

# Insurance Australia Limited

## Motor Insurance

### Product Disclosure Statement



The issuer of this PDS and Policy is Insurance Australia Ltd (ACN 000 016 722) (IAL). IAL is a related company of Insurance Australia Group Ltd (ACN 090 739 923) (IAG). IAG has a strategic relationship with Berkshire Hathaway Specialty Insurance Company (BHSIC) (ABN 84 600 643 034). IAL uses the "Berkshire Hathaway Insurance Australia" logo under licence from BHSIC. This product is not issued, sold, guaranteed or underwritten by BHSIC.

# Insurance Australia Limited

## Motor Insurance

### Supplementary Product Disclosure Statement



This Supplementary Product Disclosure Statement (Supplementary PDS), updates and should be read with the Motor Insurance Product Disclosure Statement (PDS) Version 1.

These documents together with your current Certificate of Insurance make up the terms and conditions of your insurance contract with us.

#### **SUPPLEMENTARY PDS 1.1**

**This Supplementary PDS Edition 1.1 will apply to policies with a commencement date or renewal date on or after 28 December 2015.**

#### **CHANGES TO YOUR PDS**

Your PDS is amended by the deletion of the Duty of Disclosure notice.



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# **Motor Vehicle Insurance**

## **Product Disclosure Statement**

### **Introduction**

Thank you for choosing us to insure you.

Please take the time to read this booklet carefully to ensure you understand what your Policy covers, what excesses apply and how to make a claim. If you have any questions or need more information, please contact your Steadfast Broker.

### **About this booklet**

This booklet is a Product Disclosure Statement (**PDS**) which has two (2) parts:

1. Important Information which is to help you understand the insurance; and
2. the Policy Wording, which sets out terms and conditions of the cover provided.

It is up to you to choose the cover you need.

Other documents may comprise the PDS and we will tell you if this is the case in the relevant document.

Any advice in this booklet is general in nature only and has 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.

### **Updating this PDS**

We may update the information contained in this PDS when necessary. A copy of any updated information will be made available to you by your Steadfast Broker at no cost to you. We will issue you with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain or renew this insurance.

This PDS was prepared on 7 October 2015.

Version 1

## **Important Information**

### **About us**

Insurance Australia Limited is the issuer. Our Australian Business Number is 11 000 016 722. Our Australian Financial Services Licence Number is 227681. Our address is 388 George Street, Sydney NSW 2000.

### **About Steadfast**

Steadfast Group Limited (**Steadfast**) is a public company that operates a large network of insurance brokerages in Australia known as Steadfast Brokers. This policy is available exclusively to you through a Steadfast Broker.

Steadfast does not issue, guarantee or underwrite this Policy.

### **About this Policy**

You can choose one of the following two types of cover:

- Comprehensive Cover; or
- Third Party Property Damage Cover Only.

If we issue you a Policy, you will be given a Policy Schedule. The Policy Schedule sets out the covers you have chosen and should be read together with the Policy Wording. You should check the Policy Schedule carefully to ensure it accurately states what you have insured.

The Policy Wording and Policy Schedule form your legal contract with us so please keep them in a safe place for future reference.

If you require further assistance or information about this Policy, please contact your Steadfast Broker.

### **Your duty of disclosure**

#### **What you must tell us**

When answering any questions we may ask in relation to your application for cover, you have a duty under law to tell us anything known to you and anything which a reasonable person in the circumstances would include in answering the questions. You must be honest and truthful in answering all questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

Your duty of disclosure also applies before you renew, vary, extend or reinstate your insurance.

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;

- that we know or, in the ordinary course of our business, ought to know;
- as to which compliance with your duty is waived by us.

### **If you do not tell us**

If you do not answer our questions honestly and with full disclosure, we may reduce or refuse to pay a claim, or cancel the Policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having worked.

### **Who needs to tell us**

It is important that you understand that you must answer our questions honestly for yourself and anyone else whom you want to be covered by the Policy.

### **Non-disclosure**

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the contract in respect of a claim or we may cancel the contract.

If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

### **You must disclose to us all previous claims**

You are asked at the time you take out this insurance to give us full and correct details concerning any:

- insurance policy or renewal of insurance policy that has been declined, cancelled or refused, or where any excess was imposed;
- claim refused by an insurer;
- claim made; or
- criminal conviction or finding of guilt for an offence,

in relation to you and anyone else whom you want to be covered by the Policy because any of these may affect the premium and extent of insurance.

For example, we may be entitled to:

- charge you an additional premium;
- impose (back-dated) restrictions including declining your insurance back to when this information should have been provided;
- decline to insure you; and
- refuse to pay a claim.

Before we agree to renew your Policy you must tell us if, during the current Period of Insurance, you or any person who is a driver of your Vehicle has:

- been convicted of or had any fines or penalties imposed for a serious criminal and/or driving offence and/or any crime involving drugs, dishonesty, arson, theft (including

stealing a motor vehicle), illegal use of a motor vehicle, fraud or violence against any person or property; or

- been convicted of or had any fines or penalties imposed for any driving related alcohol and/or drug offence; or
- had a driver's licence cancelled or suspended or been disqualified from holding a driver's licence for any period; or
- been responsible for causing any motor vehicle accident; or
- had any motor vehicle damaged or stolen.

We will notify you in writing of the effect a change may have on your renewal.

## **Privacy of your Personal Information**

We, along with all entities in Insurance Australia Group value the privacy of the personal information we collect about you.

We are committed to handling your personal information in line with the privacy laws and the terms of this PDS.

### **When you provide your personal information**

#### **Collecting and using your information**

You acknowledge and consent to us, Insurance Australia Group and their distributors collecting and using your information on a confidential basis to:

- consider your insurance application and any subsequent application for insurance
- underwrite and price any policy
- calculate and offer discounts
- issue a policy to you
- administer your policy
- investigate, assess and pay any claim made by or against you or that could be made against you
- recover money paid to you or recover debts you have incurred.
- contact you for market research
- provide you with information and offers about products and services we offer
- provide you with information and offers about products and services offered by Insurance Australia Group and its related entities, our related entities and by our partners and to any agent of these that we promote.

You can 'opt out' from receiving marketing information at any time by contacting us. You must inform us if you do not want your personal information disclosed or used for these marketing or market research purposes.

#### **Collecting and disclosing your information**

We collect your personal information directly from you or through others. For these purposes, you acknowledge and consent to us collecting your personal information from, and disclosing your information where disclosure is permitted by law to:

- our agents
- our related entities and their distributors
- other insurers
- insurance reference bureaus
- law enforcement agencies
- our service providers (which includes investigators and recovery agents, lawyers, assessors, repairers, suppliers, advisers and any agent of these) - which includes some service providers that may be based overseas
- any credit provider that has security over your assets
- publically available data
- Partners and affiliates

We may collect personal information about you directly in various ways including:

- over the phone,
- in person including at branches or offices,
- over the internet, including via our website, online forms
- and surveys, email or cookies
- in writing, including via hard copy forms
- electronics devices such as telematics device and home automation systems

## **Privacy Policy**

Our Privacy Policy provides more information about how we collect, from whom we collect and how we hold, use and disclose your personal information. Our Privacy Policy also provides information about how you can:

- access your personal information
- ask us to correct your personal information, and
- complain about a breach of the privacy principles set out in the Privacy Act 1988 (Cth) and how we will deal with your complaint.

