

Vero Enterprise Commercial Motor Insurance Policy

Product Disclosure Statement



Enterprise Commercial Motor Insurance Policy

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Welcome to Vero Enterprise

Vero is part of a group that can trace its origins back to 1833 in Australia. Since then we have successfully protected our customers personal and business assets by operating with a depth of knowledge and a reputation for promises kept. Built on these solid foundations, Vero now provides dynamic and forward thinking solutions for all our customers.

Vero is a member of the Suncorp group of companies.

Who is the insurer?

Vero Insurance Limited ABN 48 005 297 807, AFS Licence No. 230859 is the insurer of this **policy** and issuer of this **Product Disclosure Statement (PDS)**. Vero Enterprise, is a division of Vero Insurance Limited.

About your insurance policy

Your insurance **policy** is a legal contract between you and us. The contract is based on the information you gave us when you applied for the insurance, and any subsequent information which you have supplied.

Your insurance **policy** is made up of this **PDS**, any **Supplementary PDS (SPDS)** we may send you, any **endorsements** and the **schedule**. You should read all these documents together to tell you what we cover, what we exclude, what we pay to settle claims and other important information. This **policy** has general exclusions which are listed on pages 24 and 25, and which apply to the whole **policy**.

You must pay the premium and any relevant government charges for the **period of insurance** and comply with all of the **policy** conditions.

In this insurance **policy**:

- ▼ You/your means the policyholder named in the **schedule**.
- ▼ We/our/us means Vero Insurance Limited ABN 48 005 297 807 ('Vero').

Some other words used in this **PDS** have special defined meanings. These words are in **bold**. Most of the words we have defined are listed in the "Definitions" section on pages 30 to 32 of this **PDS**.

How to contact us

You may contact us by:

- ▼ telephone on 1300 888 071;
- ▼ email at our website www.veroenterprise.com.au;

or alternatively by writing to us at:

Vero Insurance Limited,
GPO Box 2068,
Adelaide SA 5001

Cooling off period

You have the right to cancel and return the insurance **policy** by notifying us in writing within 30 days of the date it was issued to you ("cooling off period"), unless you have a claim under the **policy** within the cooling off period.

If you cancel it in this time, we will return the amount you have paid.

In addition, if you vary your **policy**, you have the right to cancel the **policy** within 30 days of the date it was varied by notifying us in writing ("additional cooling off period") unless you make a claim under the **policy** within the additional cooling off period. If it is cancelled in this time, we will return the amount you have paid.

To cancel at other times, please see "Cancelling Your Policy" on page 5.

Privacy statement

Vero Insurance Limited ABN 48 005 297 807, AFS Licence No. 230859 is a member of the Suncorp Group.

The Privacy Act 1988 (Cth) requires us to inform you that:

Purpose of collection

Personal information is information about an identifiable individual and includes facts or an opinion about you which identifies you or by which your identity can be reasonably determined. The collection of your personal information is essential to enable us to conduct our business of offering and providing you with our range of financial products and services.

We collect personal information for the purposes of:

- ▼ identifying you when you do business with us;
- ▼ protecting your personal information from unauthorised access;
- ▼ establishing your requirements and providing the appropriate product or service including evaluating your application for insurance and any request for amendment to any insurance provided;
- ▼ setting up, issuing, administering and managing the insurance following acceptance of an application;
- ▼ assessing and investigating, and if covered, managing a claim made in relation to any insurance you have with us or other companies within the Suncorp Group; and
- ▼ understanding your needs and improving our financial products and services, including training and developing our staff and representatives.

Consequences if personal information is not provided

If we request personal information about you and you do not provide it, we may not be able to provide you with the insurance product you request, manage or pay any claim under an insurance policy or provide you with the full range of services we offer.

Disclosure

We use and disclose your personal information for the purposes we collected it.

We may also use and disclose your personal information for a secondary purpose related to the purpose for which we collected it, where you would reasonably expect us to use or disclose your personal information for that secondary purpose. In the case of sensitive information, any secondary purpose, use or disclosure will be directly related to the purpose of collection.

When necessary and in connection with purposes listed above, we may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Suncorp group;
- ▼ where required or authorised under our relationship with them;
- ▼ information technology providers, including hardware and software vendors and consultants such as programmers;
- ▼ customer research organisations;
- ▼ intermediaries including your agent, adviser, a broker, a representative acting on your behalf, other Australian Financial Services Licensee or our authorised representatives and our agents;
- ▼ accounting or finance specialists;
- ▼ government, law enforcement or statutory bodies;
- ▼ other insurers, reinsurers, financial institutions, insurance and claims reference agencies, credit agencies, loss assessors, financiers or investigative service providers;
- ▼ hospitals, medical and health professionals;
- ▼ legal and other professional advisers;
- ▼ printers and mail service and delivery providers for the mailing of statements, insurance policy documents and marketing material;
- ▼ imaging and document management services.

Disclosure overseas

There are also instances where we may have to send your personal information overseas or collect personal information from overseas. These instances include:

- ▼ sending your personal information to companies in the Suncorp group;
- ▼ when you have asked us to do so;
- ▼ when we are authorised or required by law to do so;
- ▼ when we have outsourced a business activity or function to an overseas service provider with whom we have a contractual arrangement;
- ▼ certain electronic transactions; or
- ▼ when it is necessary in order to facilitate a transaction on your behalf.

We will only send your personal information overseas or collect personal information about you from overseas for the purposes in this statement and in compliance with the privacy regime.

Access

You can request access to the personal information we hold about you by contacting us.

In some circumstances, we are able to deny your request for access to personal information. If we deny your request for access, we will tell you why.

If accessing your personal information will take an extended period of time, we will inform you of the likely delay. For more detailed requests for access to personal information, for example, access to information held in archives, a fee may be charged to cover the associated cost of retrieval and supplying this information.

Marketing

We would like to use and disclose your personal information to keep you up to date with the range of products and services available from Suncorp. Generally, our companies in the Suncorp group will use and disclose your personal information for Suncorp's marketing purposes.

