat (whether paid or not).

### Certificate

means the latest certificate we have given you. It sets out the information you have given us on which we have based our decision to insure you as well as the individual details of your policy.

### Excess

see page 45.

---

## Family

means any of the following people if they normally live with you:

- spouse, partner or de facto;
- parents, parents-in-law, grandparents;
- children, grandchildren, brothers and sisters, including their respective spouses, partner or de facto;
- the children, parents, parents-in-law, grandparents, grandchildren, brothers and sisters of a spouse, partner or de facto; **and**
- people who provide care or services to you.

## Fixed

means permanently built in or installed which if removed would leave a hole or damage.

## Flood

means the covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- (a) a lake (whether or not it has been altered or modified);
- (b) a river (whether or not it has been altered or modified);
- (c) a creek (whether or not it has been altered or modified);
- (d) another natural watercourse (whether or not it has been altered or modified);
- (e) a reservoir;
- (f) a canal;
- (g) a dam.

## Geographic limit

means anywhere on the land and waterways of Australia **but only** up to **200** nautical miles from the Australian mainland and Tasmanian coasts.

## In use

in relation to your boat or boat hull means:

- when your boat or boat hull is being used for its intended purpose, i.e. on the water or in transit either on a purpose built trailer or boat carrier.

in relation to fishing, diving and water-skiing gear, means:

- when your fishing, diving or water-skiing gear is being used for its intended purpose, i.e. fishing, diving or water-skiing activities.



---

### **Incident or event**

is a **single** event, accident or occurrence which you did not intend or expect to happen.

### **Insured incident**

an incident not excluded by your policy. It is always a single event, accident or occurrence which you did not intend or expect to happen.

### **Limit**

means the most you can claim for any one insured incident. It includes GST.

### **Loss or damage**

means physical loss or physical damage.

### **Market value**

means our assessment of the sale value of the item in your local market immediately prior to the claimed loss or damage taking into account a number of factors including the age, condition, specification and location of the item.

### **Not in use**

your boat hull, boat motor(s) or boat trailer is not being used and it is at the place where you normally keep it, or is left unattended elsewhere and there is no-one on, in or with your boat hull, boat motor(s) or boat trailer.

### **Operated**

driven, controlled or under the charge of.

### **Observer**

a person on or in your boat responsible to look out for and warn the operator about hazards to water skiers and things towed by your boat.

### **Operator**

means the person driving, controlling or in charge of your boat.

### **PED Guide**

means a guide that will provide you with further information about our premiums, excesses, discounts and claim payments and is available at [apia.com.au](http://apia.com.au). You can also obtain a copy of this guide on request, at no charge, if you contact us on **13 50 50**.

### **Period of insurance**

means when your policy starts to when it ends. It is shown on your certificate.

---

## **Personal effects**

means belongings normally worn or carried by you or by any member of your family who accompanies you on your boat.

## **Policy**

means your insurance contract. It consists of this PDS and any SPDS we have given you and your certificate and any receipt we may send you.

## **Private use**

means using your boat wholly for personal pleasure or recreational sporting activities and not for hire, charter or fee or any income earning activity.

## **Race or racing**

participating in an organised sailing competition with other boats over a designated distance or route.

## **Sails**

includes standing and running rigging and protective covers.

## **Seaworthy**

in good condition, good working order and able to operate safely and efficiently for the purpose it is designed (e.g. keep the item properly serviced and free of corrosion).

## **Tender**

an additional smaller boat designed for commuting to or from your boat. A tender is usually towed behind or carried on your boat.

## **Total loss**

means that, in our opinion, the damage to your boat hull, boat motor or boat trailer is so great that it would not be safe, practical or economical to repair, or your boat hull, boat motor or boat trailer has been stolen and is not recovered within 14 days of you reporting its theft to us and we are satisfied that your claim is in order.

## **Unseaworthy**

not in good condition, not in good working order or unable to operate safely and efficiently for the purpose it is designed.

## **We, us, our and Apia**

means Apia on behalf of AAI Limited.

## **You, your**

the person or people shown as the insured on your certificate.

---

## Summary of features and covers

Below is a table identifying some of the policy features and covers available depending on the type of cover you choose. It is a guide only. For full details of what is covered and not covered and for the limits that apply, please read this PDS and your certificate carefully.

Summary of features and covers	Comprehensive cover	Third party cover
Accidental Damage	✓	✗
Sinking	✓	✗
Stranding	✓	✗
Collision or Impact	✓	✗
Theft	✓	✗
Fire	✓	✗
Storm	✓	✗
Malicious damage	✓	✗
Boat contents (up to <b>\$5,000</b> , sub-limits apply)	✓	✗
Legal liability cover (up to <b>\$10 million</b> )	✓	✓
New boat after total loss for boats less than <b>2</b> years old	✓	✗
Emergency expenses after an insured incident (up to <b>\$5,000</b> )	✓	✗
Salvage and removal costs arising from an insured incident (up to <b>\$10 million</b> )	✓	✓

---

## About your premium

The premium is the amount you pay us for this insurance and it includes stamp duty, GST and if applicable other government charges. The total amount payable will be shown on your certificate or, if you pay by instalments, the instalment premium will be shown on your certificate.

In addition to your amount covered we use many factors about you and your boat to work out your premium. These are called premium factors. The premium factors we use reflect the likelihood of you making a claim together with other factors related to our cost of doing business.

Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because premiums are affected by other things such as our expenses of doing business and changes in our approach to how we calculate your premium.

Your premium includes any discounts we have given you.

### Refer to the PED Guide for further information

## Paying your premium

We will tell you how much you have to pay and how much time you have for payment on your certificate. You must pay this premium by the due date to get this insurance cover. You can pay in one annual payment or, if we agree, by instalments.

Unless we tell you, any payment reminder we send you does not change the expiry or due date. If you do not pay the premium in full, we may reduce the period of insurance so it is in line with the amount you paid.

If you make a change to your policy details, it may affect the premium you need to pay for the remainder of your period of insurance.

### Late annual payments

If you do not pay your premium by the due date, in the first year of insurance with us, we will give you a written notice of policy cancellation where we are required by law to do so.

If you do not pay the premium due on renewal by the due date, you will have no cover from the due date.

If we accept your late payment, we might recommence your cover from the date we receive your payment. If so, you will have no cover for the period from that due date until the date of payment.

---

## Overdue instalments

If you pay your premium by instalments and your instalment is overdue, we can do one or both of the following:

- refuse to pay a claim if payment is **14** days (or more) overdue;
- cancel your policy if an instalment is **1** month (or more) overdue. We will notify you of the cancellation.

## Your responsibilities

### You must:

- keep your boat well maintained and seaworthy (see page 10). See 'General exclusions' on pages 34 to 39 for exclusions that may apply;
- take all minimum security precautions to prevent theft, (see 'Minimum steps you must take to prevent theft' on page 42) and loss, damage or legal liability;
- follow all the terms, conditions and responsibilities set out in your policy;
- provide honest and complete information for any claim, statement or document supplied to us.

### Not meeting your responsibilities

If you do not meet your responsibilities, it may lead us to do either or both of the following:

- reduce or refuse to pay your claim;
- cancel your insurance policy.

