

New Wave Marine

Boat Insurance

Product Disclosure Statement & Policy Wording



Emergency & After Hours Claims Toll Free Number

1300 780 748

PDS and Policy Wording Version 1, Date Prepared: 01 February 2021

NEW WAVE MARINE
BOAT INSURANCE

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PRODUCT DISCLOSURE STATEMENT

PDS SECTION A) - INTRODUCTION

ABOUT THIS MARINE INSURANCE CONTRACT

This marine insurance product is underwritten by the Insurer being Berkshire Hathaway Specialty Insurance Company (Incorporated in Nebraska, USA) ABN 84 600 643 034, AFS Licence 466713, which is authorised by the Australian Prudential Regulation Authority to carry on general insurance business in Australia.

The Product Disclosure Statement ("PDS") and Policy wording is issued on behalf of the Insurer by Austbrokers Hiller Marine Pty. Ltd. ("New Wave Marine") (ABN 88 611 606 029, AFSR No. 001241503, a corporate authorised representative of Austbrokers Sydney Pty Ltd. ABN 14 061 968 090, AFS Licence 244244), which is part of the Australian Stock Exchange-listed AUB Group Limited (ABN 60 000 000 715), acting as an agent of Berkshire Hathaway Specialty Insurance Company as authorised under the terms of an Underwriting Management Agreement established between the two companies.

ABOUT BERKSHIRE HATHAWAY SPECIALTY INSURANCE

Berkshire Hathaway Specialty Insurance Company in Australia is authorised by APRA to carry on general insurance business in Australia. It is part of the Berkshire Hathaway's National Indemnity Group of insurance companies.

In this Policy document Berkshire Hathaway Specialty Insurance is referred to as:

"We" or "Our" or "Us" or the "Insurer".

You can contact Us by email at australia@bhspecialty.com or You can write to Us at GPO Box 650, Sydney NSW 2001.

ABOUT NEW WAVE MARINE

New Wave Marine is a trading name of Austbrokers Hiller Marine Pty Ltd. (ABN: 88 611 606 029 AFSR: 001241503) Corporate Authorised Representative of Austbrokers Sydney Pty Ltd. (ABN 14 061 968 090 AFSL No. 244244). New Wave Marine manage the distribution of this insurance product on behalf of Berkshire Hathaway Specialty Insurance, including issuance, variation endorsement and cancellation of policies. New Wave Marine does not act on Your behalf.

New Wave Marine's contact details are:-

- Telephone: 1300 121 046
- Email: help@newwavemarine.com.au
- Office Address: Level 14, 44 Market Street, Sydney NSW 2000 AUSTRALIA
- Postal Address: PO Box Q1402, QVB NSW 1230 AUSTRALIA
- Website: <https://newwavemarine.com.au/>

ABOUT THE NEW WAVE MARINE BOAT INSURANCE PDS & POLICY WORDING

When taking out, renewing or altering Your insurance You will be issued:

- A Policy Schedule which sets-out the details You have specified and any special conditions that apply to You and Your Boat (e.g. Excess, limits or restrictions).

This PDS and Policy Wording consists of the:

- Product Disclosure Statement which provides:
 - an overview of the cover, exclusions and Our details;
 - details of the steps involved in You making a claim;
 - an explanation of the complaints procedure if You are not happy with this insurance or Our services.
- Policy wording
 - which provides more detail on the standard terms, conditions, limitations and exclusions of the Policy. It does not include additional terms and conditions (including any limits and exclusions) that amend the standard terms of this document.

PDS SECTION B) – QUICK COVERAGE SUMMARY

This is a limited summary only and not a full description of the covers. Each cover noted is subject to terms, conditions, exclusions and limitations that are not listed in the summary. You need to read the cover Sections and the Policy to properly understand the cover provided. You are covered only if Your Boat is in Australia (and for Section 4 if You are in Australia).

THIS POLICY, KEY LIMITATIONS AND EXCLUSIONS OF THIS POLICY

This boat insurance product is purposefully designed for individuals who own the Boat to be insured and use it only for private pleasure purposes – *not* for commercial use.

As far as practically possible, the overall aim of Our New Wave Marine Boat Insurance product is to:

- Ensure policyholders quickly receive assistance and fair compensation when a claim occurs
- Provide documentation that clearly and prominently sets-out the coverage and restrictions of the Policy
- Keep premiums at competitive levels for the majority of their policyholders by:
 - **Attracting responsible and diligent boat owners who:**
 - Protect and maintain their boat and its machinery in good condition;
 - Are suitably-experienced and qualified to be in control of the insured boat;
 - Regularly check upon the good state of their boat and its equipment (particularly bilge pumps when the boat is moored afloat);
 - Maintain their boat, its equipment and machinery in accordance with manufacturers recommendations;
 - Are aware of, and adhere to, maritime regulations;
 - Practice good seamanship;
 - Understand the concept of indemnity and insure their boat accordingly; and
 - Truthfully answer questions asked by Us and Our representatives.
 - **By *not* offering insurance to boat owners who:**
 - Compromise the safety of their boat, their crew, passengers and others; and
 - Do not regularly service and maintain their boat
 - **By excluding amongst a number of things:**
 - Pre-existing loss or damage - that had occurred before this insurance was effected;
 - Wear and tear – lack of maintenance or where boats are not regularly inspected;
 - Machinery breakdown where there is no sudden identifiable external accident;
 - Where the Boat is being operated illegally;
 - Modifying or operating Your Boat beyond that which it was designed for; and
 - Where You allow the Boat to be under the control of persons under the influence of alcohol or drugs.

NOTE: There are a number of General Exclusions and Exclusions in specific Sections. READ THEM ALL.

- **Limitations and conditions You agree to when taking out or renewing this Policy:**
 - Keeping Your Boat at moorings or locations You have specified;
 - Ensuring the Boat is at all times under the control of You or others that You know to be experienced in skippering similar boats
 - Not taking Your Boat beyond the specified Geographic limits stated in the Policy Schedule;
 - You may be required to contribute to repair or replacement costs where used items or parts are replaced with new.

You are not automatically insured under each Section. You are only covered for the Sections that are specified as applicable in the Policy Schedule. You may elect to insure for “Comprehensive Cover” entailing Sections 1, 2, 3, 4 and 5. Optional extensions in section 6 are only available when You elect to take Comprehensive Cover. Alternatively, You may elect to take “Third Party Cover” only, in which case You are insured for Section 3 only.

Section	Summary of cover (See the relevant Section for details, limits, and specific conditions and exclusions that apply)
Section 1 – Cover for Your Boat (Available where 'Comprehensive Cover' selected and stated on the Policy Schedule)	Cover for Your Boat in the event of Accidental physical loss or Damage, Theft, malicious Damage; or Damage caused by any governmental authority in order to prevent or minimise a pollution hazard in specified circumstances which occurs during the Period of Insurance. Additional cover is also provided for loss or Damage to Equipment and Accessories in specified circumstances.
Section 2- Cover for Personal Effects & Water Sports Equipment (Available where 'Comprehensive Cover' selected and stated on the Policy Schedule)	Cover for loss or Damage to Personal Effects and water sports equipment in specified circumstances which occurs during the Period of Insurance.
Section 3 – Cover for Your Legal Liability	We will cover You or any person in charge or control of Your Boat with Your permission for Legal Liability arising from an Accident involving Your Boat during the Period of Insurance, including death, injury, loss or damage to a Third Party or their property.
Section 4 – Cover for Personal Injury to You (Available where 'Comprehensive Cover' selected and stated on the Policy Schedule)	A lump sum benefit if You suffer a specific bodily injury as a result of an Accident which occurs during the Period of Insurance in direct connection with Your Boat.
Section 5 - Cover for Additional Costs & Expenses (Available where 'Comprehensive Cover' selected and stated on the Policy Schedule)	Additional benefits such as: <ul style="list-style-type: none"> • Emergency Equipment Replacement Costs • Lost Keys Replacement Costs • Removal of Wreck Costs • Transport and Accommodation Costs
Section 6 – Optional Covers (Available where 'Comprehensive Cover' selected and stated on the Policy Schedule)	You can request Optional Covers for: <ul style="list-style-type: none"> • Water-skiing and Aquaplaning Activities • Yacht Racing Risks.

