



**TOPSAIL INSURANCE PRODUCT
DISCLOSURE STATEMENT**

**Incorporating the Topsail Insurance
Yacht and Motor Boat Policy Wording**



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Topsail Insurance commitment :

Topsail Insurance is dedicated to providing marine insurance products that provide quality protection with competitive pricing. We are proud to establish successful partnerships with our clients, our staff members, and our insurance companies, that respect the interests and goals of each party.

Success is measured by our clients choosing us and remaining with us because of their belief in our ability to meet or exceed their expectations of price, product, service, and expertise.

How can we help ?

Topsail are here to help and answer any questions you may have:

If you enquired through a broker and not directly to Topsail Insurance please contact your broker.

Otherwise :

Call Topsail +61 8 6102 8861
Email: enquiries@topsailinsurance.com.au
Write to : P.O.Box 48, South Fremantle,
Western Australia, 6162

About Topsail Insurance

Topsail Insurance Pty Ltd holds an Australian Financial Service Licence (Licence No. 467369) and is authorised to arrange, issue and provide general advice on general insurance products to Australian residents.

Topsail has a sister company Topsail Insurance Ltd in the United Kingdom which is regulated by the Financial Conduct Authority.

About your insurer

Topsail Insurance Pty Ltd is a general insurance underwriting agency that is authorised to issue Yacht & Motorboat insurance policies as Agent of the Insurer.

The Insurer of your Policy are Certain Underwriters at Lloyd's who are authorised under the Insurance Act 1973 to write Australian insurance business.

Full details of the insurer arrangements can be found in Topsail's Financial Services Guide and the insurer will be clearly shown on your Policy Certificate.

In this document the insurers acting through their agent Topsail Insurance are referred to as "we". "us" and "our"

About this product disclosure statement

This document is important and will help you to understand if this insurance meets your needs and to assist you in making a make a decision to purchase the insurance.

Any advice given in this document is general only and does not take into account your individual objectives, financial situation or circumstances.

Not everything is covered by this insurance, policy limits, conditions and exclusions apply. It is important that you should read all the documentation provided to you carefully to decide if the insurance is right for you.

Failure to chose the appropriate insurance may adversely affect the ability for claims to be paid.

For details of the full cover provided please read the policy wording together with any certificate schedules once issued.

Understand Your Duty of Disclosure

Your duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, which 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 common knowledge; or
- we know or should know as an insurer; or
- we waive your 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 and treat the contract as if it never existed.

Significant Benefits and features

Important : This is a summary of the sections of cover only, please refer to the main policy wording for what is covered and not covered

Section	Cover	Description
Section 1)	Damage to the vessel	Physical Loss or damage by an accidental cause including theft, negligence, malicious acts, collision, fire, storm, sinking, freezing
Section 2)	Personal Effects	Protecting your belongings against theft, loss or damage whilst on board
Section 3)	War and Associated Risks	Physical Loss or damage caused by War, strikes, terrorism. Including arrest and seizure, derelict mines and torpedo's
Section 5)	Third Party Liability	Your legal liability to others for death or disability, loss or damage, wreck removal, court proceedings
Section 6)	Personal Accident	Cover for bodily injury or death whilst on board, embarking or disembarking
Section 7)	Medical Expenses	Following an injury on board, embarking or disembarking, the cost of medical, surgical, ambulance, hospital or other professional medical services.
Section 8)	Additional Benefits	Marina benefits, if a claim occurs on a marina berth, no excess is payable and your no claims bonus is not affected. Single handed sailing, automatically agreed up to 18 consecutive hours. Accommodation and travel expenses Bicycles and mopeds (whilst on board) Grounding inspections No claims bonus Transits by road

Applying for cover

To apply for this insurance you must complete the enquiry form. We will use this information supplied by you to decide the terms of cover we will provide. We may require additional information to assist us in providing terms.

It is important to provide us with accurate information and we ask you to refer to the Duty of Disclosure section of this document.

Where we agree to provide cover we will issue you with a Certificate Schedule which sets out important information :

❖ **Period of your Insurance**

this will be from the date you have requested we commence cover. We cannot back-date cover unless

insurers have agreed to hold covered the insurance pending certain information.

❖ **The premium**

this will be clearly stated and will clearly show any application of fees, stamp duty, GST or other governmental tax or levy that may be applicable

Premium must be paid prior to commencement of the Period of Insurance or at a date agreed in writing with insurers. Failure to make payment may invalidate the insurance and claims may not be paid.