If you do not want us to use and disclose your personal information for the purpose of marketing products and services to you, you should contact us and tell us.

Contact

Please contact us to:

- ▼ change your mind at any time about receiving marketing material;
- ▼ request access to the personal information we hold about you; or
- ▼ obtain more information about our privacy practices by asking for a copy of our Privacy Policy;

Refer to 'How to contact us' on page iii if you wish to contact us.

Our Privacy Policy can also be found on our website at www.vero.com.au.

General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by visiting www.insurancecouncil.com.au or phoning (02) 9253 5100.

Complaints resolution

We are committed to:

- ▼ listening to what you tell us;
- ▼ being accurate and honest in telling you about our products and services;
- ▼ communicating with you clearly; and
- ▼ resolving any complaints or concerns you have in a fair, transparent and timely manner.

If you have a complaint concerning this product or our services, please tell the people who provided your initial service. Or you can:

- ▼ phone us on: 1800 689 762 (FREE CALL)
- ▼ fax us on: 1300 767 337
- ▼ write to us at: Reply Paid 1453 Customer Relations Unit RE058,
GPO Box 1453 BRISBANE QLD 4001 or
- ▼ email us on: customer.relations@suncorp.com.au

What we will do to resolve your complaint

When you first let us know about your complaint or concern, we will review your complaint, consider the facts and attempt to resolve your complaint within a 24 hour period.

If we cannot resolve your complaint to your satisfaction, we will contact you within 3 working days to advise you that your complaint has been referred to our Internal Dispute Resolution team (unless you advise us that you no longer wish to pursue your complaint).

We will endeavour to send you our final decision within 15 working days from the date you first made your complaint. If we require further information, assessment or investigation of your complaint, we will contact you to agree on a reasonable alternative timeframe to resolve your complaint.

For more information on our complaints handling process, please contact us.

What if you are not satisfied

We expect our procedures will provide you with a fair and prompt resolution to your complaint. If however you are not satisfied with our final decision or if we have not been able to resolve the complaint to your satisfaction within 45 days you may be able to take the complaint to the Financial Ombudsman Service ("the FOS").

The FOS is an independent external dispute resolution scheme and its service is free to our customers.

You can contact FOS by:

- ▼ telephone: 1300 780 808 (for the cost of a local call)
- ▼ address: GPO Box 3
Melbourne Victoria 3001.
- ▼ email: info@fos.org.au or
- ▼ website: www.fos.org.au

The FOS will tell you if they can help you, as their services are not available to all customers.

We agree to accept a FOS decision however you have the right to take legal action if you do not accept their decision.

If you want more information on the FOS, please ask us for a brochure.

Updating information

The information in this **PDS** was current at the date of preparation. We may update some of the information in the **PDS** that is not materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by calling 1300 888 071. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a **Supplementary PDS (SPDS)** or replacement **PDS**.

Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA at HYPERLINK "<http://www.apra.gov.au>" www.apra.gov.au or by calling 1300 13 10 60.

Information about the cost of this insurance

The premium is the amount you pay us for this insurance. The premium payable by you will be shown on your **schedule**. Premiums are subject to applicable Commonwealth and state taxes and charges. These include the Goods and Services Tax (GST), Fire Services Levy (FSL) and stamp duty. The amount of these taxes and charges will be shown on your **schedule**.

If you change your **policy** you may be entitled to a partial refund of premium or be required to pay an additional premium.

How various factors may affect your premium

The following table is a guide to the significant factors which impact generally on your premium.

Factor	Lowers premium	Increases premium
Type of cover	Legal Liability only	Comprehensive
Market and agreed value	Market value	Agreed value
No claims bonus	Higher rating	Lower rating
Type of vehicle	Low risk vehicle	High risk vehicle
Vehicle accessories	None specified	Items specified
Radius	Smaller radius of operation	Australia wide
Insured amount	Lower insured amount	Higher insured amount
Postcode	Low risk postcode	High risk postcode
Optional covers	None taken	One or more taken
Claims experience	Low claims experience	High claims experience
Voluntary excess	Higher	Lower
Occupation	Low risk occupation	High risk occupation
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Our Expenses of doing business including payments we make to intermediaries	Low expenses	High expenses

When determining your premium we also take into account the age of the vehicle and the age of the drivers. These factors may lower or increase the premium depending on whether they mean there is a higher chance of you making a claim and if so, for how much.

Premium discounts

At times we may offer premium discounts to particular customers as part of a promotion or to take account of market conditions. The amount and type of discounts offered can change at any time before you take out this **policy**, or at your next renewal.

Why your premium can change

Each time you renew your insurance your premium is likely to change, even if your personal or business circumstances have not changed. This is because premiums are affected by:

- ▼ the cost of claims we have paid to other customers;
- ▼ the cost of claims we expect to pay in the future;
- ▼ any changes in government taxes or charges; and
- ▼ our expense of doing business.

At renewal, we might decide to pass on all, or part of, any premium increase or decrease.

Information about excesses payable

If you make a claim, you may be required to pay one or more **excesses**. The descriptions of these **excesses** and the circumstances in which they are applied are shown on pages 22 and 23 of this **PDS**.

The amount of the basic **excess** is shown on your **schedule**. The amount of each other excess (or where the amount can be found in this **PDS**) is shown on pages 22 and 23 of this **PDS**.

We take into consideration a number of factors when setting the amount of your basic **excess**, such as:

- ▼ the make, model and type of **vehicle** being insured, including modifications made to the **vehicle**;
- ▼ any voluntary **excess** that we may allow you to choose
- ▼ the age and driving experience of people who will be driving the **vehicle**;
- ▼ the **insured amount** of the **vehicle**;
- ▼ where and how the **vehicle** is used;
- ▼ the type of cover chosen;
- ▼ the place where your **vehicle** is garaged;
- ▼ your previous insurance and claims history; and
- ▼ Extra Benefits, Additional Covers, Optional Covers and **endorsements**.

