

RAC Boat Insurance

Combined Product Disclosure Statement
and Financial Services Guide



Insurance
For the better

Contents

RAC Insurance Pty Limited (ABN 59 094 685 882) (RAC Insurance) is an authorised general insurance company specialising in general insurance products. Our Australian Financial Services (AFS) Licence number is 231222. We have sole responsibility for the content of the Product Disclosure Statement (PDS) commencing at page 5, the cover provided under the policy, policy administration and the assessment and payment of claims.

RAC Distribution Pty Ltd (ABN 71 092 581 470) (RAC Distribution) is our authorised representative. Its Authorised Representative number is 238025. We have authorised RAC Distribution to distribute to you the Financial Services Guide (FSG) commencing at page 31. Any financial services offered will be provided by a representative of RAC Distribution. RAC Distribution has a binding agreement with us that authorises them to arrange for the issue of general insurance contracts on our behalf which are binding on us just as if we had issued the policy itself. If you decide to purchase a nominated insurance policy, your contract will be with RAC Insurance as the insurer.

RAC Insurance and RAC Distribution are part of the RAC Group of Companies.

Welcome to RAC Insurance	4
Product Disclosure Statement	5
About this Product Disclosure Statement	5
Your RAC Boat Insurance	9
Your additional benefits	11
General exclusions	15
Claiming on your policy	18
Other important information	22
Definitions	29
Financial Services Guide	31
About this Financial Services Guide	31
Our services	31
How we are paid	32
Addressing complaints	32
Compensation arrangements	32
Index	33

This Combined PDS and FSG was prepared on 30 November 2014 and is effective from 1 January 2015.

Welcome to RAC Insurance

We're here to do the right thing by you. That's our promise. And we've been keeping that promise for over 65 years. What do we mean when we say we do the right thing by you?

For a start, we believe in looking after our members – not just their things. So you can expect a more helpful service, from a WA claims team who live in your world.

And when we say you're covered, we mean it. Our very comprehensive insurance means that if the time comes and you need to claim, we'll keep our promise.

What's more, you'll get great value, dependable boat cover. That's why one in three WA households choose to insure with RAC.

For more details about your policy, or our simple claims process, look through this Product Disclosure Statement. Alternatively, call us on **13 17 03** or go to **rac.com.au**

As a valued RAC member, you'll receive exclusive discounts on a huge range of retail outlets. And even on RAC products and services. We call it Member Benefits. You can find out more at **rac.com.au/memberbenefits**

Product Disclosure Statement

About this Product Disclosure Statement

This RAC Boat Insurance PDS, together with:

- » the schedule we provide to you,
- » our Premium, Excess and Discount Guide (PED Guide), and
- » any Supplementary PDS we issue,

explain the cover and benefits provided by the boat insurance you have chosen and the limits, conditions and exclusions that apply to it.

We strongly recommend that you read these documents carefully so you fully understand the cover we provide and the limitations that apply to it.

We also recommend that you read the 'Definitions' on page 29 so you understand the words in the PDS that have special meanings.

When we agree to insure you

Your duty of disclosure

When you take out a policy with us, we ask you questions. You must answer our questions honestly, completely and accurately. Remember that you are answering for you and anyone else who will be insured under your policy.

When you renew or change your policy, you must tell us if your previous answers (as shown in your schedule) need correcting or updating and answer any questions we may ask about your boat and how it is used, you, or anyone else who will be insured under your policy. If any changes need to be made and we agree with them, we will send you an updated schedule. We will also advise if they affect your premium.

If you or someone acting for you gives us false information, we may:

- » Refuse to pay a claim.
- » Reduce the amount we pay you for your claim.
- » Cancel your policy.
- » Withdraw cover.

This duty of disclosure continues until the commencement of your policy. For anything that changes after this, please see the section below.

Changes to the details you have given us

You must tell us about any changes to the information you have given us about you, your boat, the purpose you use it for, and anyone who operates it as shown in your schedule. If you have modified your boat after we have insured it, you must tell us what modifications you have made.

If you do not tell us about any changes, your insurance may no longer be valid and we may refuse to pay part or all of any claim you make or require you to repay any money paid to you for your claim.

If you are not sure, but think that something might be relevant, it is better to tell us.

If any changes need to be made and we agree with them, we will send you an updated schedule. We will also advise if a different premium applies.

Our agreement with you

The cover your policy provides will be available to you for the period of insurance in return for your premium.

This contract is between you and us. When more than one person is named as the policyholder in your schedule, we will treat them all as joint policyholders and:

- » A statement, act, omission or claim by any one policyholder is treated as a statement, act, omission or claim by all joint policyholders.

- » We can deal with or make payment to one joint policyholder with no need to also pay or deal with the other policyholders.
- » Each policyholder has authority to change or cancel the policy, and we do not need to contact the other policyholders.