❖ **What is Insured**

the details of what is being insured will be clearly stated on the Certificate this will include the property and liability being covered.

❖ **Limits of the cover**

these will be shown in the Certificate and in the Policy Wording, you will need to read these carefully to ensure that they are adequate for your needs.

❖ **The excesses that will apply**

this is the first amount payable by you when a claim is accepted. This is clearly stated and any additional or special excesses may be noted in endorsements or conditions section of the Certificate.

❖ **Endorsements, subjectivities and special conditions**

this is where there may be any special restrictions or agreements made outside of the standard policy wording but form part of the cover being provided. It is very important that you read these carefully and where there are any requirements or restrictions that you are able to comply with these fully.

❖ **No claims Bonus**

You may be eligible for a no claims bonus which is a discount on your premium when you buy the policy if you have not experienced a boat claim. You are entitled to a maximum 25% no claims bonus if you have experienced no pleasure craft related claims in the last 5 years and have been insured with us for one year.

❖ **No claims bonus protection**

If you have not had a claim for 5 years or more, we may give you the opportunity to protect your no claims bonus for a small additional premium.

In the event of a claim occurring during the policy period your no claims bonus will not be affected

❖ **Excess Waiver**

We may give you the opportunity to purchase Excess Waiver cover in the event of a claim, your excess may not apply if you make a claim under the policy unless specifically excluded in any endorsements.

Privacy

We are committed to safeguarding and protecting you, the Insured's privacy. We are bound by the provisions of the Privacy Act 1988 and the Privacy Amendment (Enhancing Privacy Protection) Act 2012 which sets out the standards to meet in the collection, use and disclosure of personal information. The Act defines "personal information" as "information or an opinion about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion".

Purpose of Collection

Topsail will only use the personal information you provide to us to quote on and insure your risks and matters incidental thereto, including investigating and managing claims. It may be necessary for us to disclose your personal information to other entities that may be located overseas, such as insurers, claims investigators, lawyers and other professionals, and government bodies. Topsail will not under any circumstances trade, rent or sell your information. If we disclose information to someone overseas we will ensure that they are subject to laws with equivalent protection as the Privacy Act or that they agree to hold and deal with your personal information in a manner that affords your similar protection.

If you do not provide us with complete, accurate and up-to-date information, we cannot properly quote for your insurance and we cannot insure you.

If you provide us with personal information about anyone else, we will rely on you to have told them that you will provide their information to us, to whom we may provide it, the purposes for which we will use it and that they can access it. If the information is sensitive, we rely on you to have obtained their consent on these matters.

Access to Information

You can check the personal information we hold about you at any time. Requests for access can be made in writing to: The Privacy Officer at the address as set out below

Cooling off period

You have the right to return the policy to us within 14 days of the date that the cover is incepted, unless a claim is made under the policy.

If you return the policy during the cooling off period, we will refund the full amount of the premium less any duties or taxes payable. The policy will be terminated from the date we receive the request to return the policy.

Complaints

In Australia Lloyd's is a member of the Insurance Council of Australia. Lloyd's has adopted the General Insurance Code of Practice subject certain specific qualifications. You can obtain a copy of the Code at:

www.codeofpractice.com.au.

If you wish to complain about our services, contact The Complaints Officer using the address overleaf. We will acknowledge complaint of your complaint immediately and attempt to resolve within 15 business days.

Our contact details are:

Topsail Insurance Pty Ltd
Po Box 48
South Fremantle
WA 6162, Australia
Telephone: +61 8 6102 8861
Email: enquiries@topsailinsurance.com.au

In the unlikely event that this does not resolve the matter or you are not satisfied with the way your complaint has been dealt with you may contact:

Lloyd's Australia Limited
Suite 2, Level 21 Angel Place
123 Pitt Street, Sydney NSW 2000
Telephone: +612 9223 0752
Email: ldraustralia@lloyds.com

External Dispute Resolution

If your complaint is not resolved satisfactorily or we do not resolve your complaint within 45 calendar days of receiving it, you may refer to the Financial Ombudsman Services (FOS), GPO Box 3, Melbourne Vic 3001 or phone 1300 780 808 or go to www.fos.org.au.

FOS is an independent body that operates nationally in Australia and resolves disputes between you and your insurer.

Contacting Topsail

Topsail are here to help and answer any questions you may have:

If you enquired through a broker and not directly to Topsail Insurance please contact your broker.

Otherwise :

Call Topsail +61 8 6102 8861

Email: enquiries@topsailinsurance.com.au

Write : P.O.Box 48, South Fremantle,
Western Australia, 6162

Words with Special meaning

Words in the masculine include the feminine and vice versa. Words in the singular include the plural and vice versa.