If fraud is involved, we can treat your policy as if it never existed.

---

## When you need to contact us

You need to tell us immediately if:

- any details on your certificate are no longer accurate;
- you change your address;
- any of your contact details change, such as your Australian mobile number or email address;
- the place where you keep your boat changes;
- you replace your boat (see the 'Replacing your boat' additional cover on page 28 where we give you **14** days cover on your replacement boat if you have comprehensive cover);
- your boat becomes unseaworthy or is no longer in good condition;
- you change the way you use your boat e.g. you plan to use your boat for hire, charter, teaching or any other business or commercial activity (see page 7).

## What we will do when you contact us

When you contact us and tell us about these changes, we may decide to charge an extra premium or apply a special condition to your policy. In some cases we can no longer insure you and we will cancel your policy.

## Proof of ownership and value

When you make a claim we may ask you to give us proof of ownership and value for what you are claiming for. We understand it is not practical to keep proofs for every item you own. However, there are some items where we will reduce or refuse a claim unless you have proof of ownership and value. For full details refer to page 45.

---

## About your cover

### About your boat

Your boat means your boat as described on your certificate that you own and use for private use. This includes your boat hull (as shown on your certificate), your boat motor(s) (if shown on your certificate) and your boat trailer (if shown on your certificate) which we collectively refer to as 'your boat' in your policy, unless stated otherwise.

**Unless** your boat hull, boat motor(s) and/or boat trailer are shown on your certificate, they are not insured as part of your "boat".

### What we cover as your boat hull

- superstructure (meaning the sides and bottom of your boat that keeps it afloat), decks, gangways, railings and cabin;
- rudder, keel, helm and steering equipment;
- windows and windscreen;
- fixed solar panels;
- console, gauges and controls;
- partitions, bulkheads, cupboards, tables, bunks, doors and hatches;
- canopies, storm covers, fixed seats and fixed seat covers, curtains and blinds;
- anchor, chain and winches;
- masts, spars, rigging and sails that are used on your boat only;
- fixed fuel tanks and fuel lines (**but not** the fuel);
- fixed electrical fittings and appliances permanently wired in such as lights, instruments, anemometer, FAH radio receiver-transmitter, GPS, depth sounder, fish finder, radar unit and compass, bilge pumps, electric winches and batteries;
- fixed entertainment items such as a TV, DVD/Blu-ray player and stereo;
- signwriting **but only** to the extent that the signwriting relates to your boat's name and registration number;
- mandatory safety equipment kept on your boat;
- your boat tender **but only** one that is up to **4** metres long, less than **40** years old and not registered in its own right;
- tools for your boat that were supplied by the manufacturer.

---

## What we do not cover as your boat hull

Your boat hull does not include anything not listed under 'What we cover as your boat hull'. For example, it does not include:

- murals, artwork, air brushing, stickers or decals other than the name and registration number details of your boat;
- vinyl hull wraps;
- the motor on your tender;
- your boat contents;
- your boat motor(s);
- your boat trailer.

## What we cover as your boat motor(s)

The inboard or outboard motor, auxiliary or electric trolling motor for your boat shown on your certificate including its propellers, drive shaft, transmission, skeg, stern drive, outdrive and jet drive.

## What we cover as your boat trailer

The boat trailer for your boat shown on your certificate that is designed for and used to transport your boat.

## About your boat contents

We cover boat contents owned by you and your family under additional cover 'Cover for boat contents' on page 27.

## What we cover as your boat contents

- portable fuel tanks (**but not** fuel);
- cushions, bedding, manchester and flags;
- paddles;
- batteries;
- unfixed furniture, tables and chairs;
- items and appliances used for cooking, drinking and eating;
- portable refrigerators, freezer, ice boxes and 'esbies';
- portable barbeques and gas bottles;



- 
- portable TV and DVD or Blu-ray player;
  - face plates for GPS units and sounders;
  - fishing rods and tackle, diving equipment and water-skiing gear, **but not** when in use;
  - unfixed spare parts for your boat;
  - clothing, hats, shoes and wet weather gear;
  - maps, charts, tide and weather guides.

### **What we do not cover as your boat contents**

Boat contents does not include anything not listed under 'What we cover as your boat contents'. For example, it does not include:

- any boat equipment permanently wired into the hull;
- mobile phones or cameras;
- bait, medicines, food or drinks;
- personal belongings such as jewellery, watches, sunglasses or spectacles;
- laptops or electronic tablets (e.g. iPads);
- portable electronic or electrical items or their accessories such as MP3 players, CD players, video games, game consoles;
- toys or games;
- cash, smart cards, vouchers, gift cards, stamps or other items able to be cashed or traded (e.g. cheques, coupons, tickets);
- fuel or lubricants.

### **Types of cover**

We offer two types of cover to choose from:

- Comprehensive cover; **or**
- Third party cover.

The cover you choose and agreed to by us will be shown on your certificate.

---

## Comprehensive cover

This cover includes:

- accidental loss or damage cover (including theft);
- third party cover;
- additional features and additional covers at no extra cost (see pages 27 to 29).

You can also choose from our range of optional covers (see pages 30 to 31).

All of the conditions of this policy apply to this cover, unless stated otherwise.

### Accidental loss or damage cover (including theft)

#### ✓ We cover

We cover accidental loss of or accidental damage to your boat caused by an incident in the period of insurance within the geographic limits.

Examples of incidents covered include accidental loss or damage by:

- theft;
- storm;
- fire;
- sinking;
- stranding;
- collision and impact.

#### Limit

The most we will pay for your boat hull, boat motor(s) or boat trailer is the amount covered.

#### X We do not cover

See the 'General exclusions' on pages 34 to 39.

### Third party cover

Comprehensive cover includes Third party cover (see page 19).

---

## Third party cover

This cover includes:

- legal liability cover for death or bodily injury to other people or damage to their property;
- Additional feature and additional covers at no extra cost (see pages 27 to 29).

All of the conditions of this policy apply to this cover, unless stated otherwise.

### Legal liability for death or bodily injury to other people or damage to their property

#### ✓ We cover

We cover your legal liability to pay compensation for death or bodily injury to other people, or damage to their property, resulting from an incident in the period of insurance:

- arising out of your ownership of your boat; **or**
- which happens when you, or a person authorised by you, are operating your boat; and which occurs within the geographic limits (see page 8 for details).

#### Limit

The most we pay for all claims arising from any one insured incident is **\$10 million**, including all associated legal costs we have agreed to pay for your claim.

#### ✗ We do not cover

- any legal liability caused by or arising from water skiing activities. Optional cover is available under the 'Water skiers liability' optional cover, see page 30 for details;
- pollution by oil, fuel or waste **except** to the extent it is covered under the additional feature 'Pollution by oil, fuel or waste following an insured incident', see page 22 for details;
- see the 'Legal Liability exclusions' on pages 32 to 33 and the 'General exclusions' on pages 34 to 39.