No Claim Bonus (comprehensive cover only)

A No Claim Bonus recognises your good driving and claims history record where you are insured for comprehensive cover.

Your **schedule** will show the type of No Claim Bonus you are entitled to (if any), and your premium will be charged accordingly.

How you earn a No Claim Bonus

If you are not entitled to a maximum No Claim Bonus, you will earn an entitlement to a bonus for the next **period of insurance** if there has been no **legal liability, loss** or **damage** claims that fall within the definition of a **penalty claim**.

The following No Claim Bonus will apply if you qualify for a No Claim Bonus:

For sedans, station wagons, 4 wheel drives or goods carrying vehicles with a carrying capacity of not more than 2 tonnes:

Year	Existing Bonus	Renewal Bonus
1st Year	0%	25%
2nd year	25%	45%
3rd Year	45%	55%
4th Year	55%	65%
Subsequent Years	65%	65%

For all other vehicles:

Year	Existing Bonus	Renewal Bonus
1st Year	0%	20%
2nd year	20%	30%
3rd Year	30%	40%
4th Year	40%	50%
Subsequent Years	50%	50%

Protected No Claim Bonus

If you are entitled to a maximum No Claim Bonus of 65% for sedans, station wagons, 4 wheel drives, or a goods carrying vehicle with a carrying capacity of not more than 2 tonnes, we may allow you to have the option when you first take out the **policy**, or upon renewal, to protect your No Claim Bonus for that **vehicle**. An additional premium is payable to extend the **policy** to include this option. See page 21 for details.

How making a claim could affect your No Claim Bonus

If an event is not your fault

If you did not lodge a **penalty claim** during the **period of insurance**, then your No Claim Bonus will not be detrimentally affected at renewal of your **policy**.

Windscreen claims

When you renew your **policy**, your No Claim Bonus will not be affected for any windscreen or window glass claim you make.

Other claims

When you renew your **policy**, we reduce your No Claim Bonus for each **penalty claim** you have made during the **period of insurance** unless you have selected the Protected No Claim Bonus Optional Cover.

If you have selected the Protected No Claim Bonus Optional Cover for the **vehicle** involved in a claim, we will not count that first **penalty claim** on that **vehicle** during the **period of insurance**.

The amount we reduce your No Claim Bonus to, is set out below:

For sedans, station wagons, 4 wheel drives or goods carrying vehicles with a carrying capacity of not more than 2 tonnes:

Your current No Claim Bonus	Following 1 penalty claim	Following more than 1 penalty claim
65%	45%	Nil
55%	25%	Nil
45%	Nil	Nil
25%	Nil	Nil
Nil	Nil	Nil

For all other vehicles:

Your current No Claim Bonus	Following 1 penalty claim	Following more than 1 penalty claim
50%	30%	Nil
40%	20%	Nil
30%	Nil	Nil
20%	Nil	Nil
Nil	Nil	Nil

Where we consider your claims history to be unsatisfactory, we may decide not to offer renewal of your **policy**.

Where we do decide to offer renewal of your **policy**, we may take the following actions in addition to reducing your No Claim Bonus entitlement:

- offer renewal with an additional premium loading, and/or
- offer renewal with an increased **excess**.

Your duty of disclosure

You must comply with your Duty of Disclosure when you apply for insurance with us and each time you renew or alter your cover.

You have a duty of disclosure to tell us everything you know or should know, that is relevant to our decision to insure anyone under the **policy**, including you, and on what terms.

It includes matters we specifically ask about when you apply for a **policy**, or renew or alter your **policy**, and any other matters which might affect whether we insure you and on what terms.

The information you tell us can affect:

- ▼ the amount of your premium and your **excess**
- ▼ if we will insure you
- ▼ if special conditions will apply to your **policy**.

You do not need to tell us of anything which:

- ▼ reduces the chances of you making a claim or
- ▼ we should know about because of the business we are in or
- ▼ we tell you we do not want to know.

If you are unsure it is better to tell us. If you do not tell us something which you know or should know is relevant, we might reduce a claim, refuse to pay a claim, cancel your **policy** or, if fraud is involved we can treat the **policy** as if it had never existed.

The duty of disclosure applies to every person or organisation insured under the **policy**. Refer to 'Your responsibilities' on page 6 for more details.

Paying your premiums

We will tell you how much you have to pay and how much time you have for payment.

You must pay the premium and other charges by the due date.

Unless we tell you, any payment reminder we send you does not change the **policy** expiry date.

If you do not pay the premium and other charges in full, we may reduce the **period of insurance** so it is in line with the amount you paid.

Paying by monthly instalments

If we agree that you can pay us the total premium in a number of payments instead of all at once, this is called paying by instalments.

If you are a month (or more) late in paying an instalment, we may cancel your policy (see 'Cancelling your policy' on page 5).

We will not pay a claim if at the date of the **event** you are claiming for, you are a month or more late in paying an instalment.

How the Goods and Services Tax (GST) affects this insurance

In addition to the premium, we will charge you an amount on account of GST.

You must inform us of the extent to which you are entitled to an input tax credit for that GST amount each time that you make a claim under this **policy**. No payment will be made to you for any GST liability that you may have on the settlement of a claim if you do not inform us of your entitlement or correct entitlement to an input tax credit.

GST has an impact on the way in which claim payments are calculated under your **policy**. We will calculate the amount of any payment we make to you having regard to your GST status.

In respect of **loss** or **damage** to your **vehicle**, if your **vehicle** is a **total loss** and you have chosen the **agreed value** option, we will not deduct any input tax credit entitlement from the amount of the **agreed value** shown on your **schedule**.

In all other circumstances our liability to you will be calculated taking into account any input tax credit to which you are entitled for any acquisition which is relevant to your claim, or which you would have been entitled were you to have made a relevant acquisition.

If, for example, we make a cash payment to you for the purchase of goods or services for which you are entitled to claim an input tax credit, we will only pay you an amount equal to your net cost – ie your cost after claiming input tax credits.

In respect of your **policy** with us, therefore, where you are registered for GST purposes, you should calculate your **insured amounts** having regard to your entitlement to input tax credits.