Actual Total Loss

The subject matter of insurance is completely destroyed or the Insured is irretrievably deprived of it

Appropriation/requisition

Capture, seizure, arrest, restraint, detainment, confiscation, nationalisation, requisition or pre-emption and the consequences of, or any attempt at any of these

Bodily Injury

Bodily injury means sudden and accidental physical injury, excluding any sickness, disease or degenerative medical process

Constructive Total Loss

The subject matter of the insurance is damaged to such an extent that the cost of effective repair or reinstatement would exceed the sum insured

Excess/Deductible

The amount shown on the Schedule against each section for which the Insured is responsible in respect of each and every claim arising out of any one event, except in the case of Actual or Constructive Total Loss, where the claim will be paid in full. If an incident produces a claim under more than one section of the policy, the highest Excess/Deductible will apply

Due Diligence

The duty of care expected from, and ordinarily exercised by, a reasonable and prudent Insured

Endorsement

An amendment to the policy or to a Condition of the Policy which supplements or modifies its terms. It may be added when the Policy is issued, or subsequently

Fair and Reasonable Costs

An amount which would be paid by a prudent Insured. For example this would not include overtime and accelerated costs in order to reduce the repair time

Insured

The person or legal entity shown in the Schedule who has a financial interest in the Vessel

Insured Event

The happening of an event or series of events causing loss or damage covered by this insurance

Insurers

Topsail Insurance (on behalf of certain underwriters at Lloyd's)

Latent Defect

A defect which cannot be discovered by a person of competent skill using ordinary care

Loss of Limb

Permanent loss by separation of a hand at or above the wrist or a foot at or above the ankle and includes total and irrecoverable loss of use of the hand, arm or leg

Machinery

The Vessel's main or auxiliary engine(s), outboard motor(s) and generators together with all associated electrical equipment, piping, fittings, cables, shafts and propellers

Malicious Act

An intentional disregard of the rights or safety of others and the deliberate act or the deliberate failure to act where there is a risk of loss, damage or personal injury

Marina

A secure and sheltered mooring complex, providing controlled access to berths or pontoons. Excluding facilities with floating or temporary breakwaters.

Navigation Limits

The waters, as defined in the Schedule, in which the Vessel will be used and Policy cover will apply. Use of the Vessel outside the Navigation Limits shown in the Schedule is only covered if specifically agreed by the Insurer

Period of Insurance

The period shown on the Schedule during which this insurance is in force

Permanent Disablement

Lasting for 12 consecutive months and being without any hope of improvement after such period

Permitted User

Any person using or in control of the Vessel with the Insured's permission

Personal Effects

Property of a personal nature not normally sold with the Vessel but excluding the following items:

- Jewellery and watches
- Fur
- Antiques and works of art
- China, glass
- Consumable stores
- Documents, negotiable instruments, securities
- Travellers cheques and currency
- Collectable items such as coins and stamps

Policy

This document which incorporates the Schedule, any Endorsements, the Statement of fact and any other information provided by the Insured

Schedule

Part of a Policy in which details specific to that particular Policy are inserted. Also referred to as Cover Note Certificate or Certificate of Insurance

Seaworthy/Seaworthiness

Fit to encounter the ordinary perils of the seas, rivers, lakes or other navigable waters, properly crewed, equipped, fuelled, provisioned and with all equipment in proper working order. Seaworthiness applies not only to the physical conditions of the hull but to all its parts, equipment and gear

Statement of Fact

A means by which the insured advises the Insurer of details of the risk to be insured. Failure to respond accurately and completely to the questions that have been asked may invalidate your insurance.

Tenders

Other craft used in connection with the operation of the Vessel and permanently marked with the Vessel's name or other significant identifying markings.

Total Disablement

Disablement preventing engagement in a person's usual occupation and where there is no prospect of recovery

The Vessel

The Vessel named on the Schedule including her machinery, electronics, gear and equipment as would normally be sold with the Vessel

Underwater Gear

Rudder, strut, shaft and propeller

Usage

The vessel insured herein will be used for private pleasure purposes only. Any other usage must be specifically agreed by Insurers and will be shown on the Schedule.

Wilful Act

A deliberate act or the deliberate failure to act in circumstances where there is a risk of loss or damage

Section 1

Physical Loss or Damage

Subject to the terms and conditions of this Policy the Vessel and Tenders insured herein are covered for private pleasure purposes only, unless otherwise shown on the Schedule, up to the sum insured and whilst being used within the Navigation Limits stated in the Schedule against physical loss or damage caused by an accidental cause.