To get a free copy of our Privacy Policy:

<https://www.bhinsurance.com.au>

## **How to apply for this Policy**

To apply for this Policy, please complete our online application form with your Steadfast Broker.

If we accept your application, you will receive a Policy Schedule that sets out details of the cover you have chosen.

## **The cost of this Policy**

The premium is the amount we charge you for this Policy. It includes the amount we have calculated for the risk as well as the taxes and government charges that are applicable. The premium will be shown on the Policy Schedule.

When calculating the premium we take a number of factors into account. These factors and the degree to which they affect the premium will depend on the information you give us, and the covers you choose. The main factors that impact your premium include:

- the type and amount of cover;
- the Vehicle and driver(s) to be insured; and
- the driver(s)'s previous insurance and claims history.

Some rating factors do not affect all components of the premium calculation.

### **Keep your receipts**

You should keep receipts, invoices or other evidence of ownership and value of your Vehicle and any other property covered under the Policy because if you make a claim you will be asked to prove ownership and value in order for us to pay the claim.

### **How to make a claim**

Please contact your Steadfast Broker to assist you in making a claim.

In an emergency outside normal business hours you may ring our emergency service on 1300 559 019 for assistance.

Further details of what you must do for us to consider your claim are provided in the 'Making a claim' section of this booklet.

### **General Insurance Code of Practice**

We are a signatory to the General Insurance Code of Practice.

The Code aims to:

- promote more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

You can download a copy of the Code from <http://codeofpractice.com.au>.

### **Your cooling off rights**

If you want to cancel this Policy after your decision to buy it, you may do so and receive a full refund of your premium. To do this you must notify your Steadfast Broker electronically or in writing within twenty one (21) days from the date the Policy commenced.

This cooling off right does not apply if you have made or are entitled to make a claim or the Period of Insurance has ended.



Even after the cooling off period ends, you still have cancellation rights however we and your Steadfast Broker may deduct certain amounts from any refund that may be due for administration costs or any non-refundable taxes.

## Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw our attention to. We have a complaints and dispute resolution procedure which undertakes to deal with your complaint promptly. It is important to follow the complaint handling process so we are able to resolve your concern effectively.

### 1. Tell Us

If you would like to make a complaint please tell us by contacting the relevant department your complaint relates to (see table below). In most cases they will be able to resolve the matter. If not you will be referred to a manager who will attempt to resolve the matter. A response will be provided within fifteen (15) business days.

Policy	If your complaint relates to, or if you have any concerns about, the sale of your Policy, please contact your Steadfast Broker. You can also contact us by email to: <a href="mailto:compliance.manager@iag.com.au">compliance.manager@iag.com.au</a> . We will assist by directing your concern to your Steadfast Broker.
Claims	If your complaint relates to a claim, please contact us by: Phone: 1300 559 019 Email: <a href="mailto:claimsbhia@iag.com.au">claimsbhia@iag.com.au</a> Fax: 1300 764 496

### 2. Independent Internal Review

If you are dissatisfied with how your complaint has been resolved, you can escalate your complaint to our Internal Dispute Resolution (**IDR**) department who will review the decision independently. You may be asked to put your complaint in writing to us.

You can contact our IDR department by:

Email: [compliance.manager@iag.com.au](mailto:compliance.manager@iag.com.au)  
Phone: (02) 9099 4997  
Address: IAL IDR, GPO Box 933, Sydney NSW 2001

The IDR department will contact you with a decision within fifteen (15) business days of receiving your complaint.

### 3. Review by the Financial Ombudsman Service

In most cases we can resolve any problems our customers have but if you remain dissatisfied with how we have resolved your concern you can contact the Financial Ombudsman Service

(FOS) for an independent external review at no cost to you. We are bound by any determination by FOS but the decision is not binding on you.

FOS can be contacted by:

Phone: 1300 780 808  
Fax: (03) 9621 2060  
Email: info@fos.org.au  
Address: Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001  
Internet: www.fos.org.au

## Financial Claims Scheme

This Policy is 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 the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 55 88 49.

## Claims Payment Examples

The following claims payment examples are designed to illustrate how a claim payment might typically be calculated. These examples do not cover all scenarios or all benefits and do not form part of the Policy terms and conditions. They are a guide only. The amount payable under the Policy will depend on the facts applicable to the claim as well as the coverage, exclusions and excesses set out in the Policy and the Policy Schedule.

### Repair of your vehicle

Your vehicle is comprehensively insured for Market Value with a basic excess of \$500, an undeclared young drivers' excess of \$1,250 and an undeclared inexperienced drivers' excess of \$750. Your insured vehicle is involved in an accident whilst being driven by an undeclared inexperienced driver with your authority and the cost of repair is \$7,500 inclusive of GST. The market value of your vehicle is \$22,000. You are not registered for GST.

How much we will pay	Explanation
\$6,250	We will pay the cost of repair of \$7,500; less the basic excess of \$500 and less the undeclared inexperienced drivers' excess of \$750.

### Total loss of your vehicle

Your vehicle is comprehensively insured for Market Value with a basic excess of \$500, an undeclared young drivers' excess of \$1,250 and an undeclared inexperienced drivers' excess of \$750. Your insured vehicle is involved in an accident and the driver is not an undeclared young driver or inexperienced driver. The market value of the vehicle is \$22,000 and it was

manufactured seven years ago. The cost of repair is \$25,000 and the salvage value is \$2,000. You are not registered for GST.

<b>How much we will pay</b>	<b>Explanation</b>
\$21,500	We will pay the Market Value of \$22,000 as the vehicle is a Total Loss; less the basic excess of \$500.

### **Liability for damage to a third-party's property**

Your vehicle is insured for third-party property damage only, with a basic excess of \$500, an undeclared young drivers' excess of \$1,250 and an undeclared inexperienced drivers' excess of \$750. Your insured vehicle is involved in an accident with a third-party vehicle and you are responsible for the accident. You are not an undeclared young driver or an inexperienced driver. The cost of repairing the third-party's vehicle is \$2,000 and the third-party also incurred hire car charges of \$800 whilst the damaged vehicle was being repaired.

<b>How much we will pay</b>	<b>Explanation</b>
\$2,300	<p>We will pay the cost of repair and the hire car charges incurred by the third-party totalling \$2,800. You will pay to us the basic excess and we will then pay the third-party the total amount claimed.</p> <p>There is no cover for the damage to your vehicle as you have not taken out comprehensive cover.</p>

## **Policy Wording**

### **Our agreement with you**

This Policy is a legal contract between you and us. You pay us the premium and we provide you with the cover you have chosen as set out in this Policy and your Policy Schedule for the Period of Insurance shown on your Policy Schedule or any renewal of that period.