PDS SECTION C) - IMPORTANT INFORMATION

THIS DOCUMENT

Please read this document carefully before making a decision to purchase this insurance. We hope it will help You decide whether this product will meet Your needs and allow You to compare Our product with other products You may be considering.

Other documents may comprise the PDS and We will tell You if this is the case in the relevant document. The Policy provides a number of covers which may or may not be provided to You as a retail client under the Corporations Act 2001 (Cth) depending on Your circumstances. Only the parts of this document relevant to cover provided to You as a retail client and any other documents which We tell You are included, make up the PDS for the purposes of the Act.

We do not provide any advice in this PDS about this product and have not considered Your objectives, financial situation or needs. You should carefully consider the information provided having regard to Your personal circumstances to decide if it is right for You.

You should read all of the sections of this document and any other documents that make-up this Policy to ensure You have the cover that is appropriate for You. Consider Your particular circumstances and decide if this insurance product meets Your need as a boat-owner. Otherwise, We suggest You seek the advice of a professional insurance broker to assist You in reviewing Your requirements and the coverage provided by the New Wave Marine Boat Insurance product.

UPDATING THIS DOCUMENT

We may update the information contained in this PDS when necessary. We will issue You with a new PDS or a Supplementary PDS ("SPDS"), except in limited circumstances. Where the information is not something that would be materially adverse from the point of view of a reasonable person deciding whether to acquire this insurance We may issue You with a copy of any updated information in other forms. You can get a paper copy free of charge by contacting Us.

OUR AGREEMENT

Where We agree to issue You a Policy it is a contract of insurance between Us and You. We only cover those parties shown in the Policy Schedule unless otherwise stated in the Policy as being a person or entity entitled to cover. If more than one person is insured under the Policy, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the Policy.

If We issue You a Policy it is made up of:

- this document which sets out the standard terms and conditions of the cover and its limitations and exclusions that apply;
- the Policy Schedule issued by Us. The Policy Schedule sets out the covers relevant to You and should be read together with the PDS and Policy wording. It may include additional terms and conditions (including any limits and exclusions) that amend the standard terms of this document.
- any other change to the terms of Your Policy otherwise advised by Us in writing (such as an endorsement or Supplementary PDS).

These are all important documents and should be carefully read together and kept in a safe place for future reference.

YOUR APPLICATION FOR INSURANCE

When You apply for cover by completing Our online application process You need to provide the information We require to determine whether to issue a Policy and if so, on what terms. Where We agree to issue a Policy, cover is provided on the basis:-

- that You have paid or agreed to pay Us the Premium for the cover provided; and
- of the verbal and/or written information provided by You in accordance with Your Duty of Disclosure shown below.

SIGNIFICANT CONTRACTUAL DETAILS YOU SHOULD REVIEW

Insurance contracts contain exclusions, terms and conditions, limits and sub-limits that You should be aware of when deciding whether to purchase Our product. These things may affect the amount of the payment that We will make to You if You have a claim.

To properly understand the significant features, benefits and risks of this insurance You need to consider:

- the available types of cover, benefits and exclusions in the Policy;
- the section headed “Definitions - Words with Special Meanings” which sets out what We mean by certain words used in the Policy. In some cases, certain words may be given a special meaning in a particular section of the Policy or when used or in the other documents making up the Policy. These words begin with a capital letter throughout this document;
- the Section 7 “General Exclusions” and cover limitations that apply to this Policy;
- Section 8 “General Policy Conditions & Provisions” and Section 9 “Claims and & Emergencies” which set out certain general rights and obligations that You and We have.
- each cover Sections as these may also have other cover restrictions which apply.

YOUR DUTY OF DISCLOSURE

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could be reasonably expected to know, may affect Our decision to insure You and on what terms. You have this duty until We agree to insure You. You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is of common knowledge; or
- We know or should know as an insurer; or
- We waive the duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim or treat the policy as if it never existed.

CHANGING RISK DETAILS

You should advise Your insurance broker to notify Us as soon as possible if You become aware of any changes to the facts or circumstances that change the nature of the risk We have insured. If You do not tell Us via Your insurance broker of these changes, in the event of a claim We may be entitled to reduce the amount We pay or refuse to pay a claim or cancel the Policy in which case You may not be adequately covered, or You may not have any cover under Your Policy.

In particular, please advise Us of any change or intended change to the:

- mooring and storage location if You expect the Boat *not* to be at the location stated on the Policy Schedule for a period exceeding 3 months during the Period of Insurance;
- type of mooring and storage method if You expect the Boat not to be on the mooring type stated on the Policy Schedule for a period exceeding 3 months during the Period of Insurance;
- cruising range, geographic or distance limitations stated on the Policy Schedule;
- use of the Boat to anything other than Your own private pleasure purposes ; or
- ownership of the Boat.

Please also inform Us of any actual or intended:

- modifications to the Boat;
- removal or addition of any Motors, Equipment and Accessories or other items shown in Your Policy Schedule; or
- re-relocation of the Boat North of the 26° Parallel during the locally-recognised cyclone season.

Where the change:

- reduces the risk We insure You for We may provide You with a refund of a portion of the Premium if applicable where the change affects the Premium payable; or
- increases the risk We insure You for We may either:
 - refuse to accept the change;
 - agree to the change in writing, provided that You pay or agree to pay Us any additional Premium We may require;
 - cancel the Policy; or
 - choose not to renew a Policy.

RENEWAL PROCEDURES

Before Your Policy expires, We will advise You whether We intend to offer renewal and if so on what terms. This PDS and Policy Wording also applies for any renewal We make, unless We tell You otherwise.

It is important that You check the terms of any renewal before renewing to satisfy Yourself that the details are correct and let Us know if there are any changes. Please note that You need to comply with Your Duty of Disclosure before each renewal.

COOLING-OFF PERIOD

If You decide that the Policy does not meet Your needs for whatever reason, and provided You have not exercised any of Your rights or powers under the Policy (for example, You have not made or are entitled to make a claim under the Policy), You can cancel the Policy within 14 days of the date Your Policy commenced. You will receive a full refund of any Premiums paid (less any government taxes or duties We cannot recover).

HOW WE CALCULATE PREMIUMS

Your Premium is the amount You pay for Your Policy. The total amount payable includes any compulsory government statutory charges, levies, duties, GST and other taxes that may apply as well as other additional charges We tell You about.

There are a number of factors We consider when determining Your insurance Premium, these include:

- pricing/rating of risk exposure factors;
- Your boating experience;
- Your past claims record;
- selected optional cover;
- any applicable discounts;
- fees and commission; and
- tax and statutory charges

The following outlines some of the risk exposure factors that We may take into account when determining Your Premium:

- the type of Boat – including its construction material and its age;
- the Boat's value;
- where the Boat is located;
- how the Boat is stored;
- the type of cover;
- the applicable Excess(es); and
- Your insurance history.

PREMIUM PAYMENT

When You apply for cover, and before the Policy is entered into, you will be advised what Premium is payable, when it needs to be paid and how it can be paid. This amount will be set out in the Policy Schedule, which will be sent to You after the entry into the Policy.

You can pay Your Premium as a lump sum annually or in monthly instalments if agreed. Additional charges may apply if You pay Your Premium by instalments.

If You do not pay Your Premium on Time

You need to pay Your Premium by the due date. If You do not pay by this date We may be entitled to reduce or refuse to pay a claim (for instalment policies) or cancel the Policy.

A monthly instalment will be considered unpaid by Us if it cannot be deducted from Your nominated account or credit card. If an ongoing monthly instalment is unpaid for 14 days or more after the due date then We will refuse a claim for any Occurrences that take place during this time. We may deduct any overdue premium amount from any claim payment.

CANCELLATION OF YOUR POLICY**1. When You can cancel**

- a. You may cancel Your Policy at any time by contacting Your insurance broker, via the New Wave Marine website, by emailing Us at help@newwavemarine.com.au or calling telephone number 1300 121 046.
- b. The cancellation will take effect at 4pm Australian Eastern Standard Time on the day We receive Your notice of cancellation, unless We agree an alternative date of cancellation with You. We will refund the Premium for Your Policy, less an amount which covers the period for which You were insured. However, We will not refund any Premium if We have paid or are obliged to pay an Actual Total Loss or Constructive Total Loss claim under Your Policy.