Accidental cause includes but is not limited to theft, negligence and Malicious Acts provided that the loss occurs during the Period of Insurance.

In case of a recoverable claim for physical loss or damage following an Insured Event, the amount payable by Insurers will be determined as follows:-

Actual and Constructive Total Loss of the Vessel

Up to the Vessel's value stated in the Schedule the Excess/Deductible will not be applied in this case

Partial Loss or damage to the Vessel

The reasonable cost of repairing the Vessel or replacing any individual item(s) lost, damaged or stolen with a similar item and limited to the values shown on the Schedule.

Machinery is covered In respect of:

Motorboats aged up to 10 years inclusive and Sailboats aged up to 15 years inclusive

Otherwise there is no cover for loss or damage to Machinery unless caused by:

Fire or explosion, the vessel sinking, stranding or colliding with any external substance other than water or the vessel being immersed as a result of heavy weather

Frost/Freezing of motors and batteries is covered provided the insured can prove that all manufacturers recommendations have been complied with and/or preventative winterization has been carried out.

A deduction of 25% will be made in respect of the replacement of sails, running rigging, protective covers and outboard motors aged 5 years or over at the time of the claim incident.

The Excess/Deductible will be applied as detailed in the Schedule.

Exclusions relating to Section 1

Insurers have no liability in respect of physical loss or damage under this section, arising from: -

- 1.1 the failure to maintain the Vessel in a Seaworthy condition
- 1.2 the Wilful Act of the Insured, a member of his family or any Permitted User
- 1.3 the operation of the Vessel by the Insured or any Permitted User whilst under the influence of alcohol or drugs other than drugs taken for a medical condition
- 1.4 wear, tear, gradual deterioration, vermin, frost, mould, fungi, insects, marine borers, barnacles or marine growth
- 1.5 latent Defect of a part of the vessel or tender however the damage caused by the latently defective part is recoverable
- 1.6 fault or error in design and construction and any expense incurred in design or construction alterations.
- 1.7.1 theft or unauthorised removal of the Vessel by any Permitted User
- 1.7.2 theft of outboard motor(s) unless secured by an anti-theft device or unless following forcible entry into a locked compartment or locked place of storage
- 1.7.3 theft of Tenders if not permanently marked with the Vessel's name as noted on the Schedule or other significant identifying markings
- 1.7.4 theft of gear and equipment unless they are secured to or locked in the Vessel or in locked storage ashore or whilst in transit to and from the Insured's place of residence to the Vessel, following violent or forcible entry or following unauthorised access aboard the Vessel
- 1.7.5 theft of trailer and the vessel whilst on the trailer unless the trailer is fitted with a wheel-clamp.
- 1.8 unrepaired damage, any failed repair, alteration, modification or maintenance work carried out on the Vessel
- 1.9 scratching, denting, bruising of the Vessel whilst in transit by road, rail or ferry

Insurers have no liability in respect of physical loss or damage to the following:

- 1.10 the Vessel's mooring or any part thereof with the exception of the mooring lines/warps, anchor and anchor chain
- 1.11 protective covers and sails split by the wind
- 1.12 mast, spars, sail, standing and running rigging whilst the Vessel is racing or preparing to race and is within the starting sequence of a race unless an amount is specified on the Schedule for the replacement cost of the mast, spars, sails and rigging

Where a Vessel has a maximum designed speed in excess of 17 knots Insurers have no liability in respect of physical loss or damage to the Vessel or liability to third parties or any salvage services for claims caused by or arising from:

- 1.13 the Vessel racing or taking part in any speed tests or time trials

- 1.14 the dropping overboard of the outboard motor if the horsepower, as rated by the manufacturer, exceeds 50 horsepower
- 1.15 fire or explosion on the Vessel or Tenders unless the engine room is fitted with a properly maintained automatic fire fighting system or with fire fighting equipment which is properly installed and maintained in working order in accordance with manufacturers and flag safety regulations

Furthermore where a Vessel has a maximum designed speed in excess of 17 knots Insurers will exclude claims in respect of the following unless the Schedule expressly shows their reinstatement.