[Refer to the PED Guide for further information](#)

---

## Limits on cover

There are a number of limits that apply to Comprehensive cover and Third party cover:

### Comprehensive cover limits

If you have Comprehensive cover and we accept your claim, the most we will pay for loss or damage to your boat hull, boat motor (if shown on your certificate) and boat trailer (if shown on your certificate) is the lesser of market value or the amount shown on your certificate for "your boat", less applicable deductions.

Limits also apply to the following items:

Item	Limit for any one insured incident
Boat hull	The amount covered for "your boat" less the amount covered for your boat motor (if any) and less the amount covered for your trailer (if any)
Boat motor(s)	Lesser of market value or the amount shown on your certificate for your boat motor
Boat trailer	Lesser of market value or the amount shown on your certificate for your boat trailer
Boat contents	See 'Cover for boat contents' on page 27

### Third party cover limits

If you have Third Party cover the most we will pay for all claims arising from any one insured incident is **\$10 million**, including all associated legal costs we have agreed to pay for your claim. A lower limit applies to the additional benefit 'Pollution by oil, fuel or waste following an insured incident' (see page 22 for details) and this limit cannot be increased.

### Geographic limit – All covers

We provide cover within the geographic limits which is anywhere on the land and waterways of Australia **but only** up to **200** nautical miles from the Australian mainland and Tasmanian coasts.

### Speed limit – All covers

There is no cover when your boat is exceeding **60** knots or its maximum design speed, whichever is less.

---

## Additional features

When we accept a claim under your Comprehensive or Third Party cover policy, you may be entitled to the following Additional features.

Most additional features only apply with comprehensive cover and this is shown in the additional feature detail.

In some circumstances, we may decide to make an additional feature available to you before we accept or agree to pay your claim. If we do this, it does not mean that your claim has or will be accepted or that we have otherwise agreed to pay your claim. If we later decide that we cannot accept or pay your claim then the cover available under an additional feature will not apply and we may recover the amounts paid under the feature from you.

There are some things we do not cover under these Additional features and these are shown in the 'We do not cover' sections of the below tables on pages 22 to 26, in the 'Legal Liability exclusions' on pages 32 to 33 and the 'General exclusions' on pages 34 to 39. All of the conditions of this policy (including limits) apply to these Additional features unless the cover says otherwise.

---

## Pollution by oil, fuel or waste following an insured incident

Applies to Comprehensive cover and Third Party cover

### ✓ We cover

When your boat is stranded, sunk or damaged in an insured incident in the period of insurance and this causes pollution to suddenly and accidentally discharge from your boat, to the extent you are legally liable for the costs of removing, containing or dealing with the pollution, we will pay the reasonable and necessary costs:

- to remove, contain and deal with the pollution;
- to compensate other people for cleaning up or fixing damage caused to their property by the pollution.

### Limit

Up to a total of **\$250,000**, including all associated legal costs that we have agreed to pay for any one discharge or series of discharges arising out of the same insured incident. This cover is not paid in addition to the Third party cover limit.

### X We do not cover

- the cost of removing, containing or dealing with pollution that starts to discharge more than **7** days after the insured incident;
- any loss or damage which first happens more than 7 days after the pollution starts to discharge from your boat;
- your legal liability for injury, illness or death;
- fines, punitive, aggravated or exemplary damages;
- the cost of removing, containing or dealing with asbestos in any form.

---

## Salvage and removal costs

Applies to Comprehensive cover and Third Party cover.

### ✓ We cover

When your boat is stranded, sunk or burnt in an insured incident in the period of insurance and you are legally liable for the costs of salvaging or removing it, we will pay the reasonable and necessary costs, including legal costs that we have agreed to pay, to salvage and remove your boat.

#### Limit

Up to a total of **\$10 million** for any one insured incident. Our liability arising from any one incident under this feature and third party cover is limited to \$10 million in total.

### ✗ We do not cover

Left blank intentionally.

## Emergency expenses

Applies to Comprehensive cover.

### ✓ We cover

When your boat is damaged in an insured incident in the period of insurance and emergency actions are necessary (e.g. if the outboard motor on your boat has struck a log, won't operate and you need to pay for towing), we pay the reasonable costs for:

- towing your boat to safety when it is on the water;
- avoiding or minimising further loss or damage;
- arranging for urgent repairs, to get you home;
- securing your boat;
- scuttling or sinking your boat if you are required by law to do so; **or**
- flushing, drying and oiling of the motor on your boat that has been submerged.

#### Limit

Up to a total of **\$5,000** for any one insured incident.

### ✗ We do not cover

Left blank intentionally.

---

## New boat after a total loss for boats less than 2 years old

Applies to Comprehensive cover.

### ✓ We cover

When your:

- boat hull is less than **2** years old, **or**
- boat motor(s) is less than **2** years old, **or**
- boat trailer is less than **2** years old,

and we determine it is a total loss following an insured incident in the period of insurance.

We will pay what it would cost us to replace your:

- boat hull that was less than **2** years old, **or**
- boat motor(s) that was less than **2** years old **or**
- boat trailer that was less than **2** years old,

with a new boat hull, boat motor(s) or boat trailer (as applicable) that is:

- made by the same manufacturer, of the same or similar model and of the same or similar specification; **or**
- in our opinion, the nearest possible match to your boat hull, boat motor(s) or boat trailer (as applicable).

### Limit

If we cannot locate a suitable replacement boat hull, boat motor(s) or boat trailer within **60** days in Australia, or if you disagree with our choice, we will pay you the amount covered for your boat hull, boat motor(s) or boat trailer (as applicable) less applicable deductions (see page 49).

### ✗ We do not cover

If only one part of your boat is a total loss, we will not replace all parts e.g. if only your boat motor(s) that was less than 2 years old is a total loss, we will not replace your boat hull and boat trailer as well.

The cost of replacing or purchasing an extended warranty.



---

## Emergency travel costs

Applies to Comprehensive cover.

### ✓ We cover

When your boat is lost or damaged in an insured incident in the period of insurance and you are left stranded and unable to return to your usual place of residence, we pay your reasonable and necessary travel costs to get you back to your usual place of residence or to pick up your boat after it has been repaired.

#### Limit

Up to a total of **\$500** for any one insured incident.

### ✗ We do not cover

Left blank intentionally.

## Road towing costs

Applies to Comprehensive cover.

### ✓ We cover

When your boat is damaged in an insured incident in the period of insurance and needs to be repaired, we pay the reasonable costs of towing your boat by road, to the nearest place of safety or repair.

#### Limit

Up to a total of **\$1,000** for any one insured incident.

### ✗ We do not cover

Left blank intentionally.

---

## Fatal injury

Applies to Comprehensive cover.

### ✓ We cover

When you or the operator of your boat are fatally injured as a direct result of the same insured incident that caused loss or damage to your boat, we will pay **\$5,000** to the executor of your estate or your boat operator's estate (**but not** both).

#### Limit

**\$5,000.** We decide how payment will be made in the event of more than one fatality.

### ✗ We do not cover

- death caused by suicide or self harm;
- death that occurs more than **12** months after the incident that caused loss or damage to your boat.

## Personal effects

Applies to Comprehensive cover.

### ✓ We cover

We cover loss of or damage to your personal effects as a direct result of the same insured incident that caused loss or damage to your boat.