2. When We can cancel

We may cancel the Policy for any of the following reasons:

- a person who is or was at any time the Insured failed to comply with the duty of the utmost good faith;
- a person who was the Insured at the time when the contract was entered into failed to comply with the duty of disclosure;
- the person who was the Insured at the time when the contract was entered into made a misrepresentation to Us during the negotiations for the contract but before it was entered into;
- a person who is or was at any time the Insured failed to comply with a provision of the contract, including a provision with respect to payment of the premium; or
- an Insured has made a fraudulent claim under the Policy or under some other contract of insurance (whether with Us or with some other insurer) that provides insurance cover during any part of the period during which the first-mentioned contract provides insurance cover.

Where We cancel the Policy We will provide You with at least 3 business days' notice in writing of the cancellation to Your insurance broker or to Your address last known to Us. If We cancel, We will refund the Premium for Your Policy less an amount to cover the period for which You were insured.

3. Exhaustion of Policy

If an Actual Total Loss or Constructive Total Loss is paid under this Policy the Policy is exhausted and at an end. No further cover is available under the Policy for losses, Occurrences or Accidents happening after the date of the Actual Total Loss or Constructive Total Loss.

JURISDICTION, LAW & PRACTICE

This Policy is governed by the laws of Australia. Any dispute relating to the Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which the Policy was issued.

CONTACT FOR ASSISTANCE

If You have any questions or need further information concerning Your insurance, You should contact Your insurance broker to assist You with Your enquiry or contact Us via New Wave Marine using the details shown at the beginning of the Introduction section.

PRIVACY NOTICE

We are covered by the Privacy Act 1998 (Cth) and its Australian Privacy Principles (APPs), which set out standards for the collection, use, disclosure and handling of personal information. In this Privacy Notice We, Our and Us means Berkshire Hathaway Specialty Insurance Company ABN 84 600 643 034 along with all companies in the Berkshire Hathaway group of insurance companies and third parties, including New Wave Marine, who provide services to Us or on Our behalf.

Personal information is essentially information or an opinion about an identified individual or an individual who is reasonably identifiable, whether the information or opinion is true or not and whether recorded in a material form or not. See the Privacy Act for full details. This privacy notice details how We collect, disclose and handle Your personal information.

What are the purposes We collect Your personal information for?

We, and entities acting on Our behalf, only collect personal information (including sensitive information) from or about You for the purposes of assessing Your application for insurance and administering Your insurance policy, including managing and administering any claim made by You.

What happens if You don't give Us Your personal information?

Without Your personal information, We may not be able to provide You with Our services or products, issue insurance cover, administer Your insurance or process Your claim.

How do We collect Your personal information?

Collection can take place through websites (from data You input directly or through cookies and other web analytic tools), email, by telephone or in writing. We collect it directly from You unless You have consented to collection from someone other than You, it is unreasonable or impracticable for Us to do so or the law permits Us to.

If You provide Us with personal information about another person You must only do so with their consent and agree to make them aware of this privacy notice. We will only use Your personal information in accordance with the Privacy Act 1988 (Cth) and for the purposes listed above.

Who do We disclose Your personal information to?

We may disclose Your personal information to other companies in the Berkshire Hathaway group and other third party service providers for the purposes outlined above or where disclosure is permitted by law. These entities may be located in Australia or overseas, including in India, Singapore, Hong Kong, Malaysia, New Zealand, Germany, the United Kingdom, Canada and the United States of America or countries where overseas medical or assistance services are provided. These details may change from time to time. You can contact Us for further information. Where such disclosure is made, We make all reasonable efforts to ensure that the arrangements We have in place with overseas parties impose appropriate privacy and confidentiality obligations on those parties to ensure that imparted personal information is kept secure and that such information is only used for the purposes noted above.

How do You contact Us and what are Your opt out rights?

By providing Us with personal information You and any other person You provide personal information for, consent to these uses and disclosures unless You tell us otherwise. If You wish to withdraw your consent, please contact Us.

If You wish to obtain details of the personal information We hold about You (including to correct or update the personal information We hold about You), or if You have a complaint about a breach of Your privacy, please refer to Our privacy policy available at:

- <https://newwavemarine.com.au/> or by emailing help@newwavemarine.com.au; or
- <http://www.bhspecialty.com/privacy-policy.html>, or by emailing australasia.privacy.compliance@bhspecialty.com.

We reserve the right to refuse access under the grounds permitted by the Privacy Act 1988 (Cth) and if You are seeking information on another person's behalf, We will require written authorisation from that individual.

CLAIMS & EMERGENCY EVENTS

Refer to Policy Section 9 "Claims & Emergencies" of this document to read what You need to do in the event of a claim.

PDS SECTION D) – CODE OF PRACTICE, COMPLAINTS & DISPUTE RESOLUTION

GENERAL INSURANCE CODE OF PRACTICE

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the general insurance industry.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code. Further information about the Code or the Code Governance Committee (CGC) is available at <https://insurancecode.org.au/>.

COMPLAINTS AND DISPUTE RESOLUTION

We always aim to be efficient, fair and reasonable in all dealings with Our insurance products with a view to meeting Your expectations. Nevertheless, on occasions, complaints or disputes may arise and when this happens, Our objective is to resolve any disagreement as amicably and as quickly as possible. This is the process for making complaints and the procedure established for resolving disputes.

If You have a complaint about Our insurance product including any claim arising from it or the services We provide, please contact your insurance broker if you have one. If you do not have an insurance broker, You may submit to Us the complaint stating the nature of Your complaint by the following methods:

- Email: help@newwavemarine.com.au
- Website: www.newwavemarine.com.au

Or by writing to Us, at complaints.australia@bhspecialty.com.

We will respond to Your complaint within fifteen (15) business days, or if further investigation or information is required, We will work with You to agree on a reasonable alternative timeframe for responding.

If Your complaint or a dispute is not resolved to Your satisfaction, or a final response has not been provided within 45 days, You may be able to refer the matter to the **Australian Financial Complaints Authority (AFCA)** for an impartial review, subject to its terms of reference. AFCA provides a fair and independent financial services complaint resolution service that is free to consumers.

Determinations made by AFCA are binding on Us but the decision is not binding on You.

AFCA can be contacted at:

- Postal address: Australian Financial Complaints Authority GPO Box 3, Melbourne VIC 3001
- Telephone: 1800 931 678
- Email: info@afca.org.au

Further details of AFCA may be found at the website: <https://www.afca.org.au/make-a-complaint>.

If the complaint is not covered by the AFCA scheme, We will advise You of other options for resolution that may be available to You.

FINANCIAL CLAIMS SCHEME

This Policy may be a protected Policy under the Financial Claims Scheme (FCS) which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of Us becoming insolvent You may be entitled to access the FCS, provided You meet the eligibility criteria.

More information about the FCS may be obtained from <http://www.fcs.gov.au>.

POLICY WORDING

DEFINITIONS - WORDS WITH SPECIAL MEANINGS

Accident or **Accidental** means a sudden and unforeseen Occurrence being a fortuity causing physical loss or Damage, Legal Liability or bodily injury that is not intended or expected by You. This includes a series of Accidents arising out of the same Occurrence.

Actual Total Loss is a loss that occurs when Your Boat is destroyed or damaged to such an extent that it can be neither recovered nor repaired for further use or is irretrievably lost.

Agreed Value means the value of Your Boat that You and We have agreed at the time of insuring Your Boat or at any renewal or variation and which is specified as the "Total Sum Insured" in the Policy Schedule. Unless We agree otherwise in writing, the Agreed Value shall not exceed 15% of the purchase price of the Boat.

Anti-Theft Device means a professionally-manufactured purpose-designed device which has been designed specifically to prevent theft of the Boat, its Motor, Trailer, Tender, Equipment and Accessories. (Note: a chain or padlock(s) is not an anti-theft device).

Boat means the boat described in the Policy Schedule, comprising the:

- Hull;
- Motor(s), including fuel tanks (unless they form part of the Hull);
- Equipment and Accessories;
- sails, masts, spars, standing and running rigging;
- Tender; and
- Trailer.