- 1.16 any Underwater Gear of the Vessel or her Tender(s) when the craft has a maximum designed speed in excess of 45 knots, unless following Actual Total Loss or Constructive Total Loss of the craft by an Insured Event
- 1.17 craft less than 8.5 metres (28 feet) in length and RIBs (rigid inflatable boat) of any length, being stolen, swamped, stranded, sunk, or breaking adrift whilst moored or anchored unattended off an exposed beach or shore

Section 2

Personal Effects

Subject to the Terms and Conditions of this Policy, this insurance covers Personal Effects belonging to the Insured and the Insured's family against theft, loss or damage whilst onboard the Vessel and whilst being used in connection with the Vessel. These items are also covered whilst in transit to and from the Insured's place of residence to the Vessel.

Unless otherwise stated on the schedule Personal Effects shall be automatically included within the Total Sum Insured limited to 2% of the sum insured of the vessel, up to a maximum of A\$ 4,000 or equivalent in any other currency. Any single item valued in excess of the single item limit shown in the Schedule must be specifically declared and agreed by Insurers, prior to the item being covered.

If at the time of loss the value of all Personal Effects exceeds the amount shown in the Schedule the Insured shall only be entitled to recover such proportion of the loss as the amount shown in the Schedule bears to the total value of Personal Effects.

Exclusions relating to Section 2

Insurers herein have no liability in respect of physical loss or damage to Personal Effects caused by the following:

- 2.1 wear, tear, gradual deterioration, vermin, frost, mould, fungi, marine life.
- 2.2 Wilful Act or theft by the Insured, a member of his family or any Permitted User
- 2.3 loss of diving equipment, unless as a result of Total Loss of the Vessel or theft following violent or forcible entry into a locked compartment aboard the Vessel

Section 3

War, Strikes, Terrorism and Associated Risks

Where stated in the Schedule attaching to your insurance policy, your Insurer will cover your vessel against physical loss or damaged caused by the following:-

- 3.1 war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power
- 3.2 capture, seizure, arrest, restraint or detainment and the consequences thereof or any attempt thereat
- 3.3 derelict mines, torpedoes, bombs or other derelict weapons of war
- 3.4 strikers, locked out workmen, or persons taking part in labour disturbances, riots or civil commotions
- 3.5 any terrorist or any person acting from a political motive
- 3.6 confiscation or appropriation

War risks cover is subject to any applicable *current* London Market Exclusions set out in the policy Schedule and the exclusions stated below.

Detainment

In the event of the Vessel being subject of capture, seizure, arrest, restraint, detainment, confiscation or appropriation and the Insured has been deprived of the Vessel for a continuous period of 12 months and without the likelihood of recovery Insurers will pay the Vessel value as indicated in the Schedule.

Insurers have no liability under this Section for loss or damage arising from the following:-

- 3.7 any detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 3.8 any outbreak of war between any of the following countries: United Kingdom, United States of America, France, The Russian Federation, the People's Republic of China
- 3.9 requisition or pre-emption
- 3.10 capture, seizure, arrest, restraint, detainment, confiscation or expropriation by or under the authority of the government or any public authority of the country in which the Vessel is owned or registered
- 3.11 arrest, restraint, detainment, confiscation or expropriation under quarantine regulations or by reason of infringement of any customs or trading

regulations

- 3.12 the operation of any ordinary judicial process, failure to provide security or to pay any fine or penalty or any financial cause
- 3.13 any claim for any sum recoverable under any other insurance on the Vessel or which would be recoverable under such insurance but for the existence of this Policy
- 3.14 any claim or expense arising from delay

Termination of cover for war related risks only

Either party may cancel cover provided under Section 3 by giving seven days written notice. The cancellation becomes effective on the expiry of seven days from midnight of the day on which notice of cancellation is issued by you or to the Insurer. Insurers however agree to reinstate Section 3 subject to prior agreement being reached as to the new rate of premium to be charged and conditions or warranties to be applied.

Whether or not such notice of cancellation has been given, Section 3 will automatically terminate in the event of any of the following:-

- 3.15 hostile detonation of any weapon of war between any of the countries indicated in section 3.8, anywhere in the world
- 3.16 the outbreak of war between any of the countries indicated in section 3.8
- 3.17 the requisition of the Vessel either for title or use

Section 4

The “institute extended radioactive contamination exclusion clause

The “institute extended radioactive contamination exclusion clause (cl 370)” and the “institute chemical, biological, bio-chemical, electromagnetic weapons and cyber attack exclusion clause (cl 380)” are incorporated in this policy and are detailed in full below:

Institute extended radioactive contamination exclusion clause (cl 370)

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

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

- ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- the radioactive, toxic or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel,

when such isotopes are being

prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

- any chemical, biological, bio-chemical, or electromagnetic weapon

Institute chemical, biological, bio-chemical, electromagnetic weapons and cyber attack exclusion clause (cl 380)

- subject only to clause below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, the above clause shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

Section 5

Third Party Liability

This cover is applicable only if indicated in the Schedule.