Make a claim - quick guide

1. Call us on **13 17 03** or go online to make a claim at **rac.com.au**
2. Make sure you have all of the information that we will need to help you. We need to know:
 - » What happened.
 - » Where and when it happened.
 - » Who was involved, including their name, address and contact details.
 - » The registration details of any other boat or vehicle involved.
 - » The contact details for any witnesses.
3. We will guide you through what happens next.

The cover our boat insurance policy provides

This PDS explains the boat insurance cover and benefits we provide. For your convenience, the cover and benefits are summarised below. For full details of cover including exclusions, please read the policy.

Summary of Cover	Boat Insurance
Own boat damage	✓
Damage and injury to another person or their property	✓
Temporary cover for your new boat	✓
Your personal belongings	✓
New boat replacement	✓
Your boat in transit	✓
Salvage, salvage charges and costs	✓
Submerged motors	✓
Towing your boat	✓
Replacing your lost or stolen keys	✓
Accidental death benefit	✓
Sail boats when racing	optional
Water-skiers	optional

Your RAC Boat Insurance

If you purchase boat insurance, you are covered anywhere in Australia and up to 200 nautical miles from the Australian coastline for:

Loss or damage to your boat

- » Accidental loss and damage including malicious damage caused to your boat.
- » Loss or damage to your boat caused by fire, theft, attempted theft, sinking, weather events and flood.

We also cover:

- » Accidental loss or damage to your boat caused when it was being operated by anyone with your permission and who meets and complies with the terms and conditions of your policy, unless that person has other insurance covering the same loss or damage.

We do not cover damage to your hull or your motor(s) while racing unless you have extended your cover to include sail boats when racing. See page 13.

Your legal liability

We will cover your liability for bodily injury or accidental death to another person, and accidental damage to another person's property arising from an incident involving the use of your boat.

We also cover any legal costs incurred in connection with any such alleged liability if we have given our written consent to those costs.

The most we will pay is \$10,000,000 for any incident.

We do not cover:

- » Your liability for death or bodily injury to your spouse, child or other person normally living with you.
- » Your liability if the property damaged is your own or is in your custody or belongs to or is in the custody of your spouse, child or other person normally living with you.

- » Death or bodily injury resulting from an incident if at the time of, or immediately before the incident, your boat was on a boat trailer which was attached to a registered motor vehicle.
- » Death, bodily injury or property damage arising from any incident if at the time of, or immediately before the incident, your boat was on a boat trailer which was being towed or manoeuvred by an unregistered motor vehicle on a public road.
- » Death, bodily injury or property damage arising from any incident caused directly or indirectly by or in connection with any motor vehicle by which your boat is being towed, manoeuvred or is attached.
- » Your liability arising out of towing any person(s) or object(s) in the air.
- » Your liability arising out of water-skiing activities, sail boat racing or similar unless you have paid an additional premium and extended your cover to include water-skiers or sail boats when racing under this policy. See page 13.
- » Your liability for death or bodily injury of a person who is employed or contracted by you, or should have been covered by a compulsory compensation insurance.
- » Your liability when your boat is being offered for sale on your behalf by another party.

Where your boat is kept

You must take reasonable precautions to protect your boat when it is not in use.

If your boat is kept:

- » At your home, it must be kept within the boundary of your property and immobilised (we do not cover your boat when parked on the street or verge at your home).
- » Away from your home, it must be immobilised and secured.
- » In either of the above locations on a trailer, the trailer must be fitted with an anti-theft device.

Your additional benefits

We provide you with these additional benefits at no extra cost.

Your personal belongings cover

We will pay up to \$500 in total when your clothing or personal belongings are lost, damaged or stolen in an incident covered by your policy. We will, at our option, either:

- » Repair the damage.
- » Replace what is damaged.
- » Make a payment to settle your claim, based on the cost of repair or replacement of your personal belongings.

We do not cover money, cheques or financial transaction cards.

Your new boat replacement cover

If we declare your boat a total loss and:

- » less than two years have passed since it was first registered, and
- » you are the first registered owner (other than the selling dealer if your boat was a new demonstration model),

we will replace it with a new boat and pay the initial registration costs, provided anyone who has a financial interest in your boat (of which we are aware) agrees. We will not pay more than the agreed value for your boat at the time it was first insured with us.

The new boat will be of the same make and model as your boat.

If the new replacement boat is not available in Western Australia, or your boat was not supplied as new in Australia, we may pay the agreed value of your boat at the time it was first insured with us.

[For additional information on how we settle total loss claims, please see page 21.](#)

Your boat in transit

Your boat is covered whilst in transit by road, rail or ship or on a trailer provided:

- » your boat is designed to be towed on the trailer,
- » your trailer is registered, and
- » the relevant legal requirements for towing are complied with.