Burglary means Theft following violent and forcible entry into or exit from the locked cabin or a lockable part of Your Boat or its Tender (if applicable), or a building where the Boat is stored, and which is reported to the Police.

Constructive Total Loss means the estimated cost of repairing Your Boat exceeds the Total Sum Insured.

Damage means any form of physical damage to Your Boat, but does not include wear and tear or any condition or fault that was present before the Policy came into force.

Depreciation means loss in Market Value.

Due Diligence means:

1. You always act to maintain and use Your Boat, motors, machinery, Equipment and Accessories in good condition and in accordance with manufacturers' recommendations, and take prudent measures to protect Your Boat;
2. You only allow persons who You know are suitably-experienced and qualified and are aware of, and adhere to, maritime regulations and practice good seamanship to be in control of Your Boat;
3. If Your Boat is kept on a permanent swing mooring, You must verify that it complies with the regulations, specifications or standards required for Your Boat's size and remain in good order - such compliance includes being lifted and inspected at intervals as required by the relevant authorities, and in any event at least every three (3) years.

Diving Equipment means masks, snorkels, flippers, regulators, tanks, buoyancy compensation devices, compressors owned by You.

Equipment and Accessories means safety equipment installed or carried in accordance with statutory requirements and any other equipment intended for use of or with Your Boat. This includes canopies, electronic devices used solely for navigational purposes, Boat and Motor covers, life-saving equipment including life jackets, depth sounders, two way radios and any other Equipment and Accessories specified in the Policy Schedule. It excludes jewellery and watches or other timepieces. Equipment and Accessories does not include Personal Effects.

Excess means the first amount of any claim which must be paid by You. When You apply for cover, and before the Policy is entered into, We will tell You the amount of any Excess payable and it will also be stated in the Policy Schedule or in the Policy wording. There may be more than one Excess applicable in any one claim, depending on the Occurrence. The Excess shall not apply to a claim for Total Loss or Constructive Total Loss of Your Boat.

Family means Your spouse or domestic partner and the children, parents or other relatives of You and Your spouse or domestic partner who live permanently with You.

Fishing Gear means rods and reels owned by You that are used for the purpose of recreational or sports fishing.

Hull means the hull, deck, cabin, deck fixtures and fittings on or below the deck of Your Boat that are not normally removable and would normally be sold with the Boat.

In Australia means for the purpose of this Policy:

- whilst afloat on inland and coastal waters within 250 nautical miles off mainland Australia or Tasmania;
- while ashore including on slipways or in dry-docks in Australia for the purposes of slipping, haul out or whilst under repair or in storage;
- whilst in transit on land in Australia, provided the transit is by purpose-built trailer, transporter, cradle or beach trolley designed for the transit of Your Boat, unless a restriction applies and is stated in the Policy Schedule.

When Your Boat is embarking on an overseas voyage the Policy will cease from the time that Your Boat is cleared by Australian Border Force. On Your return from an overseas voyage, any remaining cover under the Policy recommences from the time Your Boat clears Australian Border Force.

Legal Liability means the legal responsibility arising out of the ownership or use of the Boat to pay compensation for death, injury, loss or damage to other people or their property.

Market Value means the reasonable sale value of the item of insured property immediately prior to the loss or Damage. In the event of dispute over the Market Value, an expert opinion of a valuer, surveyor, repairer (if applicable) or other suitable expert shall be engaged to offer an opinion at the Insurer's cost.

Mechanical or Electrical Breakdown means the failure or breakage of, or the inability to operate, any component or accessory, including any Motor, engine or transmission, any mechanical or electrical or electronic or alarm system, and includes any Damage their failure causes to the rest of those systems.

Motor means stern drive units, inboard and outboard engines described in the Policy Schedule and includes the propeller, shaft, gearbox, skeg, jet unit, wiring harness, instruments, portable fuel tank(s) and lines, battery and control cables and generator.

Named Cyclone or Windstorm means a cyclone, tropical depression, tropical storm, hurricane or windstorm named by the Bureau of Meteorology or any other similar foreign or domestic government body or agency.

Occurrence means an event, including continuous or repeated exposure to substantially the same general conditions which results in loss or Damage neither expected nor intended by You. An Occurrence may or may not give rise to a payable claim.

Period of Insurance means the period of time that You are covered by the Policy as shown in the Policy Schedule, unless the Policy ends earlier in accordance with its terms or law. Each renewal results in a new contract and new Period of Insurance.

Personal Effects means only the following personal items belonging to You or Your Family or passengers on board the Boat or its Tender - clothing, binoculars, mobile phones, prescription glasses and sunglasses, waterproof gear, bags, eskies, wine coolers, shoes, wallets or purses (excluding cash and credit cards), toiletry articles, hats or caps, keys or pens, portable radios, MP3 players and compact disc players.

Personal Watercraft means a recreational watercraft that the rider sits or stands on, rather than inside of as in the case of a boat, with an inboard engine driving a pump jet for propulsion and steering. Examples include *Jet-Skis, WaveRunners or SeaDoos*.

Policy means this Policy wording, the PDS, the Policy Schedule and any endorsement(s) or other documents issued by Us in writing amending the Policy wording or Policy Schedule, all of which are to be read together.

Policy Schedule means the most recently dated policy schedule We have provided to You which specifies important information such as the Policy number, navigation limits, details of the Boat, Total Sum Insured and any Excess(es) payable.

Premium means the amount You agree to pay for the insurance provided by the Policy as specified in the Policy Schedule or any endorsement. The Premium does not include government or other levies or taxes which may be payable in addition to the Premium.

Salvage means what is left of the Boat after it has suffered loss or Damage.

Seaworthy means the Boat is in a good condition, well maintained, suitable, capable and properly equipped for use in usual sea or water conditions and is reasonably fit in all respects to operate safely and efficiently for its designed purpose. This means:

- the Boat is designed for the intended usage;
- the Hull is structurally sound and clean;
- all mandatory safety gear is on board (when on the water) and kept in a good condition; and
- all other parts of Your Boat (e.g. Motor, steering, anchor, pumps, navigational equipment, etc.) are kept in a good condition, good working-order and well maintained and You can verify the maintenance recommendations of the manufacturer have been carried out.

Social or Corporate Yacht Racing means organised yacht racing including the use of spinnakers and/or extras and where the race distance is less than 50 nautical miles.

Tender means a small auxiliary boat or dinghy capable of being carried on deck or on davits on Your Boat or which is towed behind Your Boat, that is used as a lifeboat or means of transportation between Your Boat and the shore. Tender does not include any other type of personal watercraft unless agreed by Us in writing.

Theft means the taking of Your Boat, or other items that are covered by the Policy, without Your knowledge, consent or agreement.

Third Party means parties or persons who are neither You, Your Family nor Us.

Total Sum Insured means the amount We agree to insure Your Boat for and is the total value for the Boat's Hull, Motors, Equipment and Accessories, sails, masts, spars, standard and running rigging and Trailer, whether individual sums insured are specified for these items or not.

Trailer means the Trailer noted as covered in the Policy Schedule, which is a roadworthy vehicle in a condition that complies with registration requirements and designed to be towed by a motor vehicle and used in transporting Your Boat.

Water Ski Equipment means water skis, wakeboards, knee boards, ski biscuits, vests and ropes owned by You.

“We” or “Our” or “Us” or “Insurer” means Berkshire Hathaway Specialty Insurance acting through its agent New Wave Marine .

“You” or “Your” or “Insured” means the person(s) or entity(ies) named in the Policy Schedule as the insured.

POLICY SECTION 1 – COVER FOR YOUR BOAT

The following Cover for Your Boat is only available if 'Comprehensive Cover' is selected and stated on the Policy Schedule.

1. What You are covered for:**1.1. We will insure Your Boat for:**

- 1.1.1.** Accidental physical loss or Damage;
- 1.1.2.** Theft;
- 1.1.3.** malicious Damage; or
- 1.1.4.** Damage caused to Your Boat by any governmental authority in order to prevent or minimise a pollution hazard or threat of such a hazard resulting from an Accident to Your Boat, provided this has not resulted from a lack of due diligence by You, while Your Boat is in Australia and which occurs during the Period of Insurance.