Subject to the Terms and Conditions of this policy Insurers will indemnify the Insured or any Permitted User against claims arising from their legal liability for:

- 5.1 death or bodily injury to any person
- 5.2 loss of or damage to property not belonging to the Insured or any Permitted User
- 5.3 any action taken by the Insured and any Permitted User in an attempt to avoid or reduce any insured liability
- 5.4 attempted or actual raising, removal and destruction of the wreck of the Vessel or the Tenders

The maximum amount recoverable under this Section is shown on the Schedule and is limited to any one accident or series of accidents arising from the same event.

In addition to any claim for which coverage is provided under this section and with prior written consent and agreement Insurers will pay:

- 5.5 the reasonable expenses incurred by the Insured in relation to Coroners inquests and Official Enquiries
- 5.6 the legal costs incurred in defending or pursuing any action following an event covered under this policy whether or not such action results in Court proceedings

Exclusions relating to Section 5

Insurers have no liability in respect of the following:

- 5.7 any form of personal or bodily injury or death in respect of persons employed in any capacity by the Insured in connection with the Vessel or employed by any Permitted User
- 5.8 punitive, exemplary damages, fines or penalties imposed under any statutory code or law
- 5.9 any third party loss or damage caused during land, road, rail or ferry transit

Insurers do not cover liability of persons:

- 5.10 while engaged in any sport which involves being towed by the Vessel or its boat/dinghy/tender, including whilst preparing to be towed, unless the Schedule provides for such an extension
- 5.11 while engaged in snorkelling, scuba diving or other underwater sport from the Vessel or boat(s) including whilst disembarking or boarding

Insurers do not cover liability to persons:

- 5.12 while engaged in any sport which involves being towed by the Vessel or its boat / dinghy / tender, including whilst preparing to be towed, unless the Schedule provides for such an extension
- 5.13 while engaged in snorkelling, scuba diving or other underwater sport from the Vessel or boat(s) including whilst disembarking or boarding other than liability to such person arising as a result of physical contact between such person and the Vessel

Section 6

Personal Accident

Subject to the Terms and Conditions of this Policy, cover is extended to include accidental death and/or total permanent disablement caused by violent, visible and external means to the Insured or to any Permitted User whilst the Vessel is used for private pleasure purposes, and includes whilst embarking and disembarking from the Vessel.

In the event of a claim under Section 6 Insurers may require the claimant or the person on whose behalf the claim is being made to agree to a medical examination by Insurer's appointed medical experts.

Indemnity Schedule

The limits any one occurrence for which Insurers will be liable under this section are as follows:

Accidental Death	A\$ 30,000
Loss of one or more limbs	A\$ 30,000
Total loss of sight in one or both eyes	A\$ 30,000
Permanent Total disablement after 52 weeks (or equivalent in any other currency)	A\$ 30,000

Exclusions relating to Section 6

Insurers have no liability for:

- 6.1 any pre-existing illness or injury
- 6.2 pregnancy
- 6.3 death or disablement arising after 12 months from the date of the accident
- 6.4 bodily injury or death to any person aged 75 years or over at the time of the accident
- 6.5 an amount exceeding A\$ 150,000 or equivalent in any other currency in the aggregate in any one Period of Insurance
- 6.6 bodily injury or death to any person under a contract of employment with the Insured
- 6.7 any suicide or attempted suicide
- 6.8 bodily injury or death to any Permitted User whilst under the influence of alcohol or drugs other than drugs taken for a medical condition.

Section 7

Medical Expenses

This policy covers the cost of medical, surgical, ambulance, hospital or other professional medical services, up to a limit of A\$ 9,000 or equivalent in any other currency, any one occurrence, where such are incurred following injury occurring during the Period of this Insurance to the Insured or to any person on board the Vessel with the Insured's permission including whilst on board, embarking or disembarking.

This Section 7 does not apply to eligible Medical Expenses under Medicare and/or any private health fund within Australia.

Exclusions relating to Section 7

Insurers have no liability for:

- 7.1 any pre-existing illness or injury
- 7.2 pregnancy
- 7.3 any person under a contract of employment with the Insured
- 7.4 any person whilst the Vessel is used for purposes other than private pleasure
- 7.5 any suicide or attempted suicide
- 7.6 The Insured or any Permitted User whilst under the influence of alcohol or drugs other than drugs taken for a medical condition

The injured person shall as soon as practicable furnish Insurers with all information relating to the accident.