Salvage, salvage charges and costs

If your boat needs to be salvaged or is accidentally damaged, we will pay the reasonable costs to either:

- » Remove your boat to safety.
- » Minimise loss or damage.
- » Destroy your boat and remove debris if you are required to do so by a lawful authority.

Submerged motors

If your boat's motor(s) is submerged in an incident, we will pay for the reasonable cost to flush out, clean, dry and oil the motor(s) and dry all other associated electrical equipment and components.

We do not cover loss or damage to the motor(s) if you fail to take immediate action to clean, dry and oil the motor.

Towing your boat

When the damage is such that you cannot use your boat, we will pay up to \$1,000 to tow your boat by road to the nearest approved repairer or to a safe location that we choose.

Replacing your lost or stolen keys

We will pay up to \$2,000 to replace the keys and locks to your boat when you have been permanently deprived of your keys because they have been lost or stolen.

Accidental death benefit

When, within 12 months of its occurrence, an incident involving the use of your boat directly results in the death of its operator, we will pay \$10,000 to the deceased's estate.

We do not cover:

- » Death as a result of suicide or attempted suicide.
- » Death if the deceased person was operating your boat without your permission.

Temporary cover for your new boat

When you replace your boat, we will insure your new boat provided:

- » You tell us about your new boat within 14 days of purchasing it.
- » It is a boat we would ordinarily insure.
- » You pay us any additional premium we require.

Cover will cease for your previous boat when you take delivery of your new boat.

The most we will pay for loss or damage that occurs within the first 14 days following the purchase of your new boat is the purchase price of your new boat less any excesses that may apply.

Your optional benefits

For an additional premium you can add any of these optional benefits to your standard boat cover. If you have added any optional benefits, they will be shown on your schedule.

Sail boats when racing

When you have purchased this optional benefit, we cover your boat for loss or damage while participating in a race.

We do not cover:

- » Any racing outside 200 nautical miles from the Australian coastline.
- » Participation in an ocean race which is more than 200 nautical miles from start to finish.
- » Power boat racing.

Cover for water-skiers

When you have purchased this optional benefit, your legal liability cover on page 9 is extended to cover your legal liability for:

- » Death or bodily injury to a water-skier towed by your boat.
- » Damage to the property of any person, other than your boat, caused by a water-skier towed by your boat.

We also cover the legal liability of the water-skier being towed by your boat for:

- » Death or bodily injury to a person.
- » Damage to property, other than your boat, caused by the water-skier.

We do not cover:

- » Any incident where there is no observer in or on your boat in accordance with relevant legal requirements.
- » Death or bodily injury to:
 - > Any person that arises out of or in the course of the person's employment.
 - > You, your spouse, child, any other person normally living with you or a part owner of your boat.
- » Damage to property belonging to you, your passengers or your operator of the boat.

General exclusions

The following exclusions apply to all cover under your policy.

Who uses your boat

Unless you can demonstrate that you did not know, and reasonably could not have known, we will not cover any loss, damage or liability caused by or arising out of the use of your boat by any person who:

- » Was not authorised or licensed to operate your boat, or who broke the conditions of their Recreational Skipper's Ticket or operator's licence.
- » Has had in the three years before the incident any Recreational Skipper's Ticket or operator's licence cancelled, suspended, disqualified or special conditions imposed on their licence.
- » Has received medical advice that their ability to operate a boat is impaired by a medical condition or treatment.
- » Is under the influence of alcohol or drugs.
- » Has a blood alcohol content level exceeding that permitted by the laws of the relevant State or Territory.
- » Refuses or fails to submit a specimen for testing when requested by police or a relevant maritime authority.
- » Has been convicted in the three years before the incident of a criminal offence related to theft, fraud, arson, criminal damage or illicit drugs.
- » In the three years before the incident, has had boat insurance declined, withdrawn, cancelled or its renewal refused.

Cause of loss, damage or liability

We will not cover any loss, damage or liability caused directly or indirectly by:

- » Failures, defects or breakdowns which are mechanical, structural, electronic or electrical or which are connected with computers or computer related technology including computer chip or control logic.

- » Seizure and/or over heating of a motor.
- » Sparks, ashes or carbon from your boat.
- » Any person or organisation lawfully taking, keeping or destroying your boat.
- » Terrorism, war (whether declared or not), invasion, rebellion, revolution or a similar event.
- » Anything nuclear or radioactive.
- » Depreciation, wear, tear, rust, corrosion, osmosis or electrolysis.
- » Vermin, mould, marine growth, insects or borers.
- » Failure to take all reasonable care to maintain and protect your boat, its contents and keys.
- » Your boat being left unattended with the keys in or on it.
- » Airborne activity such as hang gliding, parasailing, and paragliding or jumping over elevated structures such as a ski ramp.
- » Pollution caused by escaping or discharging effluence from your boat such as fuel, sewage, oil, garbage or any other such pollutant.
- » Asbestos.
- » Diving equipment.
- » Contamination to the fuel caused by water or any other contaminant.
- » Transportation of your boat on a trailer not properly designed for that purpose.