#### Limit

Up to a total of **\$250** for any one insured incident.

### ✗ We do not cover

Left blank intentionally.

## Refer to the PED Guide for further information

## Additional covers

We also provide the cover set out under the following additional covers. A claim under an additional cover can be made independently of a claim for loss or damage to your boat.

There are some things we do not cover and these are shown in the 'We do not cover' sections of the below tables on pages 27 to 29, in the 'Legal Liability exclusions' on pages 32 to 33 and the 'General exclusions' on pages 34 to 39.

All of the conditions of this policy (including limits) apply to those additional covers unless the cover says otherwise.

---

## Cover for boat contents

Applies to Comprehensive cover.

### ✓ We cover

We cover your boat contents when they are either in or on your boat, or locked in a fully enclosed room, shed, garage or vehicle for theft and accidental loss or damage caused by an incident in the period of insurance within the geographic limits.

#### Limit

Boat contents are covered for their market value up to:

- **\$1,000** for an EPIRB, VHF or HF radio;
- **\$500** for any other boat contents item that is not an EPIRB, VHF or HF radio; **and**
- **\$5,000** in total for all boat contents.

### ✗ We do not cover

- theft of your boat contents if you did not take minimum security precautions to secure your boat contents (see page 42).

## Rescue expenses

Applies to Comprehensive cover.

### ✓ We cover

When you **and** your boat are lost and missing within the geographic limits in the period of insurance, we pay the fees charged by a government maritime rescue service or organisation to search for, and rescue you and your boat.

#### Limit

Up to **\$5,000** in total. **We will only provide this cover once** during the period of insurance.

### ✗ We do not cover

- any ambulance or medical costs;
- any costs for search and rescue outside the geographic limits;
- any payment or contribution to private individuals who assist in the search or rescue of you or your boat.

---

## Replacing your boat

Applies to Comprehensive cover.

### ✓ We cover

When you sell your boat and replace it with another boat in the same period of insurance, we will provide comprehensive cover for your replacement boat from when it is first purchased for up to **14** days or until you purchase insurance cover for your replacement boat, whichever happens first.

#### Limit

Up to the amount covered for your boat (i.e. the one that has been sold) or the purchase price of your new boat, whichever is less.

All of the conditions, limits and exclusions of your policy apply to this additional cover as if the replacement boat was your boat.

### ✗ We do not cover

- your boat for any period after it is sold;
- your replacement boat under this additional cover if we have already agreed in writing to insure the replacement boat and you have paid any additional premium that applies;
- your replacement boat outside the period of insurance or for any period after the timeframes described in this additional cover. For cover beyond this you must contact us to apply to insure your replacement boat.

## Inspection of hull after running aground

Applies to Comprehensive cover.

### ✓ We cover

When your boat has run aground in the period of insurance we will pay the reasonable costs to inspect your boat hull, even if the inspection reveals no damage.

#### Limit

Up to **\$1,000** in total.

### ✗ We do not cover

Left blank intentionally.

---

## Substitute boat

Applies to Comprehensive cover and Third Party cover.

### ✓ We cover

When you have borrowed a boat that is of a similar type and size to your boat during the period of insurance because your boat is:

- with a repairer and being serviced or repaired; **or**
- lost, stolen or destroyed in an incident and we have accepted your claim but not yet paid it;

we extend our Third Party cover (see page 19) to you for the use of the substitute boat.

### Limit

**14** days from when your boat is first left with a repairer or we accept your claim for loss or damage to your boat, whichever is earlier.

The most we pay for all claims from any one insured incident is **\$10 million**, including all associated legal costs we have agreed to pay. This limit is not additional to the Third Party cover limit.

**Note:** All other conditions and exclusions apply to this additional cover.

### ✗ We do not cover

- loss or damage to the substitute boat;
- any claim if the substitute boat is a hired, rental or chartered boat;
- any claim if the substitute boat is owned by you, your family or a co-insured;
- any claim if the substitute boat is not a similar type and size to your boat or not registered by law (if required to be).

[Refer to the PED Guide for further information](#)

## Optional covers

Any options you choose, and we agree to give you, will be shown on your certificate. Extra premium will apply. The optional covers are available with Comprehensive cover only.

There are some things we do not cover and these are shown in the 'We do not cover' sections of the below tables on pages 30 to 31 and in the 'Legal Liability exclusions' on pages 32 to 33 and the 'General exclusions' on pages 34 to 39. All of the conditions of this policy apply to these covers unless stated otherwise.

### Water-skier's liability

#### ✓ We cover

We cover your legal liability to pay compensation for:

- death or injury to a person being towed by your boat; **or**
- death or injury to other people, or damage to their property, caused by a person or object being towed by your boat;

whilst engaged in water skiing activities in the period of insurance within the geographic limits.

We will also cover the legal liability of:

- any person authorised by you to control or operate your boat;
- an observer nominated by the controller or operator of your boat; **and**
- the person being towed,

for the death or injury to another person or damage to their property, caused by a person or object being towed by your boat whilst engaged in water skiing activities in the period of insurance within the geographic limits.

#### Limit

The most we pay for all claims arising from any one incident is **\$10 million**, including all associated legal costs we have agreed to pay.

#### ✗ We do not cover

- any incident which happens when there is not an observer:
  - in or on your boat; **or**
  - observing the water skiing competently and in accordance with relevant legal requirements;
- any incident involving airborne activities such as parasailing or jumping over an elevated structure such as a ski ramp;
- death or injury to you or a part owner of your boat;
- damage to property belonging to you, your passengers, the operator of your boat or the person being towed.

---

## Cover for sailing boats when racing

### ✓ We cover

We extend your cover to your sailing boat while it is participating in a race in the period of insurance not exceeding **100** nautical miles in total distance travelled.

#### Limit

The most we will pay is the amount covered for your boat hull or boat motor(s), **unless** we say otherwise in your policy.

### X We do not cover

- any loss, damage or liability that arises when you are outside the geographic limit;
- any loss, damage or liability when the race you are participating in is longer than **100** nautical miles in total distance travelled;
- power boat racing;
- loss or damage to sails:
  - by wind or water (e.g. wind tearing a sail, tearing from a wave or capsizing during a race), **unless** other structural parts of your boat suffer damage by an incident (e.g. a broken mast);
  - when sails are being hoisted, lowered, dropped or trimmed;
  - caused by people accidentally damaging them (e.g. making a hole or tearing them).

[Refer to the PED Guide for further information](#)

---

## Legal Liability exclusions

There is no cover under any part of your policy for legal liability that is caused by or arises from or involves:

### Agreements you enter into

any agreement or contract you, or someone you authorised to operate or be in charge of your boat, enters into accepting liability, **but we will** provide cover if the legal liability would have existed without that agreement

### Airborne activities

an incident caused by or arising out of any airborne activity such as hang gliding, paragliding and parasailing or any jumping over an elevated structure (e.g. a ski ramp).

### An incident while being towed by a motor vehicle

an incident:

- which happens when your boat is on a trailer that is attached to a motor vehicle of any kind;
- which is insured, or required to be insured, by compulsory third party motor vehicle insurance.