You should, therefore, consider the net amount (after all input tax credits have been taken into account) which is to be insured and calculate and advise to us **insured amounts** on a GST exclusive basis.

If you are either wholly or partially input taxed, you are in a special category under the GST legislation, and will need to advise us your **insured amounts** on a GST inclusive basis.

This outline of the effect of the GST on your policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to your particular circumstances.

'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

Interested parties

We will not insure the interests of any person other than you unless you have notified us in writing of such interest and we have agreed to note that interest in writing or on your **schedule**.

Cancelling your policy

How you may cancel

You may cancel the **policy** at any time by telling us that you want to cancel it.

We subtract from any premium you have paid us, an amount to cover the period that we have already insured you for. We will then return the rest of the premium to you (along with GST and any relevant government charges where this is allowed).

How we may cancel

We may only cancel a **policy** when the law says we can.

We will cancel your **policy** by telling you so in writing, either in person or by post to your last known address.

We will return the premium that you have paid for the rest of the **period of insurance** (along with GST and any relevant government charges where this is allowed).

Paying by instalments

If we agree that you can pay your total premium in a number of payments instead of all at once, this is paying by instalments. If you are one month (or more) late in paying an instalment, we may cancel your **policy**.

Your responsibilities

Keeping us up to date

During the **period of insurance** and at renewal you must tell us of any of the following changes (for which we may ask for an additional premium to maintain cover):

- ▼ any change in the business;
- ▼ if there is anyone under the age of 25 years who is likely to be a regular driver of your **vehicle**;
- ▼ details of any conversion or modification to your **vehicle** made by someone other than the manufacturer. For example, if you give your **vehicle** wide tyres or wheels, or lower its suspension; or
- ▼ you change your address, your **vehicle**, your **vehicle's** garaged postcode or the way you use your **vehicle**.

You must tell us at the commencement of your **policy** and at each renewal if any **authorised driver** of your **vehicle**, including you, has:

- ▼ had a license endorsed, suspended or cancelled in the past 5 years, or
- ▼ had any convictions relating to alcohol, drugs, dangerous driving, or failing to stop after an accident

You must tell us at the commencement of your **policy** and at each renewal if you (for the purposes of this particular point 'you' does not include an **authorised driver** unless they are also an insured) have:

- ▼ been declared bankrupt or been with a business that has gone into receivership,
- ▼ been convicted of a criminal offence, or
- ▼ had any insurance policy cancelled, declined or refused in the past 5 years.

You must tell us at the commencement of your **policy** if, in the previous 3 years, you have had:

- ▼ more than 3 accidents, or
- ▼ had accidents costing more than \$5,000 in total.

Taking care

You must:

- ▼ take all reasonable steps to prevent **loss** of or **damage** to your **vehicle**;
- ▼ take all reasonable care to prevent injury to another person or **damage** to another person's property;
- ▼ comply with all laws and safety requirements imposed by any authority or by state or national legislation; and
- ▼ keep all vehicles in a roadworthy condition.

Complying with our requirements

You must comply, within a reasonable time that we will specify, with any request made by us:

- ▼ for the protection or improvement of your **vehicle**; or
- ▼ to reduce the likelihood of **personal injury** or **loss** of or **damage to property**.

Your cover

Cover options

There are three different types of cover for **vehicles**. Not all types of cover are available for all types of **vehicles**. The option you have chosen is shown on your **schedule** and is detailed below.

Cover option	Description of cover provided
Comprehensive	Part 1, insured events 1 to 5 (inclusive) apply Part 2 applies
Legal liability, fire and theft	Part 1, insured events 1 to 4 (inclusive) only apply Part 2 applies
Legal liability only	Part 1 does not apply Part 2 applies

The insured **events** are listed in the "What we cover" columns on page 8. An insured **event** does not include any of the items, events or circumstances set out beside the event in the "What we exclude" column.

You can ask us at any time to change the cover option for any **vehicle** and if we agree, there may be an additional premium or a refund of premium.

Cover for additional vehicles

We automatically provide cover for any additional vehicle you acquire, purchase or lease during the **period of insurance**. You must tell us about the additional vehicle within 30 days of getting it and pay any extra premium we ask for.

If we are unable to continue covering the additional vehicle, we will tell you and give you 5 working days from the date we tell you so you can organise to insure the vehicle elsewhere. Cover on the additional vehicle will then end at 4pm 5 days after we have told you we are unable to continue covering the additional vehicle.

If you have only one type of cover option for your **vehicles**, we will automatically provide that cover option for an additional vehicle you get during the **period of insurance** (unless you tell us you want another cover option).

If you have **vehicles** insured with us for more than one type of cover option, we will automatically provide the cover option with the better cover for an additional vehicle you get during the **period of insurance** (unless you tell us you want another cover option).

Unless a higher amount is shown on your **schedule** for additional vehicles or we have agreed to insure an additional vehicle that is similar for a higher amount, the most we will pay for a claim involving an additional vehicle is:

- ▼ \$100,000 if your **vehicle** is a motorcycle, caravan, car, 4WD, utility or van of not more than 2 tonne carrying capacity.
- ▼ \$300,000 for any other **vehicle** type.

Part 1 – Loss of or damage to your vehicle

You can claim for **loss** of or **damage** to your **vehicle** as described under “What we cover” if:

- ✓ your **vehicle** is insured for “Comprehensive” or “Legal Liability, Fire and Theft Cover”;
- ✓ the **event** (shown in the ‘What we cover’ column) which causes the **loss** or **damage** happens during the **period of insurance**;
- ✓ the **loss** or **damage** occurs within Australia or its external territories;
- ✓ the **loss** or **damage** is not excluded by anything under the “What we exclude” column; and
- ✓ the **loss** or **damage** is not excluded by any of the General Exclusions on pages 24 and 25.

