

# Premium, Excess and Discount Guide

## Boat

### Introduction

This RAC Boat Insurance Premium, Excess and Discount (PED) Guide provides you with information about how we calculate our premiums and the excesses and discounts which may apply to your RAC Boat Insurance policy.

You should read this PED Guide with your RAC Boat Insurance Combined Product Disclosure Statement and Financial Services Guide.

This PED Guide applies to new or renewed policies commenced on or after 1 January 2015.

### About your premium

The premium is the amount you must pay us for your insurance cover. Your premium is shown on your schedule.

We consider a number of factors when calculating your premium including, but not limited to the following pricing factors:

| Pricing factors   | Boat |
|---|------|
| Type of boat (includes make, hull length and fuel type)                             | ✓    |
| Your boat's agreed value (includes hull, motor(s) and trailer you've told us about) | ✓    |
| Where your boat is kept   | ✓    |
| Whether your boat is trailed, moored or penned                                      | ✓    |
| Optional cover(s) you have chosen   | ✓    |
| Whether you have paid an additional premium to remove your basic excess             | ✓    |
| Whether you pay your premium annually or in instalments                             | ✓    |
| How you use your boat   | ✓    |
| Costs associated with operating our business  | ✓    |
| Government charges that may apply   | ✓    |
| Discounts that may apply to you   | ✓    |



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We may use some or all of these factors to derive your premium.

All insurance risks are not the same and so the combination of factors used and relevance they have in the overall premium will differ for each risk.

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.

When you renew your insurance your premium is likely to change, even if your personal circumstances have not. This is because the premium you pay is also affected by the cost of claims we have paid, or expect to pay, to other members and updated data we have available to calculate your premium.

### Cancellation charge

If you cancel your policy during the period of insurance, a cancellation charge of 10% of the unused premium will be applied.

### Credit card charges

We do not charge a merchant fee when you pay your premium or your excess by credit card.

### GST and government charges

Your RAC Boat Insurance is subject to Goods and Services Tax (GST) and government charges (insurance duty) as shown below. The amount payable in GST and government charges for any given year is shown on your schedule.

| GST and government charges | Amount |
|----------------------------|--------|
| GST                        | 10%    |
| Insurance duty             | 10%    |

### Instalment charges

If you pay your premium by instalments a 10% premium loading will apply. This amount is included in the premium shown on your schedule.

### Other fees and charges

No refund or request for payment will be made if:

- » Your policy is changed or cancelled and the premium refund or premium payable is less than \$10.
- » You make an under or overpayment to us of less than \$10.

## Excess

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

The amount and types of excess applicable to your policy are shown on your schedule. You may have to pay more than one excess depending on the circumstances of your claim.

### When an excess does not apply

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 number and contact details.

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

### Basic excess

For boats up to and including \$50,000 agreed value, you will be asked to pay this amount when you claim on your policy, unless you have paid an additional premium to remove it, based on the type of boat you have insured, how it is kept and its agreed value.

| Boat type            | Trailed and stored | Moored or penned |
|----------------------|--------------------|------------------|
| Runabout             | nil                | n/a              |
| Powerboat            | nil                | \$200            |
| Windsurfer/sailboard | \$100              | n/a              |
| Ski Boat             | \$150              | \$150            |
| Monohull yacht       | \$100              | \$200            |
| Multihull yacht      | \$500              | \$500            |

For boats over \$50,000 agreed value, you will be asked to pay this amount when you claim on your policy, based on the type of boat you have insured, how it is kept and its agreed value.

| Boat type        | Agreed value         | Excess |
|------------------|----------------------|--------|
| All single hull  | \$50,001 - \$60,000  | \$200  |
|                  | \$60,001 - \$70,000  | \$250  |
|                  | \$70,001 - \$80,000  | \$300  |
|                  | \$80,001 - \$90,000  | \$350  |
|                  | \$90,001 - \$100,000 | \$400  |
| Multihull yachts | \$50,001 - \$100,000 | \$500  |

### Theft of Windsurfer/Sailboard excess

If we accept your claim of the theft of your windsurfer/sailboard, an additional excess of \$200 will apply.

This excess is payable in addition to any other excesses.

You cannot pay an additional premium to remove the theft of windsurfer/sailboard excess.

### Special excess

We may decide to apply a special excess to an individual operator or to your policy after taking into account such factors as your boat, claims or insurance history.

A special excess is payable in addition to all other excesses.

You cannot pay an additional premium to remove a special excess.

## Discounts and savings

Your premium includes the discounts you are eligible for. Discounts do not apply to policy options and may be subject to a minimum premium. We may also offer additional discounts from time to time and the relevant terms and conditions will be specified as part of the offer. For details on specific discounts, refer to the information below or contact us on **13 17 03**.

### No claim bonus

Your no claim bonus is a discount that rewards you if you have had no claims in the last year. It increases each successive year you do not claim on your policy until it reaches a set maximum, as shown below.

| Number of claim free years | Discount |
|----------------------------|----------|
| One                        | 15%      |
| Two                        | 25%      |
| Three                      | 30%      |

When you make one or more claims during the year, the discount decreases and your premium may also be impacted at the subsequent renewal.

For example, if you have a maximum no claim bonus of 30% and make one claim during the year, your no claim bonus will reduce to 15%.

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