### Death or injury to you, a part owner or person controlling your boat

death or injury to:

- you;
- any person who owns part of your boat;
- any person operating or controlling your boat;

if they caused or contributed to the incident, **other than** the cover provided by the additional benefit 'Fatal injury' on page 26.

### Disease or illness

disease, illness or sickness you knowingly spread or failed to take due care to prevent spreading after you knew about it.

### Diving

injury or death to anyone caused by or resulting from the use of diving equipment.

### Injury or death of employees

death of or injury to any of your employees, or damage to their property while they are working for you.



---

## Pollution

the escape or discharge of pollution from your boat such as fuel, oil, bilge, garbage or any other pollutant, **but we will** cover legal liability for pollution to the extent that it is covered by the additional benefit 'Pollution by oil, fuel or waste following an insured incident' on page 22.

## Property owned by your family, an operator of your boat or a passenger

loss or damage to property:

- owned by your family;
- owned by a person operating or in control of your boat;
- owned by any person who is a passenger in or on your boat; **or**
- in your custody or control which you do not own.

**But we will cover** legal liability in relation to your use of a substitute boat to the extent that is covered under additional cover 'Substitute boat' (see page 29).

## Towing people or things

- death or injury to:
  - a person being towed by your boat;
  - others caused by a person or thing towed by your boat.
- damage to property:
  - towed by your boat (other than your boat tender);
  - of others caused by a person or thing towed by your boat.

**But we will cover** these incidents to the extent that they are covered by the optional cover 'Water-skier's liability' if this option is shown on your certificate.

**There are also other circumstances we do not cover - please see the 'General exclusions' on pages 34 to 39.**

---

## General exclusions

There is no cover for damage, loss, cost or legal liability that is caused by or arises from or involves:

### Alcohol or drugs

an incident that occurs when your boat is being operated, or is in the charge of, anyone who:

- was under the influence of, or had their judgement affected by any alcohol, drugs or medication;
- had more than the legal limit for alcohol or drugs in their breath, blood, saliva or urine as shown by analysis;
- refused to take a test for alcohol, drugs or medication.

**But we will** pay a claim for you (**but not** the operator or person in charge of your car and/or boat) if your car and/or boat was stolen.

### Asbestos

asbestos, asbestos fibres or derivatives of asbestos of any kind.

### Biological, chemical, other pollutant or contaminant

- any actual or threatened biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; or
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant.

### Bushfires, storms, floods, tsunamis in the first 72 hours of this policy

a bushfire, storm, flood or tsunami in the first **72** hours of cover.

**But we will cover** these incidents if this policy began on the same day:

- you bought your boat
- that another policy covering your boat expired, **but not** when you cancelled the policy prior to its expiry date, and only up to the sums insured covered under the expired policy (any increase in sums insured will not be covered for these events for the first **72** hours specified).

### Business or commercial activity

your boat being used for any business or commercial activity (e.g. charter or hire or teaching), see the meaning on page 7.

---

## Care, custody or control

theft of your boat or of any part of your boat (**unless** there is evidence of forced entry to your boat or the storage location) while it is in the care, custody or control of a person or entity other than you.

## Certain items

loss or damage to:

- fuel, lubricants, stores or moorings;
- anti-fouling protection, **unless** it is in an area of the hull which has been repaired after an insurance claim accept by Apia;
- fishing, diving and water-skiing gear while in use.

## Consequential losses or extra costs following an incident covered by your policy

consequential losses (financial and non-financial loss) or extra costs following an incident covered by your policy including:

- loss of income or wages;
- depreciation or lessening of your boat's value (including its trade-in or resale value) following repairs;
- the cost of hiring a substitute boat;
- costs, including cost of your time, to prove your loss or to help us with your claim;
- travel costs;
- cleaning costs;
- any costs not covered by your policy.

## Corrosion, rust, wear and tear

wear, tear, rust, fading, gradual deterioration, mould, mildew, action of light, corrosion or rot of any parts of your boat or boat contents **unless** this is caused by your boat sinking and we have agreed to accept your claim for this.

## Deliberate Acts

acts caused intentionally or deliberately by:

- you or a member of your family;
- a person who owns any part of your boat;
- a person acting with your consent;
- a person authorised by you to operate your boat.

---

## General exclusions (cont.)

There is no cover for damage, loss, cost or legal liability that is caused by or arises from or involves:

### Failing to take minimum security precautions

theft of your boat, any part of your boat or boat contents if you do not comply with the minimum security precautions set out on page 42.

### Failure to protect

your failure to protect your boat hull, your boat motor(s), your boat contents and/or your boat trailer against any initial or further loss or damage.

### Faulty workmanship, design or materials

loss or damage to your boat caused by or resulting from:

- the use of faulty materials;
- faulty workmanship;
- faulty design or construction of your boat.

### Fuel

the use of contaminated or incorrect fuel.

### Fines

fines or penalties and/or aggravated, punitive or exemplary damages.

### Geographic limits

an incident outside the geographic limits.

### Houseboats

your boat being used as a houseboat.

### Incorrect trailer

your boat being transported on a trailer that is not designed to carry it (e.g. a box trailer).

### Ingestion, obstruction or blockage

the obstruction or blockage of a motor or water inlet, or the intake of any external materials or substances into a motor or water inlet of your boat (e.g. a plastic bag obstructing or blocking an inlet or being sucked into a motor causing damage from overheating of the motor).

### Keys

lost or stolen keys.

---

## Maintenance

a lack of reasonable care when maintaining or using your boat or lack of regular maintenance on your boat.

## Mechanical or electrical breakdown or failure

- mechanical breakdown of any motor, including seizing or overheating, caused by or resulting from:
  - depreciation, deterioration, wear and tear or lack of maintenance;
  - the use of contaminated or incorrect fuel causing damage to motors, fuel lines or storage systems, for example:
    - ethanol blended fuels;
    - water contaminated fuels;
    - separated fuels;
    - incorrect use of fuel such as petrol in a diesel motor;

**but we will cover** the motor if it is damaged as a result of impact, fire, malicious damage, sinking or grounding;

- electrical breakdown or failure of any part of your boat **but we will cover** fire damage that results from this;
- the burning out of wiring in the boat (**but not** the wiring in the motor).

## Misplaced

any item being misplaced rather than stolen.

## Not keeping your boat in seaworthy and good condition

your boat not being seaworthy or in good condition, **unless** you can prove to us that you did not know and could not have reasonably have known that your boat was unseaworthy or not in good condition at the time.

## Osmosis, electrolysis, marine growth, inherent vice

- osmosis or electrolysis;
- vermin, marine growth, insects or borers;
- inherent vice.

---

## General exclusions (cont.)

There is no cover for damage, loss, cost or legal liability that is caused by or arises from or involves:

### Overload

your boat carrying more people than it is designed or licensed to carry.

### Oversized motors

the power (HP or KW) of your operating boat's motors exceeding the maximum design speed for the boat's hull.

### Racing

your boat participating in any race, **but we will** cover racing to the extent it is covered under 'Cover for sailing boats when racing' optional cover when this option is shown on your certificate. We do not cover power boat racing in any form.