Use of your boat

We will not cover any loss, damage or liability which occurs during, or is caused by, the use of your boat:

- » In any race (unless you have purchased the sail boats when racing option and it is shown on your current schedule).
- » Towing any person or objects in the air.
- » In an experiment, demonstration, trial or test.

- » While it is overloaded, not seaworthy, not registered or not meeting relevant government transport regulations.
- » In a manner which involves deliberate exposure to exceptional danger or any wilful or reckless act.
- » In a manner contrary to its manufacturer's recommendations.
- » For unlawful purposes.
- » For hire or reward.

Timing

We will not cover loss, damage or liability caused by flood, storm or bushfire within the first 48 hours after the commencement of your policy, or to the extent that you have increased your existing insurance cover, unless either:

- » You purchased your boat on the same day your policy started.
- » Your policy commenced immediately after another policy covering the same boat ended and there was no break in cover.

We also do not cover

- » Moorings.
- » Loss of use, or any other financial loss arising from, or consequential to, an insured incident.
- » Deliberate damage caused directly or indirectly by anyone using your boat with your permission.
- » Any diminished value of your boat after it has been damaged and repaired and the repairs have been carried out correctly (including as a result of loss or damage to boat identifiers, such as the original compliance, build or HIN information).
- » The cost of any air freight charges, or the fabrication of any parts or any cost for parts which exceed the manufacturer's last issued catalogue or price list.
- » Additional costs incurred through parts being unavailable, obsolete or delays in obtaining parts.

- » Any extra costs associated with paint work that does not meet the manufacturer's standard paint specification.
- » Goods, tools of trade or samples connected with your work or any other trade, or any container for these items.
- » Any loss or damage to the extent that it is covered by other insurance that is compulsory or was not purchased in your name.

Claiming on your policy

You must co-operate with us

When you claim on your policy, you must give us any information and co-operation we reasonably require in dealing with your claim.

You must promptly provide us with full details of the incident which led to your claim. The details we may require include:

- » Contact details of anyone involved, including witnesses.
- » Registration details of any boats/vehicles involved.
- » Proof of ownership for any damaged or stolen property, such as receipts, owner manuals and warranties.
- » Copies of any letters, notices, court or other legal documents you receive relating to the incident or a claim.
- » Receipts for expenses you have incurred that are covered under your policy.

In addition, you must:

- » Not admit liability for, or negotiate to settle, any claim without our written permission.
- » As soon as possible, report to the police any theft, attempted theft or malicious damage.
- » Provide truthful and complete information to us.
- » Provide written statements if we require them.

- » Attend court and give evidence if we require it.
- » Make your boat available to us.
- » Assist us, even after we have settled your claim, in any proceedings we take to recover any money we have paid under your policy.

We are entitled to represent you or any other person covered under your policy:

- » In the negotiation, defence, settlement or any legal proceedings relating to a claim on your policy.
- » In any proceedings to recover any money we have paid under your policy.

If you do not assist us as required we may:

- » Reject your claim.
- » Pay a reduced amount for your claim.
- » Require you to repay any money paid for your claim.

Excesses

When you make a claim you may be asked to pay an excess. The specific excesses that apply to your policy and amounts payable are shown on your schedule. More than one excess may apply to your claim.

You may not have to contribute an excess towards your claim provided:

- » You can satisfy us that the incident was solely the fault of the other person (not the person in charge of your boat at the time of the incident).
- » You provide us with the 'at fault' person's name, boat registration or identification details and contact details.

We will make a determination of fault after we are in possession of all the relevant facts and our determination is final and binding upon you.

If you would like to know more please refer to our PED Guide.

What we do when your boat has been damaged

When you claim for loss or damage to your boat in an incident covered under your policy and we accept your claim, we will at our option either:

- » Repair the damage.
- » Replace what is damaged.
- » Make a payment to settle your claim, based on the cost of repair or replacement.

We will not pay more than the agreed value of your boat less any excess that may apply.

When we repair your boat

If we decide to repair your boat we obtain competitive quotes from our chosen repairers. You can also ask a repairer of your choice to provide a quote.

Whichever repairer we choose, we guarantee the quality of the workmanship and materials authorised by us for the life of your boat, in addition to any other rights you may have. If you wish to make a claim on this guarantee, please contact us with details, including any costs you incur in making the claim.