1.2. We will only cover Your Equipment and Accessories for the events listed in clauses 1.1.1 to 1.1.14 whilst on board Your Boat in Australia, which occur during the Period of Insurance and whilst:

- 1.2.1** Your Boat is in use;
- 1.2.2** Your Boat is left unattended when moored or on its Trailer provided the Equipment and Accessories are locked in a cabin or locked space; or
- 1.2.3** whilst temporarily removed from Your Boat:
 - 1.2.3.1** for the purpose of repair including while being taken to or from repair or storage;
 - 1.2.3.2** for storage in securely locked premises.

provided at all times You act with Due Diligence.

All cover is subject to the exclusions and conditions shown elsewhere in the Policy.

2. What We will pay:**For an Actual Total Loss or Constructive Total Loss**

If Your Boat is insured on an Agreed Value basis We will pay You the Agreed Value of Your Boat as stated in the Policy Schedule.

We will not pay for any unrepaired Damage in addition to an Actual Total Loss or Constructive Total Loss.

If We pay You for an Actual Total Loss or Constructive Total Loss You agree that We are entitled (but not obliged) to take ownership of any Salvage or remaining Boat or parts.

For Partial Loss or Damage

We will either:

- 2.1 repair or replace the item(s) involved;
 - 2.2 pay You the reasonable cost of repairing or replacing the item(s);
 - 2.3 pay You the Agreed Value (where insured on an Agreed Value basis) of the item(s) involved; or
 - 2.4 pay You the Market Value of the item(s) involved where the item does not have an Agreed Value specified in the Policy Schedule,
- whichever is the lesser.

Your contribution for New-for-Old replacement parts and repairs on partial loss claims

If any replacement of the whole or part of any insured item results in a New-for-Old part being provided (because of unavailability of parts or otherwise), You will be required to make a contribution towards the cost of repair or replacement where the used item that has been repaired or replaced is over:

- one (1) year old, at the date of such loss or Damage; or
- three (3) years old, at the date of such loss or Damage for sails, fabric protective covers and Motor(s).

Your contribution will be the equivalent to 5% per year of the age of the item(s) subject to a maximum contribution of 50% of the item(s). This contribution shall be deducted by the Insurer from any claims payment.

Your contribution on Electronic items

When Electronic Items are over one (1) year old at the date of such loss or damage Your contribution will be the equivalent of 15% per year subject to a maximum contribution of 75% of the item.

Electronic Items comprise only the following: personal and or laptop computers, mobile/smart phones, communication or photographic equipment, home entertainment equipment including TV(s) and DVD player(s), iPads iPods, portable radio, mp3 players and compact disc players, mobile phones, CDs and DVDs, auto pilot, depth sounders, GPS (global-positioning system), EPIRB (Emergency Position Indicating Radio Beacon), two-way radios and other electronic equipment.

Your contribution for painting etc.

In respect of any claim for painting, recoating or treating a Damaged area of Your Boat following repair, We will pay 25% of the additional costs of painting, recoating or treating surfaces immediately adjacent to the Damaged area of Your Boat following repair to match colours and finish. The balance of such costs, and the costs of painting, recoating or treating remaining areas will be at Your cost.

Your Excess

The Excess amount stated on the Policy Schedule will be deducted from Your claim unless stated otherwise in the Policy.

Special Cyclone Excess

Unless otherwise stated in the Policy Schedule, in addition to the Excess amount stated in the Policy Schedule, We will apply an additional Excess, being an amount of 10% of the Agreed Value of Your Boat, when it or any part of it is lost or damaged as a direct result of a Named Cyclone or Windstorm when Your Boat is located North of Hervey Bay on the East Coast of Australia, or North of Exeter on the West Coast of Australia).

No Excess for Securely Moored or Stored Boat

In the event of a claim for Accidental loss or Damage to Your Boat that occurs while it is moored at its permanent or usual berth/pen (including air dock/air berth), private jetty, pontoon or stored ashore within a secured compound of a commercial marina or yacht club, We will not deduct the Excess shown in the Policy Schedule unless stated otherwise in the Policy.

This additional cover does not apply when:

- Your Boat is moored on a swing mooring at the time of the loss, or is not in its permanent or usual berth; or
- the claim is for loss or Damage caused by a Named Cyclone or Windstorm.

3. What You are not covered for:

3.1. Claims for Depreciation;

3.2 loss, including Theft, of outboard Motor(s) that are not securely attached to Your Boat;

3.3 the cost incurred in remedying a fault or error in design or construction or, in the event of Damage resulting from a fault or error in design or construction and giving rise to a claim under the Policy, for any additional cost or expenditure incurred by reason of betterment or alteration required, or for the cost and expense of replacing or repairing any part condemned solely in consequence of a fault or error in design or construction.

3.4 the cost of repairing or replacing Damaged item(s) due to Mechanical or Electrical Breakdown or electronic failures unless caused by any of the following:

- 3.4.1 fire, explosion or lightning;
- 3.4.2 collision with another boat or external object other than water;
- 3.4.3 a malicious act by persons other than You or a Family member;
- 3.4.4 Burglary and/or Theft.

We will however pay for the cost of repairing consequential Damage to Your Boat due to such failure.

3.5 loss or Damage to:

3.5.1 sails and protective covers caused by wind or water unless Your Boat is stranded, sunk or in a collision or suffers mast or rigging failure; or

3.5.2 sails, masts, spars, standing and running rigging while Your Boat is racing, unless We have agreed to provide the Optional Cover "Yacht Racing Risks" and this is shown in the Policy Schedule and You have paid or agreed to pay any additional Premium required. This clause does not apply to Social or Corporate Yacht Racing.

We will **not** cover You for loss or Damage caused by or resulting from:

3.6 wear and tear, osmosis, deterioration, vermin, marine and non-marine infestations or organisms, weathering including sunlight, dampness or normal wetting or any other gradually operating cause;

3.7 rot, mould, rust or other forms of corrosion, delamination, mildew or electrolysis, oxidisation and inherent vice; or

3.8 gradual ingress of water into the Boat, its Motor(s) and Equipment and Accessories where You cannot provide proof that the Boat has been regularly checked (at least once every 3 months) to ensure that these are in a water-tight condition and bilge pumps are functioning and in good order.

4. Additional Condition and Exclusion applicable to Personal Watercraft

4.1 If Your Boat is a Personal Watercraft it is a condition of Your Policy that You are at all times required to take reasonable security measures to prevent Theft including ensuring all Anti-Theft Devices are engaged. We will not cover You for Theft where You have failed to ensure all Anti-Theft Devices are engaged.

4.2 If Your Boat is a Personal Watercraft We will **not** cover You for water ingress (i.e. the in-flow of water into the Personal Watercraft), causing Damage to the Motor other than Damage caused as a result of an impact or collision with a solid object resulting in Damage to the Hull.

POLICY SECTION 2 – COVER FOR PERSONAL EFFECTS AND WATER SPORTS EQUIPMENT

The following Cover for Personal Effects and Water Sports Equipment is only available if 'Comprehensive Cover' is selected and stated on the Policy Schedule.

Personal Effects

We will cover Personal Effects of You, Your Family or any passengers on Your Boat or its Tender for Accidental loss or damage while they are on board or being carried to or from Your Boat or its Tender while Your Boat is in Australia and which occurs during the Period of Insurance. Unless otherwise shown in the Policy Schedule, the maximum We will pay for loss or damage is \$1,500 any one item to a maximum of \$10,000 in total any one Occurrence.

We will either:

- repair or replace the item(s) involved; or
- pay You the reasonable cost of repairing or replacing the item(s).

We will **not** cover You for Theft of Personal Effects of You, Your Family or any passengers on Your Boat or its Tender, unless this follows Burglary.

Water Sports Equipment

We will cover Your water sports equipment being Diving Equipment, Fishing Gear, Water-Ski Equipment, paddle boards, inflatable toys or other similar equipment or toys used by You for sporting or recreational purposes whilst on Your Boat for Accidental loss or damage while Your Boat is in Australia and which occurs during the Period of Insurance. Unless otherwise shown in the Policy Schedule, the maximum We will pay for loss or damage is \$1,500 any one item to a maximum of \$10,000 in total any one Occurrence.