The limits of cover applying to the cover selected by you, and the amount of any Excess that applies to your Policy, is shown on your Policy Schedule.

### **Paying your premium**

There are two ways you can pay your premium:

- in one (1) annual payment to your Steadfast Broker according to their business practices; or
- if provided, in twelve (12) monthly instalments by direct debit from your credit card or from your bank account which can be arranged by your Steadfast Broker.

You must pay your premium in the manner set out on your Policy Schedule.

## **Paying your annual premium**

You must pay your annual premium to your Steadfast Broker by the due date.

If your premium is unpaid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

## **Paying your instalment premium**

If we have provided this option to you and if you are paying your premium for the first time by instalments, we will deduct instalments each month on the day of the month that you nominate and which is shown on your Policy Schedule as your payment date.

If you are renewing your Policy and you paid your previous premiums by instalments, we will continue to deduct instalments for your renewed Policy on the day of the month you previously nominated as your payment date, unless you tell us otherwise.

If you have nominated the 29th, 30th or 31st of the month as your payment date, we will deduct your instalment payment on the next day if those dates don't occur in a month.

Further details of your instalments are shown on your Policy Schedule.

If your first instalment is unpaid by the due date or your payment is dishonoured, this Policy will not operate and there will be no cover.

We will not pay a claim under this Policy if, at the time the claim occurred, any instalment of premium has remained unpaid for fourteen (14) days or more.

If any instalment of premium has remained unpaid for one (1) month, we may cancel this Policy. We will send you a notice giving you details of the action we intend to take and when any cancellation will become effective.

We are entitled to deduct from any amount we pay you under a claim any unpaid premium or instalment of premium.

If you are paying your premium in instalments by direct debit from your credit card or financial institution account, you must tell us if those details change. You must do this no later than seven (7) days before your next instalment is due.

## **Preventing our right of recovery**

If you have agreed not to seek compensation from another person who is liable to compensate you for any destruction, loss, damage or liability which is covered by this Policy, we will not cover you under this Policy for that destruction, loss, damage or liability.

## **Other party's interests**

You must tell us of the interest of all parties (e.g. financiers, lessors or owners) who will be covered by this insurance. We will protect their interests only if you have told us about them and we have noted them on your Policy Schedule.

## **Providing proof**

So that your claim can be assessed quickly you should keep the following:

- receipts or other confirmation of purchase and ownership;
- valuations; and
- photographs of insured items.

We may ask you for these if you make a claim. You must be able to prove to us that you have suffered a loss that is covered by this Policy before we will pay your claim for it.

## **Your claim may be refused**

We may refuse to pay or reduce the amount we pay for your claim if you do not comply with the Policy conditions, if you do not comply with your duty of disclosure, or if you make a fraudulent claim.

## **Changing your Policy**

If you want to make a change to this Policy, the change becomes effective when:

- we agree to it; and
- we give you a new Policy Schedule detailing the change.

## **Cancelling your Policy**

### **How you may cancel this Policy**

You may cancel this Policy at any time by telling us in writing that you want to cancel it.

Where 'you' involves more than one person, we will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

### **How we may cancel your Policy**

We may cancel this Policy in any of the circumstances permitted by law (e.g. failure to pay the premium by the due date) by informing you in writing.

We will give you notice in person or send it to your address (including an electronic address) last known to us.

Where you have paid your premium in advance of the date of cancellation, we will refund to you the proportion of the premium for the remaining Period of Insurance (less any fees or expenses that may be charged by us for administration costs and any non-refundable taxes). Unless directed otherwise by all insureds, the refund will be made payable to the first named insured on your Policy Schedule.

## Notices

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally; or
- it is delivered to you at your address (including an electronic address) which is last known to us.

It is important for you to tell us of any change of address as soon as possible.

## Words with special meanings

Some key words and terms used in this Policy have a special meaning. If words and terms are only used in one (1) section of the Policy, we will describe their special meaning in that section.

Wherever the following words or terms are used in the Policy, they mean what is set out below:

<b>Words</b>	<b>Meanings</b>
<b>Agreed Value</b>	means the amount which we agree to insure your Vehicle for as shown in your Policy Schedule.
<b>Excess</b>	means the amount(s) shown in your Policy Schedule which you must pay when you make a claim under your Policy.
<b>Market Value</b>	means the cost to replace your Vehicle with a vehicle of the same make, model, age and condition as your Vehicle immediately prior to the loss or damage but excluding costs and charges for vehicle registration, compulsory third party insurance, stamp duty transfer, dealer warranty costs or transfer fees.
<b>Named Driver</b>	means a driver(s), noted in your Policy Schedule, who you have advised us will drive your Vehicle.
<b>Period of Insurance</b>	means the period of time your Policy is valid for, commencing and ending on the dates stated on your Policy Schedule.
<b>Personal Effects</b>	means personal items owned by you which are designed to be worn or carried, but not: <ul style="list-style-type: none"><li>• cheques, money, credit cards or negotiable instruments; or</li><li>• firearms; or</li><li>• tools or items used in connection with a business or occupation.</li></ul>
<b>Policy Schedule</b>	means the most current document we give you which sets out the details of your insurance cover. You receive a Policy Schedule when you first take out your insurance and again when the Policy is renewed or changed. Your Policy Schedule may be called a Policy Schedule, a Renewal Schedule or an Endorsement Schedule.

<p><b>Recoverable</b></p>	<p>means to recoup the expenses we incurred in providing cover for any accidental loss or damage to your Vehicle or in covering any of your legal liability costs after a claimable event.</p> <p>An event that would not be Recoverable includes, but is not restricted to, an at-fault claim; a not at-fault claim where you are unable to provide us with the responsible party's name, address and vehicle registration number; any storm or naturally occurring event; or a collision with an animal.</p> <p>An Excess may be required for any claimable event that is not Recoverable by us, unless otherwise stated in this Policy.</p>
<p><b>Substitute Vehicle</b></p>	<p>means a vehicle similar to your Vehicle which has been hired or borrowed because your Vehicle is being repaired, serviced or is not drivable because of a mechanical breakdown.</p>
<p><b>Total Loss</b></p>	<p>means when, in our opinion, your Vehicle and trailer attached to the Vehicle is so badly damaged that it would not be either safe or economical for us to repair, or when it has not been found within 14 days of you reporting its theft to us.</p> <p>We will not treat your Vehicle and trailer attached to the Vehicle as uneconomical to repair if the salvage value to us plus the cost of repairs to us is less than the:</p> <ul style="list-style-type: none"> <li>• replacement value – where a Total Loss gives you the right to a replacement vehicle under the Policy; or</li> <li>• Agreed Value – if your Vehicle is insured for an Agreed Value; or</li> <li>• Market Value – if your Vehicle is insured for Market Value,</li> </ul> <p>unless otherwise notified to you by us in writing.</p>
<p><b>Vehicle (or your Vehicle)</b></p>	<p>means the registered vehicle shown on your Policy Schedule including:</p> <ul style="list-style-type: none"> <li>• its standard tools, modifications and accessories as supplied by the manufacturer; and</li> <li>• its fitted or non-standard extras, modifications and accessories which you have told us about and which we have agreed to insure and listed on your Policy Schedule.</li> </ul>

<b>Vehicle Usage</b>	<p>means the use of your Vehicle, which you have told us about as shown on your Policy Schedule. Vehicle Usage may be either:</p> <ul style="list-style-type: none"> <li>• <b>“Business”</b> which means any vehicle which: <ul style="list-style-type: none"> <li>• is registered as a business vehicle, or</li> <li>• is used for income earning purposes,</li> </ul> <p>however "Business" use does not include any Vehicle being used for carrying passengers for hire, fare or reward.</p> </li> <li>• <b>“Private”</b> which means any type of use other than Business use.</li> </ul>
<b>we, us</b> (the insurer)	Insurance Australia Limited ABN 11 000 016 722, AFS Licence Number 227681.
<b>you, your</b> (the insured)	means the person(s) whose name is set out on the Policy Schedule.