✓ What we cover

We will pay for **loss** of or **damage** to your **vehicle** caused by one of the following insured **events**:

1. Fire
2. Explosion
3. Lightning
4. Theft or attempted theft
5. Any other cause

✗ What we exclude

We will not pay for:

Loss or damage to tyres

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

Vehicle deterioration

loss or **damage** due to wear and tear, corrosion, rusting or depreciation.

Accessories

any **vehicle** accessories other than those:

- ▼ supplied by the manufacturer of your **vehicle** as original equipment;
- ▼ stated within the definition of ‘**vehicle**’, or
- ▼ specified accessories shown on your **schedule**.

Failure or breakdown

structural, mechanical, electrical, or electronic failure or breakdown.

Safeguarding your vehicle

loss or **damage** caused by you failing to take reasonable steps to protect, prevent or diminish further **loss** or **damage** to your **vehicle** after:

- ▼ it breaks down;
- ▼ it is **damaged** in an **event**; or
- ▼ you have been notified that your stolen **vehicle** has been found.

Incorrect fuel or additive

loss or **damage** to your **vehicle** due to using incorrect fuel or additive.

Engine, gearbox and transmission

damage to your **vehicle’s** engine, gearbox or transmission because it was driven in a **damaged** condition after an **event** unless we agree that you could not reasonably have known that the **damage** was occurring.

Lawful seizure

loss or **damage** caused by or arising from any person or organisation who lawfully takes possession of your **vehicle**.

Accidental damage

loss or **damage** caused by **event** 5 under ‘What we cover’, if your **vehicle** is insured for Legal Liability, Fire and Theft only.

✓ What we cover

Extra benefits

If as a result of an insured **event** we agree to pay a claim under this Part 1, we will also pay for the following **loss** and **damage**:

1. New vehicle after total loss

*Only applicable if your **vehicle** is insured for Comprehensive cover and:*

- ▼ *it is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity, prime mover, trailer or rigid body truck exceeding 2 tonne carrying capacity, and*
- ▼ *we decide that because of the **event** it is a **total loss**.*

If you are the first registered owner of your **vehicle** you can choose to accept a new replacement vehicle of the same make, model and series if:

- ▼ the **loss or damage** occurred within 2 years of the date of your **vehicle's** original registration;
- ▼ the replacement vehicle is available in Australia; and
- ▼ anyone who provided finance for your **vehicle** agrees in writing.

We will also pay all on-road costs.

2. Personal effects

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay the reasonable costs of repair or replacement if your or the **authorised driver's personal effects** are **damaged** or lost as a result of your **vehicle** being:

- ▼ **damaged** as a result of the insured **event** or
- ▼ stolen as a result of forcible entry to your **vehicle**.

3. Funeral expenses

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay the associated burial or cremation costs if the driver of your **vehicle** sustains a fatal injury during the insured **event**, and travel costs within Australia or its external territories, for the deceased driver or any member of the deceased driver's immediate family.

This benefit will not be reduced by any accident compensation.

✗ What we exclude

This Extra Benefit does not apply if your **vehicle**:

- ▼ has a stock, tanker or vacuum application,
 - ▼ is a concrete agitator vehicle;
 - ▼ is a garbage compactor;
 - ▼ is a concrete pumping truck or trailer; or
 - ▼ is any other specialised rigid vehicle body type.
- ▼ is insured for **agreed value**.

If your **vehicle** is a prime mover, trailer or rigid body truck we will not pay more than 112.5% of the **insured amount** of your **vehicle**.

We will not pay:

- ▼ more than \$1,000 for any one **event**; or
- ▼ if such **personal effects** are insured under another policy

We will not pay:

- ▼ more than \$5,000 for any one **event**, or
- ▼ if we have paid an amount for the 'Personal accident' Extra Benefit

We will not pay if the death happens:

- ▼ more than 12 months from the date of the **event**, or
- ▼ because the driver committed suicide.

✓ What we cover

4. Personal accident

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay \$5,000 if your **vehicle** was being driven by you or any **authorised driver** and, as a direct and sole result of the insured **event**, the driver:

- ▼ permanently and totally loses sight in one or both eyes or
- ▼ permanently and totally loses the efficient use of one or both hands or feet.

We pay the driver.

5. Emergency repairs

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay reasonable costs if you need emergency repairs so you can get your **vehicle** to your destination or a repairer after an insured **event**.

If you need **emergency repairs** we give you the authority to arrange these matters on our behalf. You must produce tax invoices and receipts for all costs if we ask for them.

6. Emergency travel

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay reasonable costs of emergency travel for you or the **authorised driver** and any vehicle occupants if your **vehicle** was unroadworthy or unsafe to drive following an insured **event**. If you need emergency travel we give you the authority to arrange these matters on our behalf. You must produce tax invoices and receipts for all costs if we ask for them.

7. Emergency accommodation

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay reasonable costs for:

- ▼ for you or the **authorised driver's** emergency accommodation if the insured **event** was more than 100km from your home or the **authorised driver's** home and your **vehicle** was unroadworthy or unsafe to drive.
- ▼ temporary accommodation if your **vehicle** is an unregistered on-site caravan and it is damaged by an insured **event**, provided that the unregistered on-site caravan is your only home and you can't live in it as a result of the **event**.

If you need emergency or temporary accommodation we give you the authority to arrange these matters on our behalf. You must produce tax invoices and receipts for all costs if we ask for them.

✗ What we exclude

We will not pay:

- ▼ more than \$5,000 any one insured **event**, or
- ▼ if we have paid an amount for the 'Funeral expenses' Extra Benefit.

We will not pay if the **loss** happens:

- ▼ more than 12 months from the date of the insured **event** or
- ▼ because the driver attempted to committed suicide.

For any one **event**, we will not pay more than:

- ▼ \$500 if your **vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity; or
- ▼ \$3,000 if your **vehicle** is any other type of vehicle.

We will not pay more than \$1,250 for any one **event**.

We will not pay more than \$1,250 for any one **event**.

✓ What we cover

8. Removal of debris

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

If you are liable to pay the cost of cleaning up or removing goods that have fallen off your **vehicle** because it was in a collision or it overturned, we will pay those reasonable costs. You must provide invoices or other proof of payment of costs if we ask for them.