We will:

- repair or replace the item(s) involved or, at Our option, pay You the reasonable cost of repairing or replacing the item(s); or
- pay the current Market Value of the item(s), whichever is the lesser.

We will **not** cover You for:

- Theft of water sports equipment unless this is as a result of Burglary; or
- loss of or damage to water sports equipment whilst being used.

POLICY SECTION 3 – COVER FOR YOUR LEGAL LIABILITY

The following Cover for Your Legal Liability is available when 'Comprehensive Cover' or 'Third Party Only' is selected and stated on the Policy Schedule.

1 What You are covered for - We will cover You or any person in charge or control of Your Boat with Your permission (excluding boat builders, boat brokers, repairers, yacht clubs and marina operators except as provided by this Section), for Legal Liability arising from an Accident involving Your Boat which occurs in Australia during the Period of Insurance including:

- 1.1 the costs for the rescue of You, Your passengers or Your crew;
- 1.2 Legal Liability for loss, damage or contamination caused by the sudden Accidental discharge release or escape of fuel, lubricants or sewage from the holding tanks of Your Boat up to \$500,000 (including GST and legal expenses) for any one Occurrence.
- 1.3 the costs of salvaging Your Boat;
- 1.4 the costs of any attempt or actual raising, removal or destruction of the wreck of Your Boat;
- 1.5 any costs that result from any neglect or failure to raise, remove or destroy Your Boat;
- 1.6 Legal Liability imposed upon You by the terms and conditions of any lease or agreement for the provision of a marina berth, mooring or storage facility which You may own or use;
- 1.7 death, injury, loss or damage to a Third Party or their property.

2. Operating a substitute boat - We will cover You for Your Legal Liability arising out of an Accident which occurs in Australia during the Period of Insurance whilst You are operating any other boat provided that:

- 2.1 You have permission from its owner;
- 2.2 Your Boat is not being used at the time;
- 2.3 You or any member of Your family do not own or have an interest in the substitute boat; and
- 2.4 if You are entitled to cover under any other policy, then to the extent permitted by law We will only be liable under this clause for the amount Your liability exceeds the limits of cover under any other policy.

3. We will also pay for:

- 3.1 legal or other reasonable expenses incurred with Our prior written consent; and
- 3.2 the cost of attendance at court proceedings at Our request, subject to a maximum amount of \$250 per person per day;

4. Limit on What We will pay - the maximum We will pay is the amount shown in the Policy Schedule in total for all claims that arise from any one Accident. This maximum amount includes all legal fees and expenses.

5. What You are not covered for - We will **not** pay for:

- 5.1 loss of or damage to any property owned by You or Your Family or borrowed by You and in Your custody or control or the property of any other person covered by the Policy;
- 5.2 any fines or penalties awarded against You;
- 5.3 Legal Liability arising from the towing of persons or objects from the Boat. This exclusion will not apply where We have agreed to cover You under the Optional Cover for Water-skiing and Aquaplaning Activities and this is stated in the Policy Schedule accordingly;
- 5.4. Parasailing, regardless of whether We have agreed to cover You under the Optional Cover for Water-skiing and Aquaplaning Activities and this is stated in the Policy Schedule accordingly;
- 5.5 loss or damage to Third Party property arising from the Trailer being towed by, breaking away from, or accidentally becoming detached from the towing vehicle;
- 5.6 Legal Liability under any contract or agreement unless such liability would have attached in the absence of such contract or agreement;
- 5.7 the Legal Liability of any tradesperson or company engaged by You for the repair, service or maintenance of Your Boat; or
- 5.8 actions that are brought against You, or any person in charge or control of Your Boat with Your permission at the time of the Accident, in a court or tribunal outside Australia or a court or tribunal that applies laws other than the law of Australia.

POLICY SECTION 4 – COVER FOR PERSONAL INJURY TO YOU

The following Cover for Personal Accident to You is only available if 'Comprehensive Cover' is selected and stated on the Policy Schedule.

1. Personal Injury - If You suffer a specific bodily injury named below as a result of an Accident which occurs during the Period of Insurance and happens at one place and at a particular time, in direct connection with the Boat, including when stepping onto, whilst on board, stepping from Your Boat whilst afloat, or whilst Your Boat is being put into or retrieved from the water, We will pay the following amount arising out of any one Event:

- 1.1 Permanent Total Disablement \$30,000
- 1.2 total and permanent loss of all sight of one or both eyes \$30,000
- 1.3 total and permanent loss of a limb \$30,000

Provided such bodily injury is the sole cause of the above and occurs within three (3) calendar months of the Accident occurring and the Accident occurs In Australia during the Period of Insurance.

If more than one person is named as You in the Policy Schedule suffers death or a bodily injury from the same Accident the amount paid to each person will be the limit payable under this Section 4 divided by the number of persons. The total payable for any one Accident will in all instances be limited to \$30,000 in total.

2. Definitions applicable to this Section 4 only

Permanent Total Disablement means You have been unable to carry out any occupation for which You are fit by reason of Your education, training or experience for a period of at least twelve (12) consecutive months and a registered specialist medical practitioner certifies that You will remain unable to do so for a continuous indefinite period solely and directly as a result of the bodily injury.

3. What You are Not covered for - We will *not* be liable to pay compensation where:

- 3.1 any entity, company or other organisation that falls within the definition of "You", "Your" or "Insured" is not an individual person.
- 3.2 You have passed Your 75th birthday at the start of the Period of Insurance;
- 3.3 Your claim arises from an Accident while Your Boat is being used for purposes other than Your own private pleasure purposes;
- 3.4 Your claim arises directly or indirectly from:
 - 3.4.1 sickness or disease;
 - 3.4.2 bacterial or viral infection not occurring through an Accidental cut or wound;
 - 3.4.3 natural causes;
 - 3.4.4 surgical treatment (unless rendered necessary as a result of a covered Accidental bodily injury);
 - 3.4.5 suicide or attempted suicide;
 - 3.4.5 intentional self-injury or deliberate exposure to exceptional danger;
 - 3.4.6 diving, snorkelling, swimming, water-skiing, wake-boarding, wake-surfing, kiting, aquaplaning, or similar in-water or airborne activities or other activities away from the Boat;
 - 3.4.7 Your own criminal act including whilst under the influence of drugs and/or alcohol.

4. Other conditions

- 4.1 Our payment is subject to the individual claiming under this Section 4 obtaining medical attention for the Accidental injury from a registered medical practitioner and undergoing any reasonable medical examination requested by Us at Our expense.
- 4.2 We will not pay for any claims where providing such payment would result in Us contravening the Health Insurance Act 1973 (Cth), the Private Health Insurance Act 2007 (Cth), the National Health Act 1953 (Cth) or workers compensation legislation, or any succeeding, amendment, replacement or equivalent legislation to those Acts or any other similar applicable legislation.

POLICY SECTION 5 – COVER FOR ADDITIONAL COSTS & EXPENSES

The following Cover for Additional Costs & Expenses is only available if 'Comprehensive Cover' is selected and stated on the Policy Schedule.

Clean Up Costs

We will cover You for the costs of cleaning up an accident site following Accidental discharge, emission spillage or leakage upon or into waters or land, of oil, diesel, petroleum products, effluent or sewage following an Occurrence that is covered under Section 1 of the Policy up to a maximum of \$25,000 in addition to the Agreed Value of Your Boat.

Emergency Equipment Replacement Costs

In the event of a claim which We have accepted under Section 1 for Accidental loss or Damage to Your Boat We will reimburse You the costs You have incurred:

- for the replenishing, refilling or replacing of fire extinguishers and safety flares;
- to replace the battery within Your EPIRB (or similar emergency beacon); or
- for the repacking of Your life raft,

up to a maximum of \$1,500 any one Occurrence.

Lost Keys Replacement Costs

We will cover You for the loss or Theft of the keys of Your Boat occurring during the Period of Insurance, including the costs associated with re-coding the new keys if applicable. No Excess is applicable to a claim made under this additional benefit. The maximum amount payable under this benefit is \$500 for any one Occurrence.

Removal of Wreck Costs

We will pay the reasonable costs limited to \$5,000 of removing Your submerged or otherwise wrecked Boat from Your own private mooring or other location even if You have no legal responsibility to do so (see Policy Section 3 for detail on Cover for Your Legal Liability) following an Accident that has occurred during the Period of Insurance.

