



*and* **Service Centre**

*Making dreams happen*

## **THINGS YOU MUST KNOW**

### **-WHEN BUYING A USED BOAT-**

#### **BACKGROUND**

This document has been written by St Kilda Boat Sales Pty Ltd and compiled from reliable industry data sources. The sole purpose is to provide useful and genuine information to USED BOAT BUYERS to ensure a clear understanding of the process for purchasing a boat from a reputable boat dealer, who is an accredited Boat Dealer and current financial member of the Boating Industry Association of Victoria.

Unlike the Australian Motor Vehicle Industry, there is NO legal requirement or otherwise, for a boat dealer, broker or seller, to offer any kind warranty or guarantee with the purchase of a USED (second-hand) vessel.

St Kilda Boat Sales & Service Centre has voluntarily created this document in the interests of safe boating for all. Underpinned by open and honest disclosure. We pride ourselves as a reputable boat dealer, with a proven track record. This honest and open approach by our businesses, has led to many hundreds of happy customers who have purchased a USED vessel from us, and are now enjoying Safe Boating with family and friends.

Customer testimonials are proudly available from our office.

#### **GETTING A LOAN / NEED FINANCE**

You may want to pre-qualify for a boat loan before you shop. That will give you some extra leverage and breathing room when you're negotiating prices.

Why not organize a finance approval in advance for the style of boat you are thinking of buying. Having the finance in place ahead of time puts you ready to buy when the right boat comes along.

We organize hassle free finance solutions for private, recreational boats and welcome company purchases. Whether you're looking for new or used boats, or looking to upgrade an existing boat, we make the task of finding the most suitable finance solution, hassle free.

We can arrange the finance for up to 100% of the purchase price over periods as long as five years, with a residual, in most cases, of up to 40% at the end of the period. "Finlease" our Licensed Financial Services Representative: is an experienced operator in boat finance and has a longstanding association with St Kilda Boat Sales and the Caribbean-Bertram range of boats. We cater for both trailerable Runabouts and Luxury Cruisers.

## INSURANCE

You probably bought your boat for fun, and when you think of FUN, the last word that comes to your mind may be *INSURANCE*. But of all the money you spent, and will continue to spend, on your boat, boat insurance may be the smartest dollars you spend. Besides, some marinas won't let you dock your boat unless you've got insurance.

All three types of vessels (boats, yachts, pwc) require different types of insurance coverage. As with many other types of insurance, policies vary quite a bit from company to company. If you're in the market for boat, yacht or personal watercraft insurance, comparing different companies' policies can be tricky. Read each policy carefully.

Most of the vessels that fall under the definition of "boat" are smaller powerboats and sailboats. Boat insurance typically covers physical damage and liability.

The physical damage coverage pays to repair or replace your boat if it's damaged or destroyed by fire, theft, lightning, vandalism or windstorm. (Unlike home insurance in many coastal areas, boat and yacht insurance cover damage from hurricanes and tornadoes.) Covered items include the boat itself, outboard motors, the boat's trailer and personal property kept aboard the boat. However, your personal effects -- things that aren't part of the normal operation of your boat -- are not covered. Leading insurance companies offer included coverage for fishing equipment, mobile phones and computers that you use aboard the boat.

Ask us to discuss your needs as we are accredited Platinum Dealers for Club Marine Insurance, Australia's largest pleasure craft insurer and can offer discounts for payment by credit card and buyers that have multiple vessels.

## MAKING AN OFFER

A professional broker can help their buyer decide on a realistic offer range, which usually increases the chances of buying a pre-owned boat for a fair and reasonable price, and with the necessary elements to protect your interests. Your broker prepares an Offer to Purchase for your signature. It should spell out the terms of the sale including obligations that you and the seller have agreed to, and when these obligations will be fulfilled. You also make a good-faith deposit on the boat and subject to sea trial and survey. Paperwork - Professional brokers and dealers are familiar with all the paper work requirements for their country, state or province, from the initial Offer to Purchase and Bill of Sale to licensing and registration; or documentation and titling, to paying tax and other fees, as well as certificates of ownership, security agreements, and other documents needed to complete a sale.

Remember: There is no cooling off period, so make sure you read and understand your contractual obligations, as listed on your Offer To Purchase Contract. If not, discuss with the Boat Dealer, Don't Sign or seek Legal advice.

## NEGOTIATING A DEAL

The broker can use his position as a middleman to keep the negotiations between buyer and seller moving to a successful conclusion. It is important to remember, the Boat Dealer is being paid a fee (aka: sales commission) for selling the vessel on behalf of the Seller. This fee is usually only payable, when the Boat Dealer achieves a sale price - that is acceptable to the Seller.

## STATUTORY REQUIREMENT

We are a Licensed Second-Hand Dealer and Pawnbroker, registered with the Business Licensing Authority for the State Government of Victoria. Our Licence No is: 9680.

## BOATING INDUSTRY ASSOCIATION (BIA Vic)

We are proud and active members of the Boating Industry Association of Victoria and adhere to industry self-regulation, Code of Ethics and Code of Conduct. Dealer Principal, Darren Finkelstein is a Board member and Director of BIA Victoria, to represent Boat Dealers. So feel free to ask questions or seek clarification, if unsure.

## IMPORTANT INFORMATION – MUST BE READ PRIOR TO BUYING FROM ST KILDA BOAT SALES

### *A Word Of Caution, Buyer Beware*

Applicable to all USED (second-hand) BOATS listed for sale, by St Kilda Boat Sales: -

All advertised particulars & information, is designed to be a guide and any buyer is strongly advised to hire the professional services of a qualified Marine Surveyor and/or Mechanic, during the purchase process and to thoroughly check the particulars and safe vessel operation.