Our goods come with guarantees that cannot be excluded under the Australian Consumer Law. You are entitled to a replacement or refund for a major failure and compensation for any other reasonably foreseeable loss or damage. You are also entitled to have the goods repaired or replaced if the goods fail to be of acceptable quality and the failure does not amount to a major failure.

Your contribution

If the repairs to your boat leave it in a better condition than before the damage occurred, you will be required to pay a contribution to the repair cost.

We pay for storage

If we have decided to repair your boat and we require it to be held in storage until the repair can commence, we will pay the reasonable cost to do so.

The parts we use

The parts we use in the repair of your boat are covered under our repair guarantee.

To restore your boat to its condition immediately before the incident, we will use parts consistent with your boat's age, condition and warranty period and:

- » If your boat is within the manufacturer's new boat warranty period we will use new Original Equipment Manufacture (OEM) or reasonably equivalent available parts.
- » If your boat is outside the new boat warranty period we will use new or recycled OEM or reasonably equivalent available parts.

If replacement parts are not available, we will pay you what it would have cost us to repair your boat had the parts been available.

When we declare your boat a total loss

We will declare your boat a total loss when either:

- » We decide that the damage to your boat is such that it would not be safe or economical to repair.
- » It was stolen and not recovered.

If your boat is a total loss, we will either:

- » Pay you the agreed value of your boat.
- » Replace your boat, if you are entitled to this under our new boat replacement cover (see page 11).

When we settle a total loss claim:

- » We will deduct, or you must pay us:
 - > Any excess that may apply.
 - > Any unpaid premium (including any remaining instalment payments based on the full annual premium of your policy).
- » Anyone who has a financial interest in your boat (of which we are aware) will be paid first and you will be paid the balance.

- » Your boat becomes our property, your policy comes to an end and there is no refund of any portion of your premium.

Partial loss claims

Where we have paid you the agreed value for either your hull, motor, trailer, sails or accessories, then:

- » That item becomes our property and is no longer covered by your policy.
- » The total agreed value of your policy is reduced by the agreed value for that item.

About your boat's agreed value

We determine your boat's agreed value at the commencement of your cover and may review it at the beginning of each subsequent period of insurance. The agreed value is shown on your schedule and while it may change at renewal, it does not change during the period of insurance.

Except where a different limit is shown in your policy for the item of cover, the most we will pay is the agreed value shown in your schedule less any applicable excesses.

Some items of cover have their own limits. Where that limit is less than the agreed value, the item limit is the most that we will pay for that item.

Other important information

About your premium

There are a number of factors we take into account in determining your premium including but not limited to:

- » The make and model of your boat.
- » Costs associated with operating our business.
- » Government charges.
- » Discounts that may apply to you.

Your premium is shown on your schedule.

If you would like to know more about how your premium is calculated please refer to our PED Guide.

Paying your premium

You can pay your premium either in one annual payment or by instalments.

When you pay in one annual payment your total premium will be less than if you pay it in instalments. The additional amount for payment by instalments contributes towards the increased cost of administering the instalment payment service.

You can pay your premium in annual payments, two six monthly payments, or 12 monthly payments, using your credit card or by direct debit through your financial institution.

When you pay by instalments you must ensure that:

- » The financial details you provide to us are correct.
- » Sufficient funds are available in your account for each instalment payment.
- » You advise us of any change to your financial details at least two business days before your next instalment payment is due.

You may contact your financial institution if you have an issue regarding your account or a direct debit.

We will provide you with at least 14 days' notice if we change any of your instalment payment arrangements.

If paying by direct debit, we may automatically renew your policy on the renewal date. If we plan to automatically renew, we will let you know we intend to do this before your cover ends and send you details of the renewal premium. If you do not want to renew your policy, you should let us know before the renewal date.

If you do not pay the full amount of your premium or any additional amount we may charge, we may reduce the period of insurance to match the amount you have paid.

Instalment payments

When you choose to pay by instalments, we will send you a notice advising of the first and future payment dates.

The first and future direct debit payments will be made on the due date unless that date is not a business day, when the payment will be made on the business day closest to the due date.

Please contact us immediately if you believe that an unscheduled payment has been made.

Where an instalment payment is overdue by:

- » More than 14 days and you make a claim on your policy, we may refuse to pay your claim.
- » More than one month, we may cancel your policy without notice and refuse to pay your claim.

If any of your instalment payments are rejected by your financial institution due to insufficient funds in your account or errors in your financial details, any fees that result from rejections will be payable by you.

Cancellation of instalment payments

If you decide to cancel your instalment payment arrangement, you need to:

- » Give us at least two business days' notice.
- » Arrange with us to pay the remaining premium due.