Sighting Bottom after Grounding costs

We will pay costs incurred by You for the purpose of sighting the hull bottom up to a maximum amount of \$5,000 any one Occurrence, where during the Period of Insurance Your Boat becomes stranded and/or grounded and/or is involved in an Accident regardless of whether any resultant Damage is discovered.

Sue and Labour Costs (expenses to avoid or minimise loss or Damage)

We will reimburse You, without deduction of Excess, and in addition to the amount stated in the Policy Schedule as the Total Sum Insured, for all expenses necessarily and reasonably incurred by You in preventing or attempting to prevent loss or Damage, where a claim would be or has been accepted by Us under Section 1.

Cover under this clause includes but is not limited to emergency towing, emergency repairs such as drying all electrical equipment, cleaning and oiling the Motor(s). You do not need Our authority to take such action if it is an emergency. However, You must advise Us as soon as possible after the action has been taken.

Transport and Accommodation Costs

If We have accepted a claim under Section 1 of the Policy for damage to Your Boat, in consequence of which Damage it cannot be used for its intended purpose of accommodation, We will also pay the related costs necessarily incurred by You for accommodating and transporting You, Your crew and passengers, to Your usual place of residence, or to the mooring, marina or boat ramp from which Your journey commenced. The maximum amount payable under this benefit is \$5,000 for any one Occurrence.

POLICY SECTION 6 – OPTIONAL COVERS

The following Optional Covers are only available if 'Comprehensive Cover' is selected and stated on the Policy Schedule and the selected Option is also stated on the Policy Schedule.

The following Optional Covers only apply where they are shown as covered in the Policy Schedule.

A) Water-skiing and Aquaplaning Activities

We will extend the cover provided under Section 3 – Cover for Your Legal Liability for Water-skiing and Aquaplaning Activities as follows:

1. We will cover You or any person using Your Boat with Your permission and the observer (within the requirements of any law) against Legal Liability for:
 - 1.1 Accidental death or bodily injury to a water skier or aquaplaner (including You) towed by Your Boat;
 - 1.2 Accidental death or bodily injury to any person caused by a water skier or aquaplaner being towed by Your Boat; or
 - 1.3 Accidental Damage to a Third Party's property caused by a water skier or aquaplaner being towed by Your Boat, arising from an Accident involving Your Boat which occurs in Australia during the Period of Insurance.

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

2. What You are **not** covered for:

In addition to the exclusions specified under Section 3 – Cover for Your Legal Liability the following exclusions will apply to this Optional Cover:

We will not pay for Legal Liability arising out of water-skiing or aquaplaning when:

- 2.1 You have not selected this Optional Cover and it is not shown on the Policy Schedule;
 - 2.2 there is not a competent observer in addition to the driver on board Your Boat at the time of the Accident;
 - 2.3 an aerial device or ski ramp is being used at the time of the Accident;
 - 2.4 a ski mast, ski pole or ski tower are being used at the time of the Accident, unless it has been professionally-designed, manufactured and installed; or
 - 2.5 involved with competition water-skiing/ wakeboarding or water-ski racing of any description at the time of the Accident.
- 2.6 We will **not** pay for Legal Liability arising out of the towing of:
- any person by Your Boat that breaches any statutory requirements; or
 - any device not designed and professionally manufactured for the purpose of being towed behind Your Boat.

B) Yacht Racing Risks

We will extend the cover provided under Section 1 – Cover for Your Boat to cover loss of or Damage to Your Boat including:

- sails;
- mast(s);
- spars;
- booms;
- spinnaker poles;
- standing and running rigging,

arising from an Accident involving Your Boat whilst it is racing in Australia and which occurs during the Period of Insurance.

We will also extend the cover provided under Section 3 – Cover for Your Legal Liability for You or any person using Your Boat with Your permission for Legal Liability arising from an Accident involving Your Boat whilst it is racing in Australia.

You will have to pay the Yacht Racing Risks Excess shown in the Policy Schedule for loss or Damage to Your Boat or Legal Liability or damage to other people's property (as applicable).

POLICY SECTION 7 – GENERAL EXCLUSIONS

The following General Exclusions apply to all Sections of the Policy.

1. What You are not covered for:

We will **not** cover You for:

1.1 any loss, Damage or Legal Liability:

- 1.1.1 caused by or arising as a result of the Boat being not Seaworthy, or due to lack of repair or maintenance of Your Boat or any other boat covered by the Policy;
- 1.1.2 arising from Your Boat being on a mooring or berth that is not suitable for Your Boat's size or type;
- 1.1.3 arising from Your Boat being on Your mooring or berth that has not been inspected or serviced within the required period, or does not meet the minimum specifications set by any port, harbour-master, local council or any other legally competent authority.

1.2 any loss or Damage

- 1.2.1 intentionally caused by You or a person acting with Your express or implied consent, unless required by law;
- 1.2.2 caused by Your reckless acts or wilful misconduct.

1.3 loss of use or any consequential loss; including financial or mental loss that occurs because You cannot use Your Boat.**1.4 Theft by persons to whom You have loaned the Boat.****1.5 Theft of tools, Water Ski Equipment, Fishing Gear, Diving Equipment, Personal Effects or other sports and leisure equipment not normally sold with the Boat unless this follows forcible and violent entry into a lockable part of Your Boat as a result of Burglary.****1.6 Accidental loss or damage to tools, Water Ski Equipment, Fishing Gear, Diving Equipment or water sports equipment whilst in use.****1.7 any loss, Damage or Legal Liability resulting from or in any way connected with Your failure to exercise Due Diligence.****2. We will not cover You when:****2.1 Your Boat is being used:**

- 2.1.1 in racing, speed tests or trials, unless it is a sailing boat and the Optional Cover "Yacht Racing Risks" has been agreed or the Boat is being used for Social or Corporate Yacht Racing;
- 2.1.2 for an unlawful purpose;
- 2.1.3 for hire or charter, or for payment or reward at the time of the Accident or loss.

2.2 Your Boat is being operated:

- 2.2.1 with a Motor more powerful than recommended by the Hull manufacturer for the Hull specifications; or
- 2.2.2 with more than the maximum number of passengers or load recommended by the Hull manufacturer.

2.3 Your Boat is being towed / transported on a Trailer:**2.3.1 and the driver of the Trailer:**

- (a) has a proportion of blood/alcohol or breath/alcohol exceeding the legal limit, or refuses to take or fails a breath or blood test;
- (b) was not licensed to drive a vehicle in accordance with the law.

However, We will cover You if You can clearly demonstrate that You had no reason to suspect that the driver was unlicensed or intoxicated;

- 2.3.2 unless the Boat and Trailer are designed and built for that purpose;
- 2.3.3 where the Trailer does not meet warrant of fitness or minimum braking standards as required by law.

2.4 Your Boat is under the control of any person who is under the influence of alcohol and/or drugs. However, We will cover You if You were not on board the Boat at the time and can clearly demonstrate that You had no reason to suspect that the person in control would be under the influence of alcohol and/or any drug.

2.5 Your Boat is undergoing alterations (e.g. extending the length of the Boat, major refurbishment of deck, cabin and Hull or replacing inboard engines).

2.6 Your Boat is left unattended at anchor for more than 24 consecutive hours at the time of the Occurrence.

3. We do not cover:

3.1 **War** - loss, damage, liability, or expense directly or indirectly caused by, contributed to by, or arising from:

3.1.1 war, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war; or

3.1.2 mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.

3.2 **Radioactive Contamination and Weapons** – loss, damage, liability, or expense directly or indirectly caused by, contributed to by, or arising from any radioactive contamination, chemical, biological, Bbio-chemical or electromagnetic weapon.

In no case shall this insurance cover loss, damage, liability, or expense directly or indirectly caused by, contributed to by, or arising from:

3.2.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;

3.2.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; or

3.2.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter, the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

3.3 **Terrorism** - loss, damage, liability or expense directly or indirectly caused by, contributed to, or arising from:

3.3.1 Terrorism; or

3.3.2 any steps taken to prevent, suppress, control or reduce the consequence of any actual, attempted, anticipated, threatened, suspected or perceived Terrorism.