## **If you have Comprehensive Cover**

### **Cover for accidental loss or damage to your Vehicle**

We will cover you for accidental loss (including theft) or damage to your Vehicle.

At our option we will:

- repair your Vehicle; or
- pay you the reasonable cost of repairing your Vehicle; or
- pay you the Market Value of your Vehicle when your Policy Schedule shows that your Vehicle is insured for Market Value; or
- pay you the Agreed Value of your Vehicle when your Policy Schedule shows that your Vehicle is insured for an Agreed Value.

Your Policy Schedule will show if your Vehicle is insured for Market Value or Agreed Value.

We will adjust your claim payment in accordance with the GST provision in the 'Other information' section of this Policy.

### **Replacement of new Vehicle after a Total Loss**

If your Vehicle was purchased new by you, or you purchased your Vehicle as an ex demonstration model from a licenced motor dealer who was the first registered owner of the Vehicle, and becomes a Total Loss within three years of the starting date of the original registration, and has travelled less than 60,000km, we will replace your Vehicle with a new vehicle of the same make, model and series (or similar if it is no longer available). If a replacement vehicle is not currently available, we will pay you either the Market Value or Agreed Value of your Vehicle, whichever is shown in your Policy Schedule.

Where your Vehicle is financed, we will require written consent from your financier in order to provide a replacement vehicle.

If we replace your Vehicle, this Policy will continue to cover your new replacement vehicle until the end of the Period of Insurance. We will not require you to pay any additional premium for this cover. You will however need to continue to pay your premium for the remainder of the Period of Insurance if paying by instalments.

We will also pay for the on-road costs (including 12 months registration and compulsory third party insurance) of the new vehicle if you pay us any refund amount obtained from your registration and compulsory third party insurance.

## **Cover for damage to other people's property (legal liability)**

We will cover your legal liability to pay compensation for loss or damage to someone else's property caused by a motor vehicle accident which is partly or fully your fault.

This cover will apply if your legal liability for loss or damage to someone else's property arises out of the use of:

- your Vehicle; and/or
- a caravan or trailer towed by your Vehicle.

We will also cover the legal liability for loss or damage to someone else's property of:

- any person who is driving, using or in charge of your Vehicle with your permission;
- a passenger travelling in your Vehicle or who is getting into or out of your Vehicle; and/or
- your employer, principal or partner arising from your use of your Vehicle.

We will not cover legal liability:

- when the loss or damage occurs to your own property, your spouse's or de facto's property or to property which is in your possession, custody or control; or
- which is insurable under any statutory or compulsory third party insurance policy or any statutory or compulsory insurance or compensation scheme or fund covering such legal liability.

### **No cover for legal liability after a Total Loss**

On the date we confirm that we will pay your claim for the Total Loss of your Vehicle, all legal liability cover under your Policy in respect of that Vehicle will cease.

If we have replaced your Vehicle under the 'Replacement of new Vehicle after a Total Loss' section above, this Policy will continue to cover your legal liability in respect of the new replacement vehicle until the end of the Period of Insurance. We will not require you to pay any additional premium for this cover.

## **Additional cover for supplementary bodily injury (legal liability)**

We will also cover you, or a currently licensed driver of your Vehicle driving your Vehicle with your consent, for legal liability for death or bodily injury caused by or arising out of the use of your Vehicle, if your Vehicle is registered for use on a public road when the liability is incurred, from one or more of the following events:

- driving or being in charge of your Vehicle or a Substitute Vehicle;
- goods being carried by or falling from your Vehicle or a Substitute Vehicle; and/or
- loading or unloading your Vehicle or a Substitute Vehicle.

We will also cover the legal liability of a passenger travelling in or getting into or out of your Vehicle with your permission, or the permission of a currently licensed driver driving or in charge of your Vehicle with your consent.

We will not pay:

- if the event or series of related events that gives rise to the legal liability or any part of it is covered or indemnified in any way by any:
  - statutory or compulsory third party insurance policy; or
  - statutory or compulsory insurance or compensation scheme or fund,even if the amount recoverable is nil.
- any amount of a claim over that recoverable under any:
  - statutory or compulsory third party insurance policy; or
  - statutory or compulsory insurance or compensation scheme or fund.
- if the legal liability would have been covered or indemnified in any way if you had not failed to:
  - insure your Vehicle;
  - register your Vehicle; or
  - comply with the requirements of any statutory or compulsory third party insurance policy or any statutory or compulsory insurance or compensation scheme or fund.
- for legal liability to any:
  - person driving or in charge of your Vehicle;
  - of your employees; or
  - member of your family.
- for legal liability in respect of any psychological or psychiatric injury (other than to the extent that it is directly caused by or arises from serious physical bodily injury of the person who suffers the psychological or psychiatric injury).
- unless you, or the person claiming under this section, have notified us of a claim under this section within 6 months of you, or that person, first becoming aware of an intention to make a claim against you or that person.
- for legal liability caused by or arising from an intentional act by you or any other person.
- any amount of exemplary, punitive or aggravated damages.

### **Maximum amount payable**

The maximum amount we will pay in total for all claims under your Policy for damage to other people's property and/or supplementary bodily injury cover arising from a single event or series of related events is \$30,000,000.

## **Other benefits we will pay**

Unless we have stated differently under one of the additional benefits listed below, any payment we may make under this section will be paid in addition to any amount payable for the damage to your Vehicle or any amount payable for your legal liability.

### **1. Substitute Vehicle**

We will cover you for legal liability, up to the maximum limit of liability of \$30,000,000, for loss or damage to someone else's property while using a Substitute Vehicle. Only one Substitute Vehicle can be used at a time.

We will not cover:

- your legal liability when we have already accepted a claim for the Total Loss of your Vehicle; or
- your legal liability when the Substitute Vehicle is unregistered; or
- accidental loss or damage to the Substitute Vehicle.

### **2. Legal costs**

Provided we agree in writing, we will pay for all reasonable legal costs and expenses in defending any court proceedings which may arise from accidental loss, damage or liability covered by your Policy.