Section 8

Additional Benefits

Accommodation and Travel Expenses

Insurers will pay up to A\$ 1,500 or equivalent in any other currency towards accommodation and repatriation costs incurred by the Insured following an event covered under this policy if the Vessel is deemed uninhabitable whilst outside the Insured's country of domicile and the Vessel is outside her usual mooring location as declared on the Statement of Fact.

Bicycles and mopeds

Cover is provided for theft of bicycles and mopeds only whilst stored on the Vessel and following violent or forcible entry from a locked place of storage or following Actual Total Loss of the Vessel.

Details of the age, make, model and values must be declared to Insurers prior to attachment.

Bottom inspection following a grounding

Subject to prior agreement Insurers will pay reasonable costs for the inspection of the bottom of the Vessel following a grounding incident even if no damage is found and without application of the policy Excess/Deductible.

Continuity Bonus Clause

This clause applies only to Vessels valued in excess of A \$2,000,000 (or equivalent in any other currency)

Provided that this insurance is renewed with Topsail Insurance Pty Ltd and claims do not exceed 10% of the total premium paid by the Insured in the expiring Period of Insurance, we *may* agree to allow a bonus calculated at 10% of the expiring gross premium after adjustment for any additional or return premiums.

No Claims Bonus Clause

This clause applies only to Vessels valued up to A\$ 2,000,000 (or equivalent in any other currency)

Where the Insured has not made a claim in the expiring Period of Insurance the Insured will be entitled to a No Claims Bonus, which will be deducted from the premium for the following Period of Insurance. This discount will be calculated at 5% of gross premium for each claim free year up to a maximum of 25%.

Duty of the Insured

In circumstances which are likely to cause physical loss or damage to the Vessel, or otherwise to result in a claim under the Policy, it is the duty of the Insured and any Permitted User to take such measures as may be reasonable to avert or minimise such loss. Subject to the application of the Excess/Deductible Insurers will reimburse the Insured for any expense reasonably incurred in taking such measures up to but not exceeding the sum insured of the Vessel.

Pollution

If the Vessel is damaged by an event covered under Section 1 of this Policy and subsequently becomes a pollution hazard, Insurers will pay for any loss or damage to the Vessel directly caused by any Governmental Authority acting to prevent or minimise such pollution hazard.

Cover under this additional Pollution benefit includes any loss, damage, clean up cost, liability or expense legally imposed on the Insured following the sudden and accidental discharge, spillage or escape of oil, fuel, waste material, chemicals or other pollutants from the Vessel up to a limit of A\$ 1,000,000 or equivalent in any other currency.

Salvage

This Policy covers salvage charges reasonably incurred in averting or minimising a loss recoverable under Section 1. It is a condition of this insurance that the Insured shall not agree to compensation relating to salvage services without Insurers prior consent. It is, however, agreed that the Insured is permitted to take the necessary and reasonable actions to preserve the property covered under this insurance.

Transits

The cover provided under Section 1 of this insurance is extended to cover the Vessel whilst in transit by road, rail, ferry or air and during loading and unloading. However, for Vessels with an overall length exceeding 8.5 metres (28 feet) cover is limited to transits conducted by a professional haulier not exceeding 16.1 km (10 miles).

Marina Benefits

If a claim occurs whilst the Vessel is moored on a Marina berth, we will not apply the Excess/ Deductible and your No Claims Bonus (if applicable) will not be affected.

Single-Handed Sailing

You are covered for single handed passages not exceeding 24 hours but not otherwise, providing the Vessel is suitably equipped.

Excess/Deductible doubled whilst sailing singlehanded.

If purchased, Excess/Deductible Waiver cover shall not apply whilst sailing single-handed and the increased Excess/Deductible will be applicable in full

Section 9

General Conditions

These conditions apply to all sections of this Policy

Duties of the Insured

It is a condition of this policy that the Insured will take all reasonable steps to maintain the Vessel in a proper state of repair and Seaworthiness and take all reasonable steps to avert or minimise a loss. Failure to comply with this Condition may prejudice a claim under the Policy.

Facts Omitted and Misrepresented

This Policy or any subsequent renewal may be deemed invalid if the insured or anyone acting on the Insured's behalf has obtained cover through the omission or inaccuracy of any response provided in the Statement of Fact. In the event that Insurers avoid the Policy a refund of premium may not be made.