### Radioactivity/nuclear materials

- radioactivity or the use, existence or escape of nuclear fuel, nuclear material or waste; **or**
- action of nuclear fission including detonation of any nuclear device or nuclear weapon; **or**
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any radioactive or nuclear materials; **or**
- any looting or rioting following an incident described above.

### Reckless acts

any reckless act or omission by you, the operator of your boat or a person acting with your express or implied consent.

### Revolution, war

- revolution, hostilities, war or other acts of foreign enemy, warlike activity (whether war is declared or not), military coup; **or**
- any looting or rioting following these incidents.

### Sail damage

loss or damage to sails from wind or water when they are hoisted or in the process of being hoisted or dropped to the deck.

### Sale

- loss (including theft) of your boat hull, motor or trailer (or the proceeds of sale) by a person authorised to offer your boat hull, motor or trailer for sale;
- loss of your boat hull, motor or trailer (or the proceeds of sale) as a result of the bankruptcy or insolvency of a person authorised to offer your boat hull, motor or trailer for sale.

---

## Speed

your boat exceeding **60 knots** or its maximum design speed, whichever is less.

## Theft or repossession

the theft or repossession of your boat by:

- someone you allow to use your boat, such as a friend or prospective buyer;
- anyone who has a financial interest in your boat, such as a credit provider;
- anyone who is named on the certificate.

## Tyres

your boat trailer's tyres caused by braking, punctures, road cuts or bursting.

## Unlawful purposes

your boat being used for unlawful purposes.

## Unlicensed operator

your boat being operated by a person who is not licensed to operate it, but this exclusion will not apply if you can prove that you did not know or could not have reasonably known that at the time, the operator or driver was not licensed, or if there was no requirement by law to hold a licence in the state in which the boat is being operated.

## Unregistered boat or boat trailer

your boat or boat trailer being unregistered at the time of the incident in circumstances where your boat or boat trailer must be registered according to law **unless** the loss, damage, cost or legal liability was not caused by or did not result from your boat being unregistered.

**There are also other circumstances we do not cover - please see the 'Legal liability' exclusions on pages 32 to 33.**

---

# Claims

## Making a claim

### When to make a claim

We understand being involved in an accident or having your boat damaged by an incident covered by this policy can be a stressful experience. We are here to help you **24** hours a day. Contact us on **13 50 50**.

### What you must do

Step 1	Step 2	Step 3	Step 4	Step 5
<b>Make sure everyone is safe. For emergencies call 000.</b>	<b>Try to prevent further loss or damage.</b> You must do everything you reasonably can to limit and prevent further loss or damage. We may provide cover for emergency expenses up to <b>\$5,000</b> (see page 23 for details).	<b>Report the incident to the authorities.</b> If someone is injured or has stolen, attempted to steal or maliciously damaged your boat, call the police immediately and record the time, date, report number and the name of the recording officer.	<b>Collect details of all drivers, passengers and witnesses.</b> You will need these when you call us. Make sure you have their full names, addresses and contact numbers. If another boat or vehicle is involved, record its registration details (if it is registered) or its identification number and the operator or driver's insurance details. Do not admit fault to anyone.	<b>Contact us as soon as possible on 135050.</b> Make sure you have the details of the incident at hand to assist us with lodging your claim. Please see page 44 & 45 for details on what you will need.



---

## If you have caused damage to other people's property

Tell us about any incident that has caused damage to other people's property. You also must immediately tell us about any demands made on you to pay compensation to others, any court actions or offers of settlement and send these to us. If you do not tell us about these and it results in further costs, you may have to pay those costs.

## How the Goods and Services Tax (GST) affects this insurance

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur.

If your boat is a total loss we will reduce any payment we make by an amount equal to your input tax credit entitlement, if any.

In all other circumstances our liability to you will be calculated taking into account any ITC to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled had you made a relevant acquisition.

Any payment we make to settle your claim will be considered to be made in full even if the amount we pay has been reduced as described above.

## To process the claim, you must:

- allow us to inspect the damaged boat or boat contents, and if repairs are required you must allow us to take your boat or boat contents to a repairer;
- consult an expert if we ask for this;
- allow us to arrange for experts to assess the damaged boat or boat contents and to quote on repair or replacement;
- provide us with a quote for repair or replacement if we ask for this;
- when requested, provide us with all proofs of ownership and value, information, co-operation and assistance in relation to a claim (including attending an interview) as we may reasonably require;
- allow us or a person nominated by us to recover, salvage or take possession of your boat or boat contents;
- attend court to give evidence if we ask you to.

## What you must not do:

- do not admit liability or responsibility to anyone to pay for any damage **unless** we agree;
- do not negotiate or promise payment;
- do not authorise any repairs, **except** for emergency expenses described on page 23;
- do not dispose of any damaged parts of your boat or boat contents without our consent;
- do not accept payment from someone who admits fault for loss or damage to your boat. Refer them to us.

---

### If you do not comply

If you do not comply with 'What you must do' and 'What you must not do' we can reduce or refuse your claim and/or recover costs from you or cancel your policy.

## Minimum steps you must take to prevent theft

### For securing boat hulls

You must take the following minimum security precautions to prevent theft when your boat is not in use. Otherwise, we can refuse your claim (see page 13).

Boat type	Minimum security precautions
Boats on trailers	<ul style="list-style-type: none"><li>▪ keep it inside a fully enclosed garage allocated for your personal use only; <b>or</b></li><li>▪ when in the open air (e.g. carport, backyard, on the street or unattended anywhere else) secure the boat trailer with an anti-theft device designed to prevent the theft of your boat and boat trailer, such as:<ul style="list-style-type: none"><li>▪ tow ball lock;</li><li>▪ coupling clamp;</li><li>▪ trailer wheel clamp.</li></ul></li></ul> <p><b>Note:</b> Chains or cables with padlocks are not satisfactory if used on their own.</p>
Portable boats not on trailers	Must be kept inside a secure storage area.

---

### For securing boat contents

You must take the following minimum security precautions to prevent theft of your boat contents when your boat is in the locations described below. Otherwise, we can refuse your claim (see page 13).

Location	Minimum security precautions
When your boat is at the place where you normally keep it (e.g. your house, unit, flat)	Locked inside either: <ul style="list-style-type: none"><li>▪ a fully enclosed room, shed or garage; <b>or</b></li><li>▪ a cabin or compartment on your boat, <b>but not</b> under or behind a tarpaulin or canopy (these are easily torn or cut).</li></ul>
When your boat is anywhere else and unattended (e.g. you are away from your boat buying bait or supplies)	All portable boat contents items must be locked inside either: <ul style="list-style-type: none"><li>▪ a cabin or compartment <b>but not</b> under or behind a tarpaulin or canopy; <b>or</b></li><li>▪ your vehicle; <b>or</b></li><li>▪ the house, unit or caravan where you are staying.</li></ul>

### For securing boat motors

You must take the following minimum security precautions to prevent the theft of your boat motor(s) in the location described below. Otherwise, we can refuse your claim (see page 13).

