

## Boat Insurance

# Premium, Excess, Discounts & Aussie Assist Benefits Guide

This RACV Boat Insurance Premium, Excess, Discounts & Aussie Assist Benefits Guide should be read with and forms part of the RACV Boat Insurance Product Disclosure Statement and Policy Booklet (PDS), prepared on 19 May 2019.

This guide applies to policies issued with a boat kept in Victoria with a commencement date on or after 13 October 2020 or with a renewal effective date on or after 28 October 2020\*.

This guide provides further information about the cost of your insurance and excess(es) you may need to pay if you make a claim.

\* Call 13 RACV (13 7228) for information about policies issued with a Boat kept outside Victoria.

### How we work out your premium

Your insurance premium generally reflects the likelihood of a claim being made on your policy in the future. There are a number of factors we take into account when determining your premium. We calculate your premium by combining and considering the following:

- ▶ Pricing factors
- ▶ Choice of excess
- ▶ Policy options
- ▶ Discounts, and
- ▶ Government charges.

Other commercial factors affect the premium you pay, including costs associated with operating our business. Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because the premium you pay is calculated based on a number of factors including our updated modelling, your circumstances and wider insurance trends.

### Pricing factors

The premium you pay for your insurance reflects the likelihood of you making a claim together with the potential value of any claim. So, if you have a lower chance of making a claim then you will generally pay a lower premium compared to someone who has a higher chance of making a claim.

Our experience shows there are a number of factors that are a good indicator of the possibility of a claim being made. We call these pricing factors.

Some pricing factors are more significant than others, and the impact may vary according to your circumstances. For boat insurance policies, pricing factors that may be taken into account in determining your premium include a combination of some or all of the following:

- ▶ optional coverages or benefits you have chosen
- ▶ the sum insured you have chosen
- ▶ any excesses or special conditions that apply
- ▶ the type of boat - for example, cruiser or sailboat
- ▶ how your boat is kept - for example, moored or dry stored
- ▶ the address of where your boat is kept
- ▶ the maximum speed of your boat
- ▶ how you choose to pay your premium
- ▶ your previous year's premium if your policy is a renewal, and
- ▶ features including age and claims history of the owners and operators.

#### **This is not an exhaustive list of our pricing factors.**

We collect information in relation to these pricing factors from you and other sources and we use our data, models, and experience to assess how important each pricing factor is for your policy. At any time we may change the relative importance of any of the pricing factors or how they combine to affect your premium, and we may add to or remove pricing factors from the calculation as we see fit.

We also consider your previous premium and may take steps to limit the change in your premium at renewal.

## Policy options

Optional cover you can add:

- ▶ Contents cover
- ▶ Lay up cover
- ▶ Liability cover for water-skiing and flotation devices
- ▶ Sailboat racing cover.

When you add an option to your policy, you need to pay an extra premium for the increased cover we give you. However, you don't pay extra for 'Lay up' cover – it reduces your premium in line with your reduced cover. Any optional covers you choose to add will be shown on your current Certificate of Insurance.

### Cost of choosing to pay by the month

If you choose to pay your premium by monthly instalments you pay more than if you pay annually. The extra premium you pay will be shown on your current Certificate of Insurance.

## Discounts

We offer the following discounts that you may be entitled to:

- ▶ Years of Membership Benefit
- ▶ Multi-Policy Discount
- ▶ No Claim Bonus.

The way in which the discounts are applied to your premium is set out in the 'How we calculate your boat premium' section of this guide on page 4.

### Years of Membership Benefit

This discount applies to Boat Insurance#.

We reward you with a Years of Membership discount which is linked to the colour of your RACV Membership Card. RACV Years of Membership Benefit increases the longer you are with us.

Membership Card Colour	Years of Membership	Annual Discount
Blue	0-4 years	0%
Bronze	5-9 years	5%
Silver	10-24 years	10%
Gold	25-50 years	15%
Gold 50	51 years or more	20%

# Excludes Travel, Business, Farm, Single Item and Pet Insurance products.

The way in which your Years of Membership Benefit is applied to your premium is set out in the 'How we calculate your boat premium' section of this guide on page 4.

### Multi-Policy Discount

A Multi-Policy Discount rewards you for holding multiple RACV policies.

See if you qualify for a Multi-Policy Discount#:

How to qualify	Multi-Policy Discount
Hold two or more of the following: Home, Landlord, Motor, Caravan & Trailer, Boat or Veteran, Vintage and Classic Vehicle Insurance.	<b>Save 10%</b> On your Home, Landlord, Motor, Caravan & Trailer, Boat or Veteran, Vintage and Classic Vehicle Insurance.

To receive the Multi-Policy Discount, the qualifying products must:

- ▶ be current, and
- ▶ have at least one common insured named on each policy.

On existing policies the discount applies from the date of next renewal after you qualify.

The way in which your Multi-Policy Discount is applied to your premium is set out in the 'How we calculate your boat premium' section of this guide on page 4.

# Excludes Travel, Business, Farm, Single Item and Pet Insurance products.

### No Claim Bonus

A No Claim Bonus is a reward for a good insurance record. We reward you with a reduced premium, based on the number of years of claim-free insurance.