Continuation

If the Vessel is at sea or in distress or at a place of refuge at the time this insurance expires, Insurers will automatically continue cover. Upon arrival at the next port of call the Insured must notify Insurers and make any necessary premium payments without any undue delay.

Capture and Seizure of persons

This Policy excludes loss, damage, ransom, expense or any other liability whatsoever arising from or connected to the capture, seizure, arrest, restraint, detention, hijack or kidnap of the Insured, Permitted Users, charterers, guests or any other persons.

Assignment or Transfer of this insurance

This insurance is a contract between the Insured and the Insurers and is not assignable or transferable unless agreed in writing by Insurers prior to any assignment or transfer taking place.

Sale or transfer of Ownership

It is hereby noted that if the Vessel is sold or transferred to new ownership, unless agreed by Insurers, this insurance is cancelled from the time of sale or transfer.

Cancellation of the Policy

You may cancel the policy at any time by notifying Topsail Insurance Pty Ltd.

You will be entitled to a refund of any premium paid for the unexpired portion of the policy unless there has been a total loss and the policy has been paid out.

When additional premium has been paid to extend the policy for a specific voyage or event or to cover racing risk no such premium shall be refunded unless the event

insured against did not take place and the Insurer is advised no less than seven days of its intended commencement date.

We can cancel the policy to the extent permitted by law by notifying you in writing if for example you fail to pay the premium or make a fraudulent claim, or did not comply with your Duty of Disclosure or policy terms and conditions.

Sanction Limitation and Exclusion Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Contracts (Rights of Third Parties) Act 1999 Exclusion Clause JH2000/007 (13th June 2000)

Neither this policy nor any document issued pursuant to this policy shall confer any benefits on any third parties. No third party may enforce any term of this policy or of any provision contained in any document issued under this policy. The Contracts (Rights of Third Parties) Act 1999 is hereby expressly excluded from this policy, including the Schedule or any other documents issued pursuant thereto.

This clause shall not affect the rights of the Assured (as assignee or otherwise) or the rights of any loss payee.

JH2000/007 13 June 2000.

Governing Law

Unless the Insurers have agreed otherwise and the Schedule specifically shows such agreement, this insurance is governed by the laws of the commonwealth of Australia and state of Western Australia.

Jurisdiction

Unless the Insurers have agreed otherwise and the Schedule specifically shows such agreement, this insurance is governed by the exclusive jurisdiction of the Courts of Australia.

Complaints

It is our intention to provide a high level of service at all times. However if you have reason to make a complaint about our service you should take the following steps:

Contact the Complaints Officer on (08) 6102 8861 or put your complaint in writing and send it to us at

Topsail Insurance Pty Ltd
Po Box 48

South Fremantle
WA 6162, Australia

If you continue to be dissatisfied with how your complaint is being handled you should contact.

Lloyd's Underwriters General Representative in Australia

Suite 2, Level 21
Angel Place
123 Pitt Street
Sydney NSW 2000

Telephone (02) 9223 1433
Email ldraustralia@lloyds.com

Topsail is a member of the Financial Ombudsman Services (FOS). If your complaint cannot be resolved to your satisfaction by us you have the right to refer the matter to FOS. You are entitled to refer it to:

Financial Ombudsman Service,
GPO Box 3, Melbourne VIC 3001
Telephone 1300 780 808

Email: info@fos.org.au
Website: www.fos.org.au

The FOS was established to assist consumers in resolving complaints with participating companies including Topsail. The service is free of charge and their decisions are binding on participating companies. FOS may be unable to assist you if the complaint is not within the scope of their jurisdiction.

Service of Suit

The Insurers of this insurance policy agree that:

- a) if a dispute arises under this policy, this Insurance will be subject to Australian law and practices and the Insurers will submit to the jurisdiction of any competent Court in the Commonwealth of Australia;
- b) any summons notice or process will be served upon:
Lloyd's Australia Limited

Suite 2, Level 21 Angel Place
123 Pitt Street Sydney NSW 2000

who has authority to accept service and to appear on the Insurer's behalf;

- C) if a suit instituted against any of the Insurers, all Insurers participating in this Insurance will abide by the final decision of such Court or any competent Appellate Court. In the event of a claim arising under this Insurance immediate notice should be given to Topsail Insurance Pty Ltd.

How to contact Us

You can contact us at:

Office/Postal Address:

Topsail Insurance Pty Ltd
Po Box 48
South Fremantle
WA 6162, Australia

ABN: 69 169 907 760
AFS License No: 467369
FOS Membership Number: 35517
Telephone: +61 8 6102 8861
Email: enquiries@topsailinsurance.com.au