Location	Minimum security precautions
When your motor is an outboard motor and your boat is left unattended anywhere	<ul style="list-style-type: none"><li>▪ remove the motor and store in a locked room, shed, garage, vehicle or caravan; <b>or</b></li><li>▪ lock it to the transom with a suitable padlock or other similar device.</li></ul>

---

## Minimum proofs of ownership and value

### Boat hull, boat motor(s) and boat trailer

You **must** provide the following:

- proof of purchase, such as a sales receipt, sales invoice or sales contract. These must show a description of the boat, the amount paid, where and when it was purchased and from whom; **or**
- an inspection report such as a survey or pre-purchase report and valuation.

Other acceptable proof which can be used in conjunction with the above:

- registration papers if your boat is registered;
- service records from a boat repairer or mechanic showing details of your boat;
- a close up photograph;
- bank statement or credit card receipt.

### Boat contents

If you purchased the boat contents new in the past 5 years for more than \$100, you must provide a sales receipt showing a description of the item, the date purchased and the purchase price.

Other acceptable proof which can be used in conjunction with the above\*:

- original operating manual;
- manufacturer's box.

\***Note: Unless** we tell you otherwise, these items are not satisfactory proof on their own.

## How to establish your loss

### Establish an incident took place

When making a claim you must be able to prove that an incident actually took place. If you do not do this, we will not be able to pay your claim.

We may obtain the following from the police or maritime authorities:

- confirmation that you reported the incident;
- details of any investigations they undertook.

You must give us authority to access these records, if we ask.

### Describe your loss or damage

You must also give us accurate and full details of the theft, loss or damage and give us proof of ownership and value, if we ask.

---

## Proving your loss or damage

Usually allowing us, a repairer or an expert appointed by us, to look at what is damaged is all that is needed to prove your loss. For valuable and badly damaged items, we will ask you to provide proof of ownership and value.

For lost, damaged or stolen items that are no longer available for inspection, you are required to validate your claim by giving us details of when and where purchased and reasonable proof of ownership and value.

We have minimum proof requirements for some items, for full details of these requirements see 'Minimum proofs of ownership and value' on page 44.

For all other items we will decide what is reasonable proof of ownership and value depending on what you are claiming for, how old they are and their value.

If you are unable to reasonably substantiate your claim, we can reduce or refuse your claim.

## Your excess

### What is an excess

An excess is the amount you have to pay for each incident when you make a claim. For example, if your boat has been damaged in two separate incidents, then you have to make **2** claims and pay the excesses that apply for each claim.

The amount of your excess will be shown on your certificate. The only excess for this policy is:

<b>Standard excess</b>	The standard excess will apply to all claims. The amount of your standard excess is shown on your certificate. You may be able to choose to vary the standard excess.
------------------------	---

### When we may waive your excess

We will waive your excess if:

- we decide you or the operator of your boat was not at fault; **and**
- you can provide the name and address of the person at fault or the registration and identification details of any boat or vehicle involved.

### How do we determine fault?

At fault means fully or partly responsible for the loss or damage. Sometimes more than one person can be at fault.

## Refer to the PED Guide for further information

---

## How to pay your excess

We may:

- ask you to pay us the excess;
- ask you to pay your excess to the repairer or supplier;
- deduct the excess from the amount we pay you; **or**
- deduct the excess from the amount we pay to another person for loss or damage to their property.

We may require you to pay the excess in full before we pay your claim or provide any benefits under your policy. The fact we have asked for payment of your excess does not of itself mean that your claim has or will be accepted by us either in whole or in part.

It will be refunded if we decide to waive your excess or decline your claim.

We may not cover any legal or other costs that arise because of any delay in paying the excess.

---

## How we settle your claim

### We choose how your boat claim is settled

If we agree to pay a claim for theft or loss or damage to your boat we will decide to:

- repair or replace the damaged parts of your boat to the same condition, standard and specification as immediately before the incident took place (in some cases we may need to repair or replace with newer items) and if your boat is less than 2 years old we will repair or replace with new parts;
- pay you what it would cost us to repair or replace the damaged parts of your boat;
- decide your boat is a total loss (see page 49 for what we do 'If we decide your boat is a total loss').

See pages 48 and 49 for more information about 'Repairs'.

We may offer you a voucher or stored value card for the amount it would have cost us to repair or replace the lost or damaged parts.

### Boat contents claims

If we agree to pay a claim for theft or loss or damage to your boat contents we will decide if we will:

- repair or replace to the same condition, standard and specification the contents were before the incident took place (in some cases we may need to repair or replace with newer items);
- pay you what it would cost us to repair your boat contents; **or**
- pay you the market value, immediately before the insured incident, of your boat contents;
- give you a voucher or stored value card for the amount it would have cost us to repair or replace the boat contents, or for the market value of your boat contents.

### Boat motor claims

We do not cover damage to a boat motor that has been caused or contributed to by wear and tear, deterioration or mechanical breakdown. See 'General exclusions' on pages 34 to 39.

Before we will accept your claim for damage to your boat motor, we might ask you to authorise a qualified marine mechanic to disassemble your boat motor. If the damage caused to your boat motor is not covered by your policy, then you will be responsible for all costs charged by the marine mechanic. If we accept the claim, these costs will be covered in addition to the cost of the repairs we authorise.

---

## Legal liability claims

If you make a legal liability claim that is covered under this policy we can decide to defend you, settle any claim against you or represent you at an inquest, official enquiry or court proceedings.

If we decide to defend you, settle any claim against you or represent you, then you must give us all the help we need, including help after your claim is settled.

[Refer to the PED Guide for further information](#)

## Repairs

### When repairing your boat we will:

- use qualified boat repairers;
- do our best to obtain parts that are the same as the damaged parts before they were damaged (this may include using non-genuine or recycled parts);
- pay the cost of surface freight or shipping new parts to the repairer **but we will not** pay the cost of airfreight.

### Glass repairs

For glass repairs, we might use glass that is different from the original but the glass and repairs will meet Australian Design Rules.

### When we cannot match parts

If we cannot find parts that match we will use the closest match reasonably available to us. If you are not satisfied with what we choose before the repairs are made:

- you can pay the extra cost of choosing other parts; **or**
- we may decide to pay you what it would have cost us to repair the damaged parts.

### Obsolete items and parts

In all cases we will only pay the market value of damaged parts we consider to be obsolete.

### When repairing your boat we will not:

- pay extra to repair your boat to a better standard, specification or quality that it was before the loss or damage occurred;
- pay to replace any undamaged parts, but if we agree you can pay the extra cost of replacing these parts for the purpose of matching the damaged parts, as part of our repairs;



- 
- fix a fault or defect in your boat that existed before the loss or damage occurred;
  - pay for repairing pre-existing damage. If we agree, you can pay the extra cost of repairing this damage as part of our repairs;
  - pay the cost of replacing or purchasing an extended warranty on your boat.

### **Contribution to repairs**

#### **If your boat is less than 2 years old**

We will pay for the cost of repairs using new parts.