We will not pay for any legal costs and expenses relating to any criminal or traffic proceedings.

### **3. Rental car following theft**

If your Vehicle is stolen we will arrange for you to be provided with a rental car:

- until your Vehicle is recovered undamaged and you have been told of its location; or
- until your Vehicle is recovered damaged and the damage is repaired; or
- until we settle your claim by paying the Agreed Value or Market Value; or
- for a maximum of 14 days,

whichever happens first.

The maximum daily rental charge we will pay is \$80.

We will not pay for:

- a rental car unless its hire has been arranged by us or approved by us;
- the cost of fuel used during the rental period; or
- any accidental loss or damage to the rental car.

If a rental or loan car is not available, we will pay you a daily travel allowance of \$30.

#### **4. Towing**

Following an accident or theft of your Vehicle, we will pay the reasonable cost of protection, removal and towing of your Vehicle to the nearest repairer, place of safety or any other place which we agree to.

#### **5. Vehicle being transported by ship**

If your Vehicle is being transported by ship within Australian waters, we will pay your contribution for any general average and salvage charges if such maritime conditions apply.

#### **6. Trailer and caravan cover**

Where we have accepted your claim for theft or damage to your Vehicle we will also pay for accidental loss of or damage to any trailer or caravan which was attached to your Vehicle.

We will pay the lesser of \$1,000 or the market value of the trailer or caravan.

We will not pay for property being carried in or on the trailer or caravan.

#### **7. Emergency repairs**

We will reimburse you for the cost of emergency repairs which may be necessary to enable you to drive your Vehicle home after it is involved in an accident, suffers malicious damage, or is stolen and recovered in a damaged condition.

The maximum we will pay in respect of any one accident is \$500.

#### **8. Personal Effects and clothing**

We will also pay for Personal Effects and clothing belonging to you, your spouse, your de facto or dependent children which are:

- damaged in a collision involving your Vehicle;
- stolen from your locked Vehicle; or
- stolen at the same time as your Vehicle.

We may choose to pay the amount of the loss or damage, or repair or replace the Personal Effect or item of clothing.

The maximum we will pay in respect of any one accident or theft is \$500.

#### **9. Transportation costs**

If your Vehicle cannot be safely driven home after being:

- involved in an accident; or
- subject to malicious damage; or

- stolen and recovered in a damaged condition,

we will reimburse you for the cost of:

- travel necessary to return you, your spouse, your de facto and/or dependent children to your home; and/or
- transportation to collect your Vehicle when it has been repaired.

The maximum we will pay in respect of any one accident giving rise to a claim is \$500.

### **10. Driver accident compensation benefit**

We will pay the applicable amount from the following scale of benefits to the driver of your Vehicle who is injured as a result of an accident while driving your Vehicle if:

- the driver was driving your Vehicle with your consent;
- the claim has been accepted under this Policy; and
- the driver is not entitled to any benefits under statutory or compulsory third party insurance policy or any statutory or compulsory insurance or compensation scheme or fund, or would have been so entitled if:
  - it were not for the application of any excess or deductible applying under that insurance, scheme or fund; or
  - compensation under that insurance, scheme or fund had not been refused, because you did not register your Vehicle or apply for cover under the insurance, scheme or fund.

### **Table of injury and benefit**

<b>Injury</b>	<b>Benefit</b>
Quadriplegia (total paralysis of both legs and both arms)	\$100,000
Paraplegia (total paralysis of both legs and a part of or the whole of the lower half of the body)	\$75,000
Permanent total disablement	\$50,000
Loss of entire sight in both eyes	\$25,000
Loss of entire sight in one eye	\$10,000
Permanent total loss of use of one limb (at or above the wrist or ankle) if the disability has continued for at least 12 months and in our opinion is beyond the reasonable possibility of improvement	\$10,000

The disability must occur within 90 days of the date of accident for any of the benefits to be given.

We will pay only one of the benefits mentioned above for any one accident.

We will not pay a claim unless the injured person undergoes any medical examinations during any period we may require in order to assess the claim (we will arrange the examinations and pay the costs).

## **11. Funeral Benefit**

If a driver of your Vehicle sustains a fatal injury as a result of an accident involving your Vehicle, whether or not death occurs at the time of the accident, we will pay for associated burial or cremation costs, as well as travel costs within Australia, for the deceased driver or any member of their immediate family.

This benefit will not be reduced by any accident compensation and we will pay up to \$5,000 in total for any one Period of Insurance.

## **12. Re-keying and re-coding**

If the keys to your Vehicle are stolen we will pay for the replacement of your Vehicle's keys and the necessary re-coding of your Vehicle's locks.

The maximum amount we will pay is the amount by which the cost to re-key and/or re-code your Vehicle exceeds the Basic Excess payable for the claim, up to a maximum amount of \$2,000 for any one claim.

This benefit will only apply if:

- the theft of your keys has been reported to the police; and
- the keys have not been stolen by a family member, invitee or person who resides with you.

Cover under this benefit does not entitle you to a claim for a rental vehicle or any other additional benefit.

## **13. Child seat or baby capsule**

We will pay for loss or damage to a child's seat or baby capsule that is stolen from your Vehicle or damaged in an accident while in your Vehicle, up to a maximum amount of \$500 for any one claim.

## **14. Finance Gap Cover**

Following a Total Loss of your Vehicle, we will pay 50% of the difference between your Vehicle's insured value and your finance contract residual liability, excluding arrears, should the insured value be less than the finance contract residual liability.

## **15. Artwork and Signwriting**

Where Business use is shown on your Policy Schedule, we will pay the cost of reinstating artwork or signwriting on your Vehicle if it is damaged in an accident.

## **Optional covers – only available when you have Comprehensive Cover**

Your Policy Schedule will show which, if any, of the following optional covers you have selected. Depending on the optional covers selected, your premium may have been increased or reduced.

### **1. Rental or loan car following an accident**

When your Policy Schedule shows that you have selected the rental or loan car following an accident optional cover, and we have accepted a claim for accidental damage to your Vehicle, we will:

- provide you with a rental or loan car; or
- pay you a daily travel allowance of \$30 if a rental or loan car is not available.

The rental or loan car benefit will be provided from:

- the date repairs to your Vehicle are authorised by us; or
- the date your Vehicle is made available for repairs to be commenced,

whichever is the latter.

The maximum daily rental charge we will pay is \$80. We will provide the rental or loan car benefit:

- for a maximum period of 14 days; or
- until the repairs have been completed; or
- until we settle your claim by paying you the Agreed Value or Market Value,

whichever happens first.

We will not pay for:

- a rental car unless its hire has been arranged by us or approved by us;
- the cost of fuel used while driving the loan car; or
- any accidental loss or damage to the rental or loan car.

### **2. Removal of Basic Excess for windscreen claims**

When your Policy Schedule shows that you have selected the removal of Basic Excess for windscreen claims optional cover, if the windscreen or window glass in your Vehicle is accidentally broken or damaged, we will not apply your Basic Excess to your claim.