For the purpose of this clause, "Terrorism" means any act(s) of any person(s) or organisation(s) involving:

a) the causing, occasioning or threatening of harm of whatever nature and by whatever means; or

b) putting the public or any section of the public in fear;

in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

3.4 **Sanctions** - any loss where payment of such claim or provision of such benefit breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, New Zealand, Australia or United States of America.

3.5 **Infectious or Contagious Diseases** - any loss, damage, liability, or expense directly or indirectly caused by, contributed to by, or arising from the actual or suspected presence or threat of any virus, organism or like substance that is capable of inducing disease, illness, physical distress or death to humans, whether infectious or otherwise, including but not limited to any epidemic, pandemic, influenza, or any outbreak of a virus or disease affecting humans, or any derivative or mutation thereof. This includes, but is not limited to, the human coronavirus, SARS-CoV-2, which causes the disease COVID-19.

POLICY SECTION 8 – GENERAL POLICY CONDITIONS & PROVISIONS

The following General Policy Conditions apply to all Sections of the Policy:

1. Assignment

You must not assign or attempt to assign the Policy or Your interest in this Policy to any other person or party.

2. Breach of Policy terms or conditions

If You or any other person entitled to indemnity under the Policy breaches any of the Policy terms or conditions We may be entitled to refuse or reduce Our liability under the Policy in respect of a claim and/or cancel the Policy, to the extent permitted by law.

Nothing in the Policy affects Our right to avoid the Policy for fraudulent non-disclosure.

3. Goods and Services Tax (GST)

Any claim payable made under this Policy will be based on GST-inclusive costs, up to the Total Sum Insured or maximum amount that We pay. Note that whether You can claim an Input Tax Credit or any tax allowance for payments for claims You received under this Policy may depend on your personal taxation circumstances, including whether or not you are registered for GST. If You are or would be entitled to claim any input tax credit for the repair or replacement of Your property or for other things covered, We will reduce any claim under the Policy by the amount of such input tax credit. You must advise Us of Your correct input tax credit percentage where You are registered for GST. You may be liable to Us for any GST liability We incur arising from Your incorrect advice or inaction. All references to GST in this Policy are to A New Tax System (Goods and Services Tax) Act 1999 (Cth).

4. Joint Policyholders

Where the Policy is issued in joint names, then the Policy is a joint Policy. This means that:

- all Insureds entitled to cover under the Policy must meet all the conditions and obligations applying to You under the Policy;
- if one of You does or fails to do anything so that there is no cover, there will be no cover for any of You.

5. Other insurance

If at the time of an Accident another policy is in force covering the same risk then to the extent permitted by law We will only pay the amount in excess of the amount that is recovered under those policies limited to the Total Sum Insured shown in the Policy Schedule.

6. Social and Corporate Yacht Racing

Your Boat is covered while being used in Social or Corporate Yacht Racing events in Australia subject to the distance limit stated in the Policy Schedule.

7. Search and Rescue use

Your Boat is covered whilst being used for search and rescue work undertaken by the Australian Volunteer Coast Guard, Australian police, Volunteer Sea Rescue Groups or other similar constituted authority, but this clause does not extend to cover the Legal Liability of such organisations or authorities.

8. Subrogation

In the event We are liable to cover You for any loss or liability under the Policy, We will be entitled to pursue Your legal rights to recover in respect of that loss or liability.

You must:

- a) consent to Us pursuing those rights and You must reasonably cooperate with Us in pursuing those rights;
- b) reasonably co-operate with Us in any action We take if We have a right to recover any money payable under this Policy from any other person;
- c) give Us Your rights to conduct, defend or settle any legal action and to act in Your name. You must not do anything which prevents Us from doing this.

POLICY SECTION 9 – CLAIMS & EMERGENCIES

WHAT TO DO WHEN A CLAIM OCCURS

1. What You must do:

1.1 Prevent further Damage or loss - You must promptly take all reasonable and responsible precautions to prevent any further loss or Damage to Your Boat including electrical equipment and components which have been submerged and in the case of a Motor(s), the flushing out and oiling of the Motor and the drying out of its and all other electrical equipment and components.

1.2 Report loss or damage to Police – promptly report to the Police any malicious Damage, Burglary, Theft or attempted Theft of Your Boat. You must give Us a written statement or report from the Police saying that You reported such an event to them.

1.3 Notify Us - promptly notify Us of any Accident or Occurrence that may give rise to a claim under the Policy by:

- 1.3.1 contacting Us as soon as possible and telling Us details of what has happened; and
- 1.3.2 completing Our claim form and any other form We ask You to complete.

To complete the Claims Form, go to www.newwavemarine.com.au and click “Make a claim”.

Login with your email address and policy number.

1. A text message or email will be sent to You with a code
2. Enter the code into the website and you will be logged in

Click "new claim", complete the claim form online, and click Submit. Your claim will then be sent directly to Us .

If You have trouble logging-in please call New Wave Marine whose details appear at the top of this PDS.

Should You have questions after submitting Your claim, You can contact New Wave Marine.

1.4 Co-operate with Us – assist Us with Your claim:

- 1.4.1 make Your Boat available for inspection by Us at any reasonable time;
- 1.4.2 co-operate with Our assessors, investigators and anyone else We may appoint to help Us; and
- 1.4.3 take photographic evidence of any Damage should a health and safety issue warrant immediate removal or destruction before We are able to inspect.

1.5 Produce Records – that We require. You must be able to prove Your loss or Damage. Please ensure You keep:

- 1.5.1 all documentation relevant to the ownership or purchase of Your Boat and other property insured under the Policy;
- 1.5.2 any service records relevant to Your Boat and other property insured under the Policy; and
- 1.5.3 evidence to support the amount of any Accidental loss or Damage that You are claiming for.

2. What You must not do:

2.1 Without Our prior written consent You must not:

- 2.1.1 admit fault, guilt or liability;
- 2.1.2 authorise repairs to Your Boat;
- 2.1.3 negotiate or make any offer of settlement or payment;
- 2.1.4 defend any claim.

3. Repairers

- 3.1 You may choose the repairer of Your Boat, unless We tell You that You must take Your Boat to another repairer due to the specialised nature or extent of repairs required. You or the repairer must get a written agreement from Us to start any repairs before We will accept responsibility for them.
- 3.2 We may obtain or require the provision of 2 or 3 quotations before the repairs proceed, to verify the reasonable costs of repair.

3.3 It is Your responsibility to ensure that You are satisfied with the repairs to Your Boat. We will provide all reasonable assistance to help you have unsatisfactory or defective repairs rectified.

4. Excess – the amount deducted from Your claim:

- 4.1 You are required to pay an applicable Excess(es) shown on the Policy Schedule or elsewhere in the Policy, for each and every claim made under Your Policy. More than one Excess may apply depending on the nature of the claim.
- 4.2 All claims arising out of one Accident or Occurrence are treated by Us as one claim for the purposes of applying the Excess(es).
- 4.3 We pay the relevant amounts less the Excess payable by You.

5. We may refuse or reduce a claim or cancel the Policy if amongst other things:

- 5.1 You do not do what Your Duty of Disclosure requires You to do when applying for the Policy, for example You:
 - 5.1.1 are not truthful;
 - 5.1.2 have not given Us, or refuse to give, full and complete details; or
 - 5.1.3 have not told Us something You should have.
- 5.2 You do not at all times take reasonable care to:
 - 5.2.1 prevent Burglary or Theft of Your Boat including outboard Motor(s) or the Equipment and Accessories;
 - 5.2.2 protect Your Boat against any initial or further loss or Damage;
 - 5.2.3 keep Your Boat in good condition; or
 - 5.2.4 obey any applicable statutory requirements that safeguard people or their property.
- 5.3 You do not give Us the documents and information We may need to help Us decide on any amount that We may pay You.

EMERGENCY SITUATIONS

When an Accident or other Occurrence has happened and You require immediate advice or assistance in protecting lives and the Boat, You should contact the nearest maritime authorities and emergency rescue services and request their instructions or assistance. Thereafter, if Your Boat needs emergency repairs or towing to a place of safety please contact our 24/7 Emergency Number shown at the front of this document.