9. Vehicle modifications

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay the reasonable costs of modifying the vehicle for any driver of your **vehicle** who is permanently disabled following the insured **event**.

10. Towing and storage

We will pay the reasonable and necessary costs of towing your **vehicle** when your **vehicle** cannot be driven to;

- ▼ our nearest Assessing Centre,
- ▼ a **recommended repairer** that we nominate, or
- ▼ a repairer we agree to.

We will also pay the reasonable costs of storing your **vehicle**.

11. Hire vehicle after theft

We will pay the reasonable cost of hiring a vehicle of a similar make and model to your **vehicle** for up to 30 days if your vehicle is stolen and either not found or is found but is not driveable. This benefit stops before the 30 day limit if:

- ▼ your **vehicle** is returned undamaged;
- ▼ we repair your **vehicle** and return it to you; or
- ▼ we have settled your claim.

You are responsible for all running costs and extras of the hire vehicle, including paying the deposit, security bond, fuel and any upgrade costs. You are responsible for paying all costs for any period you continue to use the hire vehicle after this benefit stops.

If you withdraw your claim or we refuse to accept it you might have to refund us any payments for the hire vehicle we have already made.

Please see the Additional cover 'Hired Vehicle' on page 13 for details of the cover provided under this PDS when you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.

✗ What we exclude

We will not pay more than \$25,000 for any one **event**.

We will not pay more than \$3,000 for any one **event**.

We do not cover:

- ▼ storage costs for any period after your claim is settled; or
- ▼ the costs of towing or storage of your **vehicle** if it is insured for Legal Liability Fire and Theft cover only and the **event** was not fire or theft.

We will not pay more than \$3,000 for any one **event**.

✓ What we cover

12. Lease payout – motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay the difference when the amount owing by you under a lease or a hire purchase agreement is greater than the **market value** of your **vehicle** if it was a **total loss**.

We will deduct:

- ▼ any amounts or interest in arrears at the time of the **loss** or **damage**; and
- ▼ discounts in respect of finance charges or interest for the unexpired term of the financial agreement.

13. Lease payout – vehicles other than those referred to in extra benefit 12

*Only applicable if the **vehicle** is insured for Comprehensive cover only*

We will pay the difference when the amount owing by you under a lease or a hire purchase agreement is greater than the **market value** of your **vehicle** if it was a **total loss**.

We will deduct:

- ▼ any amounts or interest in arrears at the time of the **loss** or **damage**; and
- ▼ discounts in respect of finance charges or interest for the unexpired term of the financial agreement.

Additional covers

Your **policy** is extended to include the following Additional Covers if your **vehicle** has Comprehensive cover:

1. Two-wheel or box trailer

When your two-wheel trailer or box trailer is attached to or being towed by your **vehicle**, we will cover **loss** or **damage** to your trailer caused by an **event** in the **period of insurance**.

2. Locks and keys

We will pay the cost of replacing the keys or re-coding your **vehicle's** locks if the keys to your **vehicle**:

- ▼ have been stolen (even if your **vehicle** was not),
- ▼ have been **damaged** or lost after an **event** as a result of which we have paid a claim under Part 1; or
- ▼ may have been duplicated and there are reasonable grounds to believe so, in the **period of insurance**.

✗ What we exclude

We will not pay:

- ▼ more than 20% of the **market value** of your **vehicle**, or
- ▼ when your vehicle is insured for **agreed value**.

We will not pay the lease payout:

- ▼ when the **loss** or **damage** to your **vehicle** was caused by fire or theft, or
- ▼ if your **vehicle** was purchased via a personal loan or line of credit.

We will not pay:

- ▼ more than 12.5% of the **insured amount** of your **vehicle**.

We will not pay the lease payout:

- ▼ when the **loss** or **damage** to your **vehicle** was caused by fire or theft, or
- ▼ if your **vehicle** was purchased via a personal loan or line of credit.

We will not pay if the **loss, damage** or **legal liability** is excluded by any of the **policy** exclusions (to avoid doubt, including the exclusions in Part 2 and the General Exclusions).

We will not pay more than \$1,000 for any one **event**. If we agree, you can insure your trailer for more if you insure it as a separate insured **vehicle** under your **policy**.

No **excess** is payable for any claim accepted under this Additional Cover.

We will not pay more than \$3,000 for any one **event**.

You must pay the basic **excess** applicable to your **vehicle** for any claim accepted under this Additional Cover.

✓ What we cover

3. Hired vehicle

If you hire a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity:

a) but do not insure it with the hiring company, we will pay for:

- ▼ theft, **loss** of or **damage** to that hire vehicle during the **period of insurance**; and
- ▼ your **legal liability** for another person's **personal injury** or **damage** to another person's property in the **period of insurance** which you cause while you are driving or in control of the hire vehicle.

b) and you did insure the hire vehicle with the hiring company for the theft, **loss** or **damage** or **legal liability** we will pay any excess you are required to pay to the hiring company under that insurance during the **period of insurance**.

4. Recovery costs – no **damage**

We will pay the reasonable cost of removing your **vehicle** to a place of safety following it becoming immobilised, bogged or stranded in the **period of insurance** even if there is no damage to your **vehicle**.

You must pay:

- ▼ for the recovery costs after recovery, and
- ▼ provide tax invoices and receipts for all costs if we ask for them.

5. Theft of certain vehicle accessories

If any of the following accessories that would normally be attached to or in or on your **vehicle** are stolen in the **period of insurance** we will pay the reasonable cost to replace them, even if the theft occurs while they are not attached to your **vehicle** or if they are not shown on your **schedule**:

- ▼ Buckets, Chain trencher, Hammer, Laser, Pallet forks, Post hole borer, Ramps, Ripper, Rock breaker, Sweeper.

6. Vehicles being test driven by you

If a vehicle is being demonstrated to you or test driven by you or your **authorised driver**, we will cover your **legal liability** for:

- ▼ theft, **loss** of or **damage** to that vehicle; or
- ▼ another person's **personal injury** or **property damage** in connection with the use of that vehicle,

which occurs in the **period of insurance**.