This optional cover only applies:

- to one claim in any one Period of Insurance; and
- if the broken windscreen or window glass is the only damage to your Vehicle.



## **If you have Third Party Property Damage Cover Only**

### **Cover for damage to other people's property (legal liability)**

We will cover your legal liability to pay compensation for loss or damage to someone else's property caused by a motor vehicle accident which is partly or fully your fault.

This cover will apply if your legal liability for loss or damage to someone else's property arises out of the use of:

- your Vehicle; and/or
- a caravan or trailer towed by your Vehicle.

We will also cover the legal liability for loss or damage to someone else's property of:

- any person who is driving, using or in charge of your Vehicle with your permission;
- a passenger travelling in your Vehicle or who is getting into or out of your Vehicle; and/or
- your employer, principal or partner arising from your use of your Vehicle.

We will not cover legal liability:

- when the loss or damage occurs to your own property, your spouse's or de facto's property or to property which is in your possession, custody or control; or
- which is insurable under any statutory or compulsory third party insurance policy or any statutory or compulsory insurance or compensation scheme or fund covering such legal liability.

### **Additional cover for supplementary bodily injury (legal liability)**

We will also cover you, or a currently licensed driver of your Vehicle driving your Vehicle with your consent, for legal liability for death or bodily injury caused by or arising out of the use of your Vehicle, if your Vehicle is registered for use on a public road when the liability is incurred, from one or more of the following events:

- driving or being in charge of your Vehicle or a Substitute Vehicle;
- goods being carried by or falling from your Vehicle or a Substitute Vehicle; and/or
- loading or unloading your Vehicle or a Substitute Vehicle.

We will also cover the legal liability of a passenger travelling in or getting into or out of your Vehicle with your permission, or the permission of a currently licensed driver driving or in charge of your Vehicle with your consent.

We will not pay:

- if the event or series of related events that gives rise to the legal liability or any part of it is covered or indemnified in any way by any:

- statutory or compulsory third party insurance policy; or
- statutory or compulsory insurance or compensation scheme or fund,

even if the amount recoverable is nil.

- any amount of a claim over that recoverable under any:
  - statutory or compulsory third party insurance policy; or
  - statutory or compulsory insurance or compensation scheme or fund.
- if the legal liability would have been covered or indemnified in any way if you had not failed to:
  - insure your Vehicle;
  - register your Vehicle; or
  - comply with the requirements of any statutory or compulsory third party insurance policy or any statutory or compulsory insurance or compensation scheme or fund.
- for legal liability to any:
  - person driving or in charge of your Vehicle;
  - of your employees; or
  - member of your family.
- for legal liability in respect of any psychological or psychiatric injury (other than to the extent that it is directly caused by or arises from serious physical bodily injury of the person who suffers the psychological or psychiatric injury).
- unless you, or the person claiming under this section, have notified us of a claim under this section within 6 months of you, or that person, first becoming aware of an intention to make a claim against you or that person.
- for legal liability caused by or arising from an intentional act by you or any other person.
- any amount of exemplary, punitive or aggravated damages.

### **Maximum amount payable**

The maximum amount we will pay in total for all claims under the Policy for damage to other people's property and/or supplementary bodily injury cover arising from a single event or series of related events is \$30,000,000.

## **Other benefits we will pay**

Unless we have stated differently under one of the additional benefits listed below, any payment we may make under this section will be paid in addition to any amount payable for your legal liability.

### **1. Substitute Vehicle**

We will cover you for legal liability, up to the maximum limit of liability of \$30,000,000, for loss or damage to someone else's property while using a Substitute Vehicle. Only one Substitute Vehicle can be used at a time.

We will not cover:

- your legal liability when we have already accepted a claim for the Total Loss of your Vehicle; or
- your legal liability when the Substitute Vehicle is unregistered; or
- accidental loss or damage to the Substitute Vehicle.

### **2. Legal costs**

Provided we agree in writing, we will pay for all reasonable legal costs and expenses in defending any court proceedings arising from liability covered by your Policy.

We will not pay for any legal costs and expenses relating to any criminal or traffic proceedings.

### **3. Uninsured motorists extension**

We will cover your Vehicle for loss or damage arising from an accident caused by the driver of an uninsured vehicle up to a maximum amount of \$4,000, including the cost of protection, removal and towing.

You may only claim under this extension if you:

- did not contribute to the cause of the accident;
- can provide us with the name and address of the person responsible for the accident; and
- can provide the registration number of the other vehicle.

## **When we will not pay your claim**

We will not pay your claim if, at the time of any accidental loss, damage or liability which results in a claim, your Vehicle or a Substitute Vehicle (or any trailer or caravan attached to that vehicle), was:

### **1. Unlicensed driver**

being driven by any person, including you, who was not licensed to drive your Vehicle or Substitute Vehicle.

We will not refuse your claim if you can prove that you did not know the driver was unlicensed.

### **2. Declined driver**

being driven by a person named in your Policy Schedule as a Declined Driver.

### **3. Driver under the influence**

being driven by you, or any other person:

- under the influence of, or had their judgement affected by, any drug or intoxicating alcohol; or
- who, as a result of the accident, is convicted of driving under the influence of any drug or intoxicating alcohol; or
- who had a percentage of alcohol in their breath or blood in excess of the percentage permitted by law in the State or Territory where the accident occurred; or
- who refused to submit to any test to determine the level of alcohol and/or drugs in the blood when reasonably requested by the police.

We will not refuse your claim if you can satisfy us you had no reason to suspect that the driver was affected by alcohol or any drug.

### **4. Overloaded vehicle**

being used to:

- carry a number of passengers; or
- carry or tow a load,

greater than that for which your Vehicle or Substitute Vehicle was constructed.

We will not refuse your claim if you can prove that the accidental loss, damage or liability was not caused or contributed to by its greater load or number of passengers.

## **5. Unsafe vehicle**

being used in an unsafe or unroadworthy condition.

We will not refuse your claim if you can prove that the accidental loss, damage or liability was not caused or contributed to by the unsafe or unroadworthy condition of your Vehicle or Substitute Vehicle.

## **6. Carrying passengers for hire, fare or reward**

being used to carry passengers for hire, fare or reward except under a private pooling arrangement. If your full-time employer pays you a travelling allowance, we will not consider such an allowance as hire, fare or reward.

## **7. Motor sport**

being used for any motor sport or time trial, or was being tested in preparation for any motor sport or time trial.

## **8. Motor trade**

being used in connection with the motor trade for experiments, tests, trials or demonstration purposes.

## **9. Loss or damage outside Australia**

being driven or stored anywhere outside of Australia.

We will not pay any claim for accidental loss, damage or liability caused by or arising out of:

## **10. Deliberate, intentional, malicious or criminal act**

a deliberate, intentional, malicious or criminal act (including theft, conversion or misappropriation) caused by or involving:

- you, or any other person named as an insured in your Policy Schedule; or
- any person who is acting with your express or implied consent.