If you have made a claim, or one has been made against you in the current period of insurance, then you may be required to pay any outstanding premium due on your policy.

Credit card charges

We may charge a merchant fee when you pay your premium or your excess by credit card.

Goods and Services Tax (GST) and Input Tax Credit Entitlement (ITCE)

Your policy, the amounts insured and the premium that you pay are subject to GST.

You may be able to claim an ITCE for the GST that you pay on the premium for your policy. Please advise us of your ITCE when or before you make a claim on your policy. If you are eligible to claim an ITCE, we will deduct this amount from any payment we make to you.

We recommend that you seek advice from a financial advisor if you are unsure about the tax implications of your policy.

Cooling off period

If you cancel your new or renewed policy:

- » Before it starts we will return any premium paid in full.
- » Within 28 days of it starting, we will return any premium paid provided you do not make a claim during this time.

Cancellation by you at any time

You can cancel your policy at any time. To do so, please notify us and we will refund your premium less:

- » Any non-refundable government charges.
- » Our administration charge.
- » Our premium for the period of insurance provided.

If you have claimed on your policy during the period of insurance, a refund of premium may not apply. A refund will not apply when we have declared your boat a total loss and paid your claim.

If you would like to know more please refer to our PED Guide.

Cancellation by us

If we cancel your policy, we will advise you in writing and refund you any remaining portion of your premium less:

- » Any non-refundable government charges.
- » Our premium for the period of insurance provided.

If you have claimed on your policy during the period of insurance, a refund of premium may not apply. A refund will not apply when we have declared your boat a total loss and paid your claim.

If you would like to know more please refer to our PED Guide.

Other fees and charges

If your policy is changed or cancelled and the premium refund or premium payable is less than \$10, no refund or request for payment will be made.

If you have a complaint

Following these steps will assist you in resolving any complaint you may have:

- » **Tell us about it first.** If you have a complaint, please tell one of our staff about it or write to us with the details of your concerns.
- » **Refer to a Team Leader.** If the staff member is unable to resolve the matter for you, you can request that the matter be referred to a Team Leader who will contact you within 15 business days.
- » **Seek a review.** If we are still unable to resolve your complaint, you can ask for it to be referred to a Manager who will respond to you within 15 business days. This will be our final review after which, if you remain dissatisfied, you can seek an external review.
- » **Seek an external review.** If you decide to seek an external review, you can refer the matter to the Financial Ombudsman Service, an independent external dispute resolution scheme, at any time within two years of us informing you of the outcome of our final review of your complaint.

You can contact the Financial Ombudsman Service by:

Telephone: **1300 780 808**

Mail: Financial Ombudsman Service Limited,
GPO Box 3, Melbourne VIC 3001

Email: info@fos.org.au

Your privacy

We and our authorised representative, RAC Distribution, (together the 'RAC') collect, store and use your personal information in accordance with the Privacy Act and as set out below. By taking out this policy you agree to this.

The RAC use and require your personal information to consider your insurance application and any subsequent application for insurance, issue and administer your policy and investigate and assess any insurance claim. For the purposes of doing so, your personal information may be passed to, or received from, a joint policyholder, RAC's assessors, investigators, repairers, suppliers, contractors, other insurance companies, insurance reference bureaus, law enforcement agencies, our related companies, legal and professional advisers, IT providers, and their agents, some of whom may be overseas.

The RAC may also use your personal information to tell you about other RAC Group products and services. Your personal information may be passed to other entities for promotional purposes. These entities may be associated with the RAC, operate under RAC's Brand, or be agents, contractors or allied organisations. You may tell the RAC not to use your personal information for these promotional purposes at any time by contacting us on **13 17 03**.

If the interest of a financier is noted on your policy, you consent to the RAC providing details of your policy and its currency to the financier.

If you would like to review or correct the personal information the RAC Group has about you, or if you wish to make a complaint, please call **13 17 03**. For further information, see the RAC Group privacy policy at rac.com.au

Financial Claims Scheme

Your policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS). The purpose of the FCS is to protect certain policyholders and claimants in the event an insurer becomes insolvent. A person entitled to claim under insurance cover under a protected policy may be entitled to payment under the FCS, subject

to certain eligibility criteria. Information about the FCS can be obtained from the Australian Prudential Regulation Authority (APRA) at apra.gov.au or the APRA hotline on **1300 55 88 49**.

The General Insurance Code of Practice

We support and participate in the General Insurance Code of Practice, a system aimed at providing a better understanding between policyholders and their insurance company.

The code is administered by the Financial Ombudsman Service (FOS) and you can obtain a copy of the code by visiting codeofpractice.com.au

Updating the PDS

We may need to update this PDS from time to time if certain changes occur, where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes (you can get a paper copy free of charge by calling us).