#### **If you are not eligible for 'New boat after a total loss' (page 24).**

If we tell you, you will have to contribute to the cost of repairing tyres, motors, accessories, modifications, paintwork, hull, batteries or interior trims affected by neglect, wear and tear, weathering, rust, mould, mildew or corrosion. We will determine how much you pay depending on how worn these items were when the damage happened.

If you do not agree to pay these amounts, we will pay you the amount determined to be the cost of repairs less any contribution charges.

### **If we decide your boat is a total loss**

#### **If your boat is less than 2 years old**

See 'New boat after a total loss for boats less than 2 years old' on page 24.

#### **If your boat is aged 2 years or more**

If we decide your boat hull, boat motor(s) or boat trailer is a total loss following an insured incident in the period of insurance, we will pay the amount covered for your boat hull, boat motor(s) or boat trailer (as applicable), less any applicable deductions.

### **Deductions from your settlement**

When we decide your boat is a total loss and pay your claim, we will deduct:

- any excess or unpaid premium including any unpaid instalments for the period of insurance;
- any unused registration and compulsory third party (CTP) insurance (**unless** we decide to collect this from the relevant authority or insurer);
- any input tax credit entitlement (if applicable), refer to page 41;
- our estimate of the salvage value (if applicable).

We require you to pay these amounts in full before we provide the benefit 'New boat after a total loss less than 2 years old'.

---

## **If you have a loan secured by your boat**

When we pay for a total loss claim, if a credit provider has a financial interest in your boat then we will pay them what they are entitled to (up to your amount covered) and pay you any balance.

## **Salvaged items**

If we settle your claim for your boat or boat contents, you can either:

- assign ownership of any part of your boat or boat contents over to us and we have the right to sell it and keep the proceeds and any refund from registration cancellation (if applicable); **or**
- keep the salvaged item and we will deduct the salvage value and the value of any remaining registration (if applicable) from the amount we pay you.

## **After we pay your claim**

### **Does your claim affect your cover?**

If we choose to repair your boat (or replace part of it) your policy continues for the period of insurance.

If we decide your boat is a total loss, all cover under your policy stops and there is no refund of premium.

### **Our right to recover claims we pay from those responsible**

If you have suffered loss or damage as a result of an event or incident covered, or partially covered by this policy, then we have the right and you permit us to take action or institute legal proceedings against any person or entity liable to you for the recovery of your insured, underinsured or uninsured losses, payments made and expenses in relation to the event or incident ("your loss"). Any action or legal proceeding will be commenced in your name.

If you have commenced action or instituted legal proceedings against any person or entity liable to you for your loss, we have the right and you permit us to take over and continue that action or legal proceeding. Where recovery of your loss forms part of any representative proceeding which has not been instituted under our instructions, we have the right and you permit us to exclude your loss from that representative proceeding for the purpose of including your loss in a separate representative proceeding which is or will be instituted under our instructions.

You must provide us with all information and reasonable assistance in the recovery of your loss, including providing us with any documents that prove your loss.

You must not enter into any agreement, make any admissions or take any action or step that has the effect of limiting or excluding your rights and our rights to recover your loss, without our prior written agreement.

---

## Other important information

### What happens with cancellations?

#### **Cancellation by you**

You may cancel this policy at any time. If you cancel this policy, you will be refunded the unexpired portion of the premium, less any non-refundable government charges if the refund is more than **\$5**. If you pay by instalments, on cancellation you agree to pay us any portion of the premium that is owing but not yet paid.

#### **Cancellation by us**

We can cancel your cover where the law allows us to do so. We will refund any money we owe you less any non-refundable government charges if the refund is more than **\$5**. If we cancel your policy due to fraud, we will not refund any money to you.

For more information about cancellation see 'Paying your premium' on page 12.

---

## How we will deal with a complaint

If you are not satisfied with our products or services or a decision made in relation to your insurance, please let us know so that we can help. It is important to follow the complaint handling process in order to resolve your complaint effectively and efficiently.

### Step 1. Let us know

If you would like to make a complaint, please let us know by contacting the relevant department as they may be able to resolve the complaint for you. If not, the staff member will refer you to a Manager or their delegate and they will attempt to resolve the complaint. A response is usually provided to you within **5** business days. You can contact us:

**By phone:** 13 50 50  
**By email:** [customerservice@apia.com.au](mailto:customerservice@apia.com.au)  
**In writing:** Apia, GPO Box 756, Melbourne, VIC, 3001

### Step 2. Review by our Internal Dispute Resolution Team

If you are not satisfied with the outcome of the business review you can request the complaint be referred to the Internal Dispute Resolution (IDR) Team for review or you can contact them directly:

By phone: 1300 240 531  
By Email: [idr@apia.com.au](mailto:idr@apia.com.au)  
In writing: Apia Internal Dispute Resolution,  
PO Box 14180, Melbourne City Mail Centre, VIC, 8001

If we require additional information we will contact you to discuss. IDR will usually contact you with a decision within **15** business days of receiving your complaint.

### Step 3. Seek review by an external service

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the Financial Ombudsman Service (FOS) Australia. The FOS is an independent external dispute scheme and their service is free to you. Any decision the FOS makes is binding on us, provided you also accept the decision. You do not have to accept their decision and you have the option of seeking remedies elsewhere.

The FOS is available to customers who fall within their terms of reference. The FOS will advise if they can help you.

You can contact FOS:

By phone: 1800 367 287  
By Fax: (03) 9613 6399  
By email: [info@fos.org.au](mailto:info@fos.org.au)  
In writing: Financial Ombudsman Service Limited,  
GPO Box 3, Melbourne VIC 3001  
By visiting: [www.fos.org.au](http://www.fos.org.au)

---

## Report insurance fraud

Insurance fraud is not a victimless crime. It imposes additional costs on honest policy holders and wastes the valuable resources of our community. This means it affects everyone.

We actively pursue fraudulent and inflated claims in order to keep your premiums as low as possible. Fraudulent claims will be investigated and may be reported to the police.

Help us fight insurance fraud by reporting:

- inflated vehicle or home repair bills;
- staged vehicle or home incidents;
- false or inflated home or vehicle claims;
- home and vehicle fires which may be intentionally started, including by someone known to you.

To report suspected insurance fraud call: **1300 881 725**. Let's work together to reduce the impact of insurance fraud on the community.

## General Insurance Code of Practice

We support the General Insurance Code of Practice.

You can get a copy of the code from the Insurance Council of Australia website ([insurancecouncil.com.au](http://insurancecouncil.com.au)) or by phoning **(02) 9253 5100**.

## Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the extremely unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA at [apra.gov.au](http://apra.gov.au) or by calling **1300 55 88 49**.

---

This page has been left blank intentionally

---

This page has been left blank intentionally

PDS dated 7 April 2016

This insurance is issued by

AAI Limited

ABN 48 005 297 807 AFSL No. 230859

GPO Box 756, Melbourne, VIC, 3001

**How to contact Apia:**

By telephone: 13 50 50

Via email: [customerservice@apia.com.au](mailto:customerservice@apia.com.au)

On the web: [apia.com.au](http://apia.com.au)

In writing: GPO Box 756, Melbourne, VIC, 3001

**13 50 50**  
[apia.com.au](http://apia.com.au)

---