## **11. War**

any war, hostilities or warlike operations (whether war be declared or not), rebellion, civil war, revolution, insurrection, military or usurped power, invasion, acts of foreign enemy or popular or military rising.

## **12. Nuclear**

ionising radiation or contamination by radioactivity from:

- any nuclear fuel or from any nuclear waste;
- the combustion of nuclear fuel (including any self- sustained process of nuclear fission);  
or
- nuclear weapons material.

This Policy does not cover loss, damage, liability, injury, illness, death or damage arising directly or indirectly out of or in any way connected with:

## **13. Terrorism**

- any act of terrorism arising directly or indirectly out of or in any way connected with biological, chemical, radioactive, or nuclear pollution or contamination or explosion;  
or
- any action in controlling, preventing, suppressing, retaliating against, or responding to any act referred to above.

An act of terrorism includes, but is not limited to, any act, preparation in respect of action or threat of action, designed to:

- influence a government or any political division within it for any purpose; and/or
- influence or intimidate the public or any section of the public with the intention of advancing a political, religious, ideological or similar purpose.

## **14. Asbestos**

the existence, at any time, of asbestos.

Nor will we pay for:

## **15. Loss of use**

any loss of use of your Vehicle or Substitute Vehicle.

## **16. Depreciation**

Depreciation or wear and tear to your Vehicle or Substitute Vehicle.

## **17. Breakdown**

mechanical or electrical breakdowns, failures or breakages to your Vehicle or Substitute Vehicle.

## **18. Tyres**

damage to the tyres caused by application of the brakes or by road punctures, cuts or bursts.

## **19. Lawful seizure**

accidental loss or damage as a result of the lawful seizure of your Vehicle or Substitute Vehicle.

## **20. Safeguarding your Vehicle**

accidental loss or damage to your Vehicle or Substitute Vehicle at any time, including after an accident, theft or breakdown, unless you have taken reasonable steps to protect or safeguard it.

This includes removing your keys and locking your Vehicle or Substitute Vehicle when unattended.

## **21. Renting a vehicle**

- any costs associated with the loan of a vehicle; or
- the cost of renting a vehicle,

except for those circumstances detailed in:

- the 'Other benefits we will pay section under the heading 'Rental car following theft',
- the 'Other benefits we will pay' section under the heading 'Transportation costs', or
- the 'Optional covers' section under the heading 'Rental or loan car following an accident'.

## **22. Failure of computer or similar equipment**

loss or damage to any machinery, equipment, part, accessory or other property which:

- is a computer or which contains or comprises any computer technology (including computer chip or control logic);
- fails to perform or function in the precise manner for which it was designed for any reason arising from the performance or functionality of such computer technology (including computer chip or control logic); or
- arises directly or indirectly from the importation of any software virus whether the importation was malicious, negligent or accidental.

## **Conditions of cover**

### **Changes to your insurance details – what you must tell us**

You must tell us immediately if during the Period of Insurance:

- the drivers of your Vehicle change; or
- the place where your Vehicle is regularly garaged/ kept changes; or
- your Vehicle is modified in a manner that affects its value or performance in any way; or
- your Vehicle Usage changes from Private to Business; or
- any security or tracking devices on your Vehicle are modified or no longer operational; or
- any finance on your Vehicle changes.

When we receive this information, we may:

- alter the terms and conditions of your Policy; or
- charge you additional premium; or
- decide not to offer to renew your Policy.

If you do not provide the information immediately we may not pay a claim under the Policy.

### **If you replace your Vehicle**

If you permanently replace your Vehicle, we will provide temporary cover for the replacement vehicle from the date of purchase for a maximum of 21 days. If cover is to continue on the replacement vehicle:

- you must give us full details of the replacement vehicle during the 21 day temporary cover period;
- you must obtain our agreement to cover your replacement vehicle; and
- you must pay any extra premium we require.

Cover for your replaced Vehicle ceases from the date of purchase of the replacement vehicle.

### **Prevention of loss or damage**

We may not pay your claim if you do not take all reasonable precautions to prevent injury, loss or damage, including securing your Vehicle against unauthorised entry when it is unattended. This includes removing your keys and locking your Vehicle. It is a condition of this Policy that your Vehicle be kept in good repair.



## **Making a claim**

### **What you must do**

In order for us to pay your claim, please ensure you do the following:

#### **1. Do not admit liability**

You must not:

- admit guilt or liability, or make a promise or offer of payment in connection with any claim; or
- offer or agree to settle any claim, without our written consent.

We are entitled to take over and conduct the defence of any claim made against you for damages by a third party. We have full discretion in conducting any negotiations, proceedings and the settlement of claims.

If the claim is for legal liability, you may make a written request to us to agree that you are covered in respect of the claim.

#### **2. Prevent further damage**

You must take all reasonable precautions to prevent any further loss, damage or liability.

#### **3. Contact the police**

Depending on the laws of the State or Territory in which the accident occurs, you must:

- contact the police if any person was injured as a result of the accident;
- request the police to attend the scene of the accident; and/or
- go to the local police station to complete a 'Self Reporting Collision Form' if the police inform you that it is not necessary for them to attend the scene of the accident.

You must contact the police immediately if your Vehicle is stolen or maliciously damaged.

#### **4. Contact us as soon as possible**

If there is any accidental loss, damage or liability which is likely to result in a claim under your Policy, you must give us immediate notice with the full details of the accident or event.

You or your representative must give us full details in the manner we request which will be either:

- in writing by email, letter or fax to us or your Steadfast Broker; or
- verbally by calling your Steadfast Broker or calling our 24 hour claims hotline.

The process for authorising repairs to your Vehicle is explained in the 'Making a claim' section under the heading 'Authorising repairs'.

Any correspondence you receive regarding the accident or event must be sent to us immediately.

You must advise us immediately of:

- any notice of impending prosecution; and
- details of any inquest or official enquiry.

## **What happens after you make a claim**

### **1. Excess**

An Excess is the amount(s) shown in your Policy Schedule which you must pay when you make a claim under your Policy unless we state an Excess does not apply.

The payment of an Excess helps to keep the cost of your premium down by reducing the number of small claims. There are different types of Excess which may apply to you or the driver of your Vehicle at the time of the claim. The Excess types are shown on your Policy Schedule. These include:

- Basic Excess

The Basic Excess is the first amount you must pay on each claim. The amount of the Basic Excess you choose will be shown on your Policy Schedule.

In certain circumstances We may decide to impose an additional excess as part of Us agreeing to provide cover and this will be listed on your Policy Schedule. This will be in addition to your Basic Excess and will apply every time the Basic Excess applies.

- Undeclared Young Driver Excess

If you make a claim for an accident when your Vehicle was being driven by a driver under the age of 25, who was not listed on your Policy Schedule, you must pay the Undeclared Young Driver Excess shown in your Policy Schedule in addition to the Basic Excess.

You will not have to pay an Undeclared Young Driver Excess if the driver:

- was found guilty of the theft or illegal use of your Vehicle;
- had been paid by you to repair, service or test your Vehicle;
- was a valet attendant or attendant at a car park; or
- was a learner driver accompanied by the holder of a full unrestricted Australian driver's licence.