About us

The underwriter and the issuer of your policy is RAC Insurance Pty Limited (ABN 59 094 685 882, AFS licence number 231222), a wholly owned subsidiary of RACI Pty Ltd (ABN 40 008 671 805), part of the RAC Group of Companies.

You can contact us:

- » By calling: **13 17 03**
- » Via our website: rac.com.au
- » By visiting any RAC Member Service Centre
- » By writing to us at PO Box C140, Perth WA 6839

Definitions

The following words when used in this PDS have defined meanings.

accessories - safety equipment, anchors, oars, paddles, detachable canopies, spare propeller, two way radio/s, depth sounders, GPS devices, covers and all other equipment normally demountable but excluding personal effects, fishing tackle and water-ski equipment.

agreed value - the amount we agree to insure your boat for. The amount is listed on your schedule. It includes the value of GST and registration.

anti-theft device - a device manufactured specifically to stop your boat from being stolen. A padlock and chain/cable is not an anti-theft device under this policy. Acceptable anti-theft devices include hitch restricting devices, alarms and GPS tracking devices.

excess - the amount you may be required to pay towards any claim.

hull - the deck, cabin, superstructure, deck hardware and fixtures and fittings on deck or below that would not normally be demountable.

incident - an event that was unintentional, unexpected or unforeseeable where loss or damage occurs and includes a series of events arising out of the one occurrence.

keys - a device designed to access or start your boat.

modifications - any structural or mechanical alteration made to your boat's original specification which may affect its value or performance.

motor(s) - inboard motors, inboard-outboard motors, outboard motors, power tilts and trims, jet units, steering assemblies, propellers, fuel tanks and batteries.

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

PED Guide - Premium, Excess and Discount Guide designed to provide you with additional information

regarding discounts, excesses and calculation of premiums that apply under your policy. It is available at rac.com.au or by calling **13 17 03**.

period of insurance - the length of time your policy provides cover as shown in your schedule.

policy - together this PDS, PED Guide, schedule and any Supplementary PDS we may issue.

premium - the amount you pay for your insurance. This includes GST and government charges.

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

sails - all sails, running rigging and protective covers, whether in use or not.

schedule - the document we give to you that shows the particular details regarding you and your boat and the insurance cover we have agreed to provide.

terrorism - includes but is not limited to the use of force or violence and/or threat, by any person or group of persons done for or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

trailer - the trailer described on your schedule used to transport your boat and its winch including power winch.

water-skier - any person engaged in water-skiing.

water-skiing - includes water-skiing, barefoot water-skiing, skurfing, wakeboarding and/or a flotation device being towed by your boat (and only when using recognised and commercially manufactured equipment).

we, us, our - RAC Insurance Pty Limited.

you, your - the person(s) or entity named as the policyholder on the schedule.

your boat - the boat described in your schedule and includes hull, motors, masts, spars, rigging, sails, trailer and accessories.

Financial Services Guide

About this Financial Services Guide

This Financial Services Guide provides you with information about RAC Distribution Pty Ltd (in this FSG defined as RAC Distribution, we or us) to assist you in deciding whether to use the financial services we provide. This FSG outlines the type of services and products we can offer you. It also explains how we are remunerated and includes details of our complaints handling procedures and how you can access them.

Any advice about the products we give you is of a general nature. We do not take into account your needs, specific objectives or financial position.

You can contact us:

- » By calling: **13 17 03**
- » Via our website: rac.com.au
- » By visiting any RAC Member Service Centre
- » By writing to us at PO Box C140, Perth WA 6839

Our services

RAC Distribution are authorised by RAC Insurance Pty Limited (RAC Insurance) to offer you a range of financial services on RAC Boat Insurance including:

- » Provide general product advice (advice that has not been tailored to your personal objectives, financial situation or needs).
- » Arrange for the issue of RAC Insurance's products.
- » Issue RAC Insurance's products as its agent.
- » Agree on policy variations requested by you.

How we are paid

RAC Distribution do not charge you a fee or commission for our services.

We operate under a fee for service arrangement based on the amount of time we spend providing sales and services on behalf of RAC Insurance. This fee is reviewed annually and is subject to change from time to time.

Employees of RAC Distribution receive a salary and operate under a performance based incentive scheme. On average, the bonus is unlikely to exceed 2% of the employees' annual salary.

You may, within a reasonable time after receiving this FSG and before any financial service is provided, request to obtain further information about the remuneration, fees and any benefit that may be paid to us for these services.

Addressing complaints

Customer satisfaction is a priority for us. If you have a complaint about the financial services we have provided, please follow the steps for resolution of complaints set out on page 26.