✗ What we exclude

We will not pay more than:

- (a) \$40,000 for the loss or damage to the hire vehicle; or
- (b) the hire vehicle excess

whichever applies, any one **event**.

Please refer to page 20 of this **PDS** for how we will settle any other claim for your **legal liability** under this Additional Cover.

You must pay to us an **excess** of \$500 (unless another amount is shown on any endorsement) for any claim accepted by us under this Additional Cover.

We will not pay more than \$5,000 for any claim under this Additional Cover.

This Additional Cover does not apply if your **vehicle** is immobilised, bogged or stranded solely as a result of **vehicle** failure or breakdown.

You must pay the basic **excess** applicable to your **vehicle** for any claim accepted under this Additional Cover.

We will not cover these accessories if:

- ▼ you do not give us evidence to satisfy us that the **insured amount** reflects the value of your **vehicle** plus the accessories, and
- ▼ you cannot prove you owned the accessories.

You must pay the basic **excess** applicable to your **vehicle** for any claim accepted under this Additional Cover.

We will not pay more than \$100,000 for the theft of, **loss** or **damage** to the demonstration or test driven vehicle.

No **excess** is payable for any claim accepted under this Additional Cover.

✓ What we cover

7. Non-owned trailer in control

*Only applicable if your **vehicle** is a prime mover or rigid body truck of 2 tonne carrying capacity or more*

We will pay for **loss** of or **damage** in the **period of insurance** to a trailer you do not own, lease or hire when at the time of the **event** resulting in the **loss** or **damage**:

- ▼ the trailer was in your legal possession or control; and
- ▼ you or an **authorised driver** were using it in conjunction with your **vehicle**.

✗ What we exclude

We will not pay:

- ▼ more than \$50,000 for any one **event**, regardless of the number of trailers your **vehicle** may have under its control at the time of the **event**,
- ▼ for **loss** or **damage** to goods or property being carried in the trailer, or
- ▼ if the trailer is a tanker, tipper, convertible, refrigerated, freezer or chiller trailer.

You must pay to us an **excess** of \$2,500 for any claim accepted by us under this Additional Cover. If there is also a claim for **loss** or **damage** to your **vehicle**, you must also pay any **excess** payable for your **vehicle**.

We may allow you to increase the maximum we will pay and remove the restrictions relating to the type of trailers that are in your lawful custody or control. If we agree to your request:

- ▼ an extra premium will be payable, and
- ▼ cover will only apply when the trailer is under the lawful custody or control of the 'Controlling Vehicle' stated on your **schedule**.

We will not backdate any request.

How we settle a claim under part 1

If we agree to pay a claim for **loss** or **damage** to your **vehicle** under Part 1, we will either pay you for a **partial loss** or a **total loss**. This is determined by the extent of the **loss** or **damage**, the cost of repair or replacement and the value of your **vehicle**.

If we agree to pay a claim for **legal liability** under any Additional or Optional Cover in this Part, the "Limits to what we pay" in Part 2 will apply.

Total loss

If we accept a claim and decide your **vehicle** is a **total loss** and the conditions applying to Extra Benefit 1 – 'New vehicle after total loss' are met you can choose to accept a new replacement vehicle of the same make, model and series as your **vehicle**.

If Extra Benefit 1 – 'New vehicle after total loss' does not apply we will settle your claim one of the following ways:

(a) Market value or insured amount

If the **vehicle** is shown on the **schedule** as having **market value**, and the **insured amount** does not show a figure in dollars, we will pay you the **market value** of your **vehicle**.

If the **vehicle** is shown on the **schedule** as having a **market value**, and the **insured amount** does show a figure in dollars, we will pay you the lesser of the **market value** or the **insured amount**.

The **market value** or **insured amount** of your **vehicle** includes accessories defined as your **vehicle** plus any agreed accessory specified on your **schedule**.

We will deduct any **excess** that is payable from the amount we pay.

If we pay the **market value** or **insured amount** as a result of a **total loss** then your cover for that **vehicle** comes to an end. There will be no refund of the premium.

(b) Agreed value

If the vehicle is shown on the **schedule** as having **agreed value**, we will pay you the insured amount shown on the **schedule** for you **vehicle**.

The **agreed value** of your **vehicle** includes accessories defined as your **vehicle** plus any agreed accessory specified on your **schedule**.

We will deduct any **excess** that is payable from the **agreed value**.

If we pay the **agreed value** as a result of a **total loss** then your cover for that **vehicle** comes to an end. There will be no refund of the premium.

(c) Legal liability fire and theft

If the **vehicle** is shown on the **schedule** as having Legal Liability Fire and Theft cover, we will pay you the **market value** or the **insured amount** for your **vehicle**, whichever is less. The **market value** of your **vehicle** includes accessories defined as your **vehicle** plus any agreed accessory specified on your **schedule**.

We will deduct any **excess** that is payable.

If we pay the **market value** or **insured amount** as a result of a **total loss** then your cover for that **vehicle** comes to an end. There will be no refund of the premium.

Applicable to (a), (b) and (c):

We will deduct any unpaid premium from the amount that we pay you.

Your **vehicle**, including any unexpired premium, registration and Compulsory Third Party insurance, becomes our property when we pay you for the **total loss**.

If another party (eg. a bank) is shown as having an interest on your **schedule** and your **vehicle** is a total loss, we pay them (instead of you) what you owe them up to the amount you are entitled to under this **policy**. If this amount is less than the full amount payable under the **policy**, we pay you the balance.

If you make a claim and another party is entitled to the salvage of your **vehicle**, we will pay you or them the **insured amount** shown on the **schedule**, less our estimate of the salvage value, less any excess and unpaid premium.

For an example of how we settle a total loss claim, see page 27 and 28 of this PDS.

Partial loss

If we agree to pay a claim and decide your **vehicle** is a **partial loss**, we can arrange the repairs with a **recommended repairer** if one is available, or alternatively you can choose your own repairer and arrange repairs with them.