- Undeclared Inexperienced Driver Excess

If you make a claim for an accident when your Vehicle was being driven by a driver who was not listed on your Policy Schedule and who is aged 25 years or over and has not held an Australian driver's licence for more than 2 years, you must pay the Undeclared Inexperienced Driver Excess shown on your Policy Schedule in addition to the Basic Excess.

You will not have to pay an Undeclared Inexperienced Driver Excess if the driver was a learner driver accompanied by the holder of a full unrestricted Australian driver's licence.

#### When you do not have to pay an Excess

You will not have to pay any Excess if:

- We decide that the driver of your Vehicle at the time of the accident did not contribute to the cause of the accident; or
- your Vehicle was damaged while parked, and for both circumstances you provide us with:
  - the name, address and licence number of each responsible party; and
  - the registration number of the other vehicle(s) involved in the accident; or
- the claimable loss is Recoverable by us.

You will not have to pay an Undeclared Young Driver Excess or Undeclared Inexperienced Driver Excess (but you must pay your Basic Excess) if you are claiming for any of the following:

- windscreen or window glass damage only, unless you chose the optional cover for Removal of Basic Excess for Windscreen;
- theft;
- hail, storm or flood damage;
- malicious damage; or
- damage to your Vehicle while parked.

## **2. Deciding who is at fault**

We will be solely responsible for deciding whether you contributed to the cause of an accident.

## **3. Choice of repairer**

We can assist you in selecting a suitable repairer to repair the damage to your Vehicle; however you also have the right to choose your own repairer. In both instances we will work closely with the repairer to strive to achieve the best repair outcome for you however we may require

a second quotation from a repairer chosen by us. We will then choose (subject to any relevant Policy limits) to:

- authorise the repairs at your repairer of choice; or
- pay you the reasonable cost of repairing your Vehicle; or
- move your Vehicle to a repairer we both agree will repair your Vehicle. In the instance that we both agree to move your Vehicle we will provide you with a rental car for up to 3 days in addition to any other benefit provided under your Policy.

#### **4. Authorising repairs**

Where you have Comprehensive Cover you may only authorise emergency repairs as detailed in the 'Other benefits we will pay' section under the heading 'Emergency repairs'. You cannot authorise further repairs to your Vehicle without our prior consent.

Before we make a decision regarding your claim and repairs to your Vehicle, we may need to inspect your Vehicle. A motor vehicle assessor will be appointed by us. We or our assessor will make the necessary arrangements with you.

#### **5. Spare parts, extras and accessories**

If we are unable to repair the part we will use new, recycled or reconditioned parts that meet the requirements of Australian Design Rules (ADR). If such parts are not available or appropriate, parts from alternative distribution channels may be used.

We will not pay any amount greater than the maker's last list price in Australia (together with a reasonable charge for fitting) for the supply of any spare part, extra or accessory. In the event that any spare part, extra or accessory cannot be obtained immediately, we may choose to pay you the value of the spare part, extra or accessory (together with a reasonable charge for fitting) rather than supply the spare part, extra or accessory.

#### **6. Sublet repairs**

If your Vehicle requires us to engage the services of a specific specialist repairer and/or supplier we may sublet that component to such repairer or supplier.

#### **7 Guarantee and warranty**

We guarantee materials and workmanship on repairs we authorise for as long as you own or lease your Vehicle. This guarantee is not transferable.

#### **8. Assist us with your claim**

You must assist us with your claim. This means you must give us all the information and assistance with your claim which we may reasonably require. If you do not, we may not pay your claim.

If we have the right to recover any amount payable under this Policy from any other person, you must co-operate with us in any action we may take.

## **9. Our rights of recovery**

We have the right to recover from any person, in your name, the amount of any claim paid by us under this Policy and we have full discretion in the conduct, settlement or defence of any claim we bring in your name. If we recover more than the amount we have paid to you or on your behalf, we will pay you the balance.

## **10. Salvage of your Vehicle when it is a Total Loss**

If your Vehicle is a Total Loss and we have agreed to pay the Market Value or Agreed Value for your Vehicle:

- the wreckage of your Vehicle will become our property; and
- we will keep the proceeds of any salvage sale.

## **11. Payment of unpaid premium when your Vehicle is a Total Loss**

If your Vehicle is a Total Loss and we have agreed to pay the Market Value or Agreed Value for your Vehicle, the amount of any unpaid premium for the Period of Insurance will be deducted from the amount payable to you.

## **12. No return of premium after a Total Loss**

If your Vehicle is a Total Loss and we have agreed to pay the Market Value or Agreed Value for your Vehicle, no return of premium will be made for any unexpired portion of the Period of Insurance. If We are replacing your Vehicle under the 'Replacement of new Vehicle after a Total Loss' benefit, this Policy will continue to cover your new replacement vehicle until the end of the Period of Insurance.

## **Other information**

### **Renewal procedure**

Before your Policy expires we will advise you whether we intend to offer renewal and if so on what terms. This document also applies for any offer of renewal we may make, unless we tell you otherwise. It is important that you check the terms of any renewal offer before renewing to satisfy yourself that the details are correct. In particular, check the sum insured amounts and Excesses applicable and to ensure the levels of cover are appropriate for you. Please note that you need to comply with your duty of disclosure before each renewal.

### **Sanction limitation and exclusion clause**

You are not insured under any section of this Policy where a claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

### **The law that applies to this Policy**

Any disputes arising from this Policy will be determined by the courts, and in accordance with the laws, of the state or territory of Australia where this Policy is issued.

### **Goods and Services Tax**

This GST provision may have an impact on how you determine the amount of insurance you need. Please read it carefully. Seek professional advice if you have any queries about GST and your insurance.

Unless expressly stated, any consideration or amount payable in respect of this Policy is exclusive of GST. If GST is or becomes payable on any supply made in connection with this Policy, an additional amount is payable by the recipient of the supply equal to the amount of GST payable on that supply.

### **Limits of liability and sums insured**

All monetary limits and sums insured in this Policy may be increased for GST in some circumstances (see below).

### **Claim payments**

When we calculate the amount we will pay you, we will have regard to the items below:

- Where you are not registered for GST and liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the Policy) we will pay you an amount in respect of the GST on the acquisition.
- We will pay the GST amount in addition to the relevant sum insured or limit of liability.

- If your sum insured or limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.
- Where we make a payment to you, or on your behalf, under this policy as compensation or in respect of an acquisition or goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that we estimate that you would be, or would have been entitled to (based on your disclosure of input tax credit entitlement) in relation to that acquisition, whether or not that acquisition is actually made.

### **Input tax credit entitlement**

If you are registered or required to be registered for GST you must tell us your Australian Business Number and entitlement to an input tax credit. We will ask you for this information if you lodge a claim. If you fail to disclose or incorrectly disclose your entitlement, you may be liable for GST on a claim we pay. This Policy does not cover you for this GST liability, or for any fine, penalty or charge for which you may be liable.

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