You may be entitled to a No Claim Bonus, depending on the number and type of boat claims you have made.

The No Claim Bonus levels are:
25%
20%
15%
10%
5%
0%

### How does No Claim Bonus work?

Each year at renewal, you automatically move up to the next level of No Claim Bonus if you do not make a claim in that policy year.

If you make a claim for something that is not your fault and you can provide the name and residential address of a person that we agree is responsible, your No Claim Bonus will not be affected.

Otherwise, if you do make a claim in a policy year, you will move down two levels of No Claim Bonus on renewal.

The way in which your No Claim Bonus is applied to your premium is set out in the 'How we calculate your boat premium' section of this guide on page 4.

## Government charges

Boat Insurance policies are subject to stamp duty imposed by state and territory governments in addition to GST.

Government Charges	Boat Insurance
GST	10%
Stamp Duty	10%

## Excess

An excess is an amount you pay when you lodge a claim. The amount and types of excess(es) payable are shown on your current Certificate of Insurance. You may have to pay more than one type of excess depending on your circumstances.

The types of excess(es) that may apply are:

- ▶ Basic
- ▶ Age
- ▶ Special
- ▶ Racing.

### Basic excess

If you make any type of claim you must pay the basic excess that applies to your policy. The basic excess amount is \$200, however you may be able to choose a different basic excess – see 'Choice of excess' below.

#### Choice of excess

You can choose a different basic excess amount to the one we determine when you first take out a policy and when you renew a policy. During your policy period, you can also choose to increase your basic excess.

If you choose a higher basic excess you can reduce your premium and if you choose a lower basic excess you will pay an additional premium.

You can choose one of the following amounts as your basic excess: \$100, \$200, \$300, \$500, \$1,000 or \$2,000.

### Age excess

This excess applies in addition to any other excess when the person controlling your boat or driving the motor vehicle which is towing your boat is under 25 years of age.

The age excess is \$450.

### Special excess

We may decide to apply a special excess to you or someone else who operates your boat, or in relation to a specific incident, taking into account such factors as:

- ▶ the type of boat
- ▶ how the boat is kept
- ▶ owner or operator incident, claims history.

The amount of the special excess will be shown on your current Certificate of Insurance.

A special excess applies in addition to any other excess. You cannot pay an additional premium to remove a special excess.

### Racing excess

This excess applies instead of the basic excess if you chose to add the option 'Sailboat racing cover' to your policy and make a claim under that option.

The racing excess is whichever of these amounts is higher:

- ▶ your basic excess, or
- ▶ 25% of the cost to repair or replace the loss or damage to your boat.

#### One basic excess when you claim under two policies

You don't need to pay the basic excess that applies under your policy if:

- ▶ your motor vehicle is comprehensively insured with us
- ▶ the same incident causes loss or damage to both your motor vehicle and boat while your boat is attached to your motor vehicle, and
- ▶ you make a claim under both policies.

You need to pay the basic excess that applies under your motor vehicle policy. And, you also need to pay any other excess(es) that apply under each policy.

## How we calculate your boat premium

### Step 1

First, we'll combine the pricing factors.

### Step 2

Then we add the cost of choosing pay by the month.

### Step 3

We then work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 2.

### Step 4

Then, we add the cost of any optional covers you may have chosen. Where you have chosen Lay up cover, we will adjust your premium in line with your reduced cover.

### Step 5

We then work out any Multi-Policy Discount that you may be eligible for and apply this to the amount from Step 4.

### Step 6

We apply any Years of Membership Benefit you may be eligible for to the amount in Step 5.

### Step 7

We then add applicable government charges to work out the premium you need to pay.

## Aussie Assist 13 19 03 – help with emergencies

Our Aussie Assist telephone service provides you with help and advice 24 hours a day, seven days a week.

All dollar values described in this Benefits Guide include GST.

Aussie Assist provides assistance:

- ▶ over the phone while travelling
- ▶ with illness or injuries.

You need to contact us BEFORE using any of the services or benefits that Aussie Assist offers.

In this guide 'family member' means your spouse (legal or de facto), your children or spouse's children or any member of your or your spouse's family, who normally live with you.

### Aussie Assist can provide you with:

#### help while travelling

If you or your family are away from home in Australia, you can use our telephone service to receive assistance:

- ▶ with travel advice and directions
- ▶ with booking accommodation or changing travel arrangements
- ▶ with transferring funds to and from financial institutions, or clothing between family members in the event of an emergency
- ▶ with cancelling credit and access cards, and reissuing lost or stolen tickets, through our emergency message service.

#### help with illness or injuries

If you or a family member are away from your home in Australia and suffer an illness or are injured, we will:

- ▶ direct you to a local doctor or medical facility
- ▶ communicate with relatives or friends on your behalf
- ▶ pay for trauma counselling.

The most we will pay for trauma counselling is \$1,000 in total.

**If there is anything you don't understand about this RACV Boat Insurance Premium, Excess, Discounts & Aussie Assist Benefits Guide, please call us on 13 RACV (13 7228) or visit an RACV Shop.**