Whilst every care has been taken to ensure the accuracy of these particulars, we do not guarantee their accuracy. St Kilda Boat Sales Pty. Ltd ACN: 101 594 932 Licensed Second-Hand Dealer No: 9680 and St Kilda Boat Sales Service Centre Pty. Ltd ACN: 112 464 687 is a broker acting as vendor agent only.

The Purchaser, being at liberty to inspect the vessel and/or trailer to satisfy themselves as to its; sea or roadworthiness, condition, specification & Australian Builders Plate (ABP) compliance, must understand that all expenses or implied warranties of condition, statutory or otherwise, are hereby excluded and the vessel, its outfit, safety gear and all equipment shall be taken with all defects and faults of description without any allowance or abatement whatsoever.

Prices & specifications are subject to change without notice.

**NOTE:** We do not supply safety gear whatsoever, with the purchase of any USED vessel, because we are unable to guarantee the items performance or condition, in an emergency situation. Therefore, it is the purchasers' own responsibility to ensure full compliance.

The current list of compliant "Safety Gear for Recreational Vessels" as published by Marine Safety Victoria, is available from our office. Our *free* information guide "*Things You Must Know - When Buying A Used Boat*" answers vital questions and should be read before buying a Used Boat. Ask us for your copy or download from our website.

All prices quoted are AUD\$ and inclusive of GST.

## SAFETY GEAR & EQUIPMENT

We do not supply safety gear whatsoever, with the purchase of any USED vessel, because we are unable to guarantee its performance or condition, in an emergency situation. Therefore, it is the purchasers' own responsibility to ensure full compliance. The current list of compliant "Safety Gear for Recreational Vessels" as published by Marine Safety Victoria, is freely available from our office.

We would be delighted to supply you with a new Safety Pack additional to your purchase, at a reduced cost. Otherwise, you can purchase your own from a suitable Chandler. Occasionally, a courteous vendor leaves items such as Safety Gear, Life Jackets, Flares, First-Aid Kits, Ropes and Fire Extinguishers on the vessel for the new



## Shaftdrives and Genset

- Mark @ Cummins Ph: 0417-321 815
- CAT (William Adams) Ph: 03) 9566-0666
- J.J Marine Craft (Volvo) Ph: 03) 9690-0713
- Miller Marine Ph: 0419-322 436

In addition to Surveyor or Assessors fees, there will be a separate cost for the actual slipping of your vessel out of the water for inspection. It is preferred (where possible) all slipping will be carried out by our Service Centre here at the marina. It is important to book your slip or crane lift - in advance, subject to tide, weather and availability. Our Service Centre phone is 03) 9534-8213.

### The costs are:

- \$6.60 per foot (Outboards & Sterndrives, *less than 32 ft*) on our launch trailer, towed by our Tractor.

**OR**

- \$440.00 for a crane-lift (Shaftdrives & Sterndrives, *greater than 32 foot and less than 12,000kgs*)

**NOTE:** For vessels weighing in excess of 12,000kg the Travel Lift at Sandringham Yacht Club is suggested. SYC will charge the client directly at the time of lift.

**PLUS**

- \$99.00 for Hull Pressure Clean (carried out by one of our staff)

As result of your Pre-Purchase Appraisal / Marine Survey, your vessel may require some of the following works, for which our Service Centre would be delighted to carry out, at a *discounted rate*.

- Annual Handbook Service
- Anodes
- Propellers
- Mechanical Works or Repairs
- Marine Trimming; (Repair or replacements of Covers, Clears or Carpets)
- Marine Electronics
- Battery Replacement
- Antifoul

All prices quoted are GST inclusive and any vessel slipped for inspection, will remain out of the water for 30-60 minutes, unless prior arrangements are made, *in advance*.

## BUYING WITH CLEAR TITLE

Unlike the motor vehicle industry, there is no VSR (vehicle securities' register) or REVS (register of encumbered vehicles) for vessels in Australia whatsoever. As workable solution by the likes of: Vic Roads, Waterways, Dept of Transport etc, may be many years away, the below process has been implemented by our company, to assist in the protection of our customers when buying a Used Boat from us.

At the time of being appointed by a vendor to sell their vessel, we ask for full-disclosure of all finance agreements in place, that cover a third parties financial interest in the said vessel (eg: Bank, Finance Company, Business or an Individual).

To confirm the vessel will be sold to any future purchaser with clear title, we ask for the vendor to sign a Statutory Declaration which will be handed over to the purchaser at settlement, *if requested*:

- 1> Should a vessel have monies owing to any 3rd party, we ask for a written confirmation of the payout figures from the 3<sup>rd</sup> party, plus all contract numbers and banking details. It is our role to ensure that all interested parties are paid out (in full) at the time of settlement.
- 2> Settlement will not take place until this is confirmed and that clear funds are made available in the event of a payout shortfall or deficit.
- 3> Failure to disclose may result in litigation and imprisonment of our vendor.

A copy of the Statutory Declaration is available from our office.

## SAFEGUARD FUNDS

A professional broker will use a trust account for clients' funds and ensure that at closing, any existing loan or other encumbrances is paid off. This safeguard is of critical importance to the buyer and seller, and can be a potentially serious hazard in a private transaction not involving a broker.

This document has been voluntarily created, in the interests of safe boating for all, underpinned by open and honest disclosure.

Should you have any questions; please do not hesitate to give us a call.

**Safe Boating Always,**

*Darren & Andrew*

**Dealer Principals**

**Boat Sales – Darren Finkelstein**  
**Service Centre – Andrew Rose**

03) 9525-5500  
03) 9534-5213