Compensation arrangements

RAC Distribution has professional indemnity insurance in compliance with the requirements of the Corporations Act 2001 and for the financial services outlined in this FSG. The professional indemnity cover extends to financial services provided by representatives who are no longer employed by us in that capacity but who provided such financial services at the time the loss, damages or breach of an obligation occurred.

Index

A

accessories

see definition of 'accessories' 29

accident damage 9

accidental death benefit 12

agreed value

about your agreed value 22

see definition of 'agreed value' 29

anti-theft device

see definition of 'anti-theft device' 29

attempted theft 9

C

cancellation of your policy 25

changes to your policy 6

choosing a repairer 20

claims

claiming on your policy 18

excess 19

parts we use 21

quick guide 7

repairs 20

settlement options 20

storage 20

total loss 21

your contribution 20

code of practice 28

complaints procedure 26

cooling off period 25

cover for water-skiers 14

credit card charges 24

D

damage to your boat	9
death of operator	12
definitions	29
discounts	
see definition of 'PED Guide'	29
duty of disclosure	5

E

excess	
excesses - claiming on your policy	19
see definition of 'excess'	29
exclusions from cover	
death of operator	13
general	15
liability	9
personal belongings	11

F

finance	21
financial claims scheme	27
financial ombudsman service	26
financial services guide	31
fire	9

G

general exclusions	15
general insurance code of practice	28
goods and services tax	25
guarantee of repairs	20

H

how to contact us	see back cover
how to make a complaint	26
how we settle a claim	20
how we work out your premium	22
hull	
see definition of 'hull'	29

I

incident	
see definition of 'incident'	29
input tax credit entitlement	25
instalments	
cancellation	24
payments	24

J

joint policyholders	6
---------------------------	---

K

keys	
see definition of 'keys'	29
theft or loss of keys	12

L

liability	
cover	9
exclusions	9
lifetime repair guarantee	20
locks of boat	12

M

making a claim	
quick guide	7
making changes to your policy	6
member benefits	4
modifications	
notifying us	6
see definition of 'modifications'	29
monthly instalments	24
motor(s)	
see definition of 'motor(s)'	29
submerged motor	12

N

new boat replacement	11
non-payment of premium	23

O

observer	
see definition of 'observer'	29
optional benefits	
sail boats when racing	13
water-skiers	14

P

partial loss	22
parts used when repairing your boat	21
paying premiums	23
PED Guide	
see definition of 'PED Guide'	29
period of insurance	
see definition of 'period of insurance'	30
personal belongings	11
personal information	27

policy	
see definition of 'policy'	30
premium	
about your premium	22
paying your premium	23
see definition of 'premium'	30
privacy of your personal information	27
product disclosure statement	5

R

race or racing	
see definition of 'race or racing'	30
repairing your boat	20
repairs	
lifetime guarantee	20
parts	21
repairer	20
replacement boat	11

S

sailboats when racing	13
sails	
see definition of 'sails'	30
salvage costs	12
schedule	
see definition of 'schedule'	30
settling claims	20
stolen boat	9
stolen keys	12
storage costs	20
sum insured (see agreed value)	
about your agreed value	22
see definition of 'agreed value'	29
summary of cover	8

T

temporary cover 13

terrorism

see definition of 'terrorism' 30

theft of boat

anti-theft device 10

cover 9

theft of keys 12

total loss of boat

new boat replacement 11

when we declare your boat a total loss 21

towing costs/expenses 12

trailer

see definition of 'trailer' 30

transit 12

W

water-skier

see definition of 'water-skier' 30

water-skiing

see definition of 'water-skiing' 30

words with special meanings 29

write off (see total loss) 21

Y

your boat

see definition of 'your boat' 30

your responsibilities

claiming on your policy 18

when we agree to insure you 5



**Contact
Us**

General enquiries **13 17 03**

TTY (number for the hearing impaired)
general enquiries **9301 3113**

 **facebook.com/RACWA**

 **@racwa**

 **rac.com.au**

Metropolitan Member Service Centres

- | | |
|-------------------|---|
| Carousel | Shop 1098, Westfield Carousel Shopping Centre, Albany Highway |
| Mandurah | Shop 112, Mandurah Forum Shopping Centre, Pinjarra Road |
| Morley | Shop 1, Morley Market Shopping Centre, Bishop Street |
| West Perth | 832 Wellington Street |

Regional Member Service Centres

- | | |
|-------------------|--|
| Albany | 110 Albany Highway |
| Bunbury | Shop 32, Stirling Centre
22-28 Stephen Street |
| Geraldton | Shop 29, Northgate Shopping Centre, Chapman Road |
| Kalgoorlie | 51-53 Hannan Street |

RAC Insurance Pty Limited ABN 59 094 685 882
AFS Licence Number 231222



This brochure is printed on Monza Recycled and is 55% recycled and certified carbon neutral.