Where we are able to provide you with access to one of our **recommended repairers**, we will offer you a choice if there is more than one in your area. However, we may only be able to nominate one **recommended repairer** if there are no others available.

Where we are unable to provide you with access to one of our **recommended repairers**, we will require you to choose your own repairer.

If we authorise repairs with a **recommended repairer** or your own repairer we will:

- ▼ authorise the repair of your **vehicle** to the same or reasonably similar condition and standard it was immediately before the **event**;
- ▼ authorise only the use of new parts or parts which are consistent with the age and condition of your **vehicle** (which may include using non genuine and/or recycled parts);
- ▼ authorise only the use of manufacturer's approved parts if your **vehicle** is under warranty, but not when the **vehicle** has an extended warranty or for windscreen replacement;
- ▼ only pay the market value of damaged parts we consider to be obsolete;
- ▼ replace damaged windscreen or window glass with glass which may not be produced by the original manufacturer but will meet Australian Design Rules; and
- ▼ guarantee the quality of materials and workmanship in respect of the repairs for the life of the **vehicle**.

Any repairer we authorise to repair your **vehicle** may sub-contract some of the repairs to a person of their choice. This will usually occur when the repairer is unable to perform the repairs themselves.

If you choose your own repairer and we do not authorise repairs, we:

- ▼ will pay an amount equal to the **reasonable repair costs**; and
- ▼ will not provide any guarantee for the quality of materials and workmanship in respect of the repairs.

We are not responsible for the costs which occur because of delays in delivery of parts. If a part is not available in Australia, we will pay the cost of surface freight from the nearest reasonable source of supply.

You are responsible for the cost of any air-conditioning refit, re-gas or modification required by law.

You may have to contribute to the cost of replacing or repairing tyres, engines, accessories, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much you are required to pay will depend on how worn we consider these items were when the **damage** happened. If you do not agree to pay these amounts we will pay you the reasonable repair cost less any contribution charges.

We will subtract any **excess** that may apply.

For an example of how we settle a partial loss claim, see page 28 of this PDS.

Lifetime guarantee for repairs

If we authorise repairs for your **vehicle**, we will guarantee the repairs against any defect due to workmanship or faulty material for the life of your **vehicle**.

If you choose your own repairer and we pay **reasonable repair costs** instead of authorising repairs, we will not provide a lifetime guarantee for the repairs.

Underinsurance condition

If at the time of the **event**, your **vehicle** was insured for less than 80% of its **market value** and we decide your **vehicle** is:

- ▼ A **total loss**; we will not apply this underinsurance condition.
- ▼ A **partial loss**, we will pay the same proportion of the **loss** as the **insured amount** bears to 80% of the **market value** of your **vehicle**.

In assessing the amount we pay, prime movers and attached trailers and dollies are regarded as separate and distinct insured **vehicles**.

This underinsurance condition does not apply if your **vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity.

Part 2 – Legal liability

What is legal liability?

Legal liability means that an Australian court or a court of an Australian external territory finds, or we accept, that:

- ▼ you;
- ▼ an **authorised driver**
- ▼ a passenger in your **vehicle** is; or
- ▼ your employer, principal or business partner;

are legally responsible to pay compensation because an **event** caused:

- ▼ **loss** of or **damage to property** owned or controlled by someone else; or
- ▼ **personal injury** to, another person (but only where the **legal liability** is not covered or capable of being covered by any compulsory third party insurance or public liability insurance).

What your vehicle also means.

For the purposes of Part 2, your **vehicle** also means;

- ▼ a **substitute vehicle**;
 - ▼ whilst being towed by your **vehicle** or a **substitute vehicle** legally and not for reward;
 - ▼ a caravan;
 - ▼ a trailer; or
 - ▼ a broken down vehicle.

We will pay for a claim for your **legal liability** as described in the “What we cover” column, if that **legal liability**:

- ✓ results from an **event** which occurs during the **period of insurance** in Australia or its external territories;
- ✓ results from an **event** giving rise to that **legal liability** was not expected or intended;
- ✓ is not excluded by anything under the “What we exclude” column;
- ✓ is not excluded by the General Exclusions on pages 24 to 25; and
- ✓ is not excluded by any endorsement.

✓ What we cover

If the **event** that gives rise to the **legal liability** is one that is caused by:

- ▼ you or an **authorised driver** driving, using or being in charge of your **vehicle**;
- ▼ loading goods onto your **vehicle** from a fixed place of rest directly beside your **vehicle** ;
- ▼ unloading goods off your **vehicle** to a fixed place of rest directly beside your **vehicle**; or
- ▼ a passenger in your **vehicle** with your permission while travelling or getting in or getting out of your **vehicle**.

✗ What we exclude

We will not pay for your **legal liability**:

- ▼ which is a direct or indirect result of discharge or escape of **contaminants or pollutants** or **dangerous goods** from your **vehicle** unless they are substances you are legally allowed to carry;
- ▼ for **loss** of or **damage to property** you own, control or are responsible for, or which belongs to someone who normally lives with you. However, this exclusion will not apply to your **legal liability** for **damage** to motor vehicles belonging to an **employee** or visitor which occurs within the confines of a private car park owned or operated by you;
- ▼ for **personal injury** to anyone who was your **employee** at the time of the **event**;
- ▼ for **personal injury** if you were or anyone else was required by law to have insurance for compensation, damages or similar insurance for injury (eg. compulsory third party insurance or workers compensation required by law);
- ▼ for **personal injury** if your vehicle is registered in the Northern Territory of Australia;
- ▼ where you cause your own **personal injury**, or if you injure or cause the death of someone who normally lives with you;
- ▼ occurring because you, an **authorised driver** of your **vehicle**, a passenger in your **vehicle**, or your employer, principal or business partner agreed to accept liability;
- ▼ under any agreement you or anyone insured under this **policy** has entered into, unless liability would have applied anyway;
- ▼ for **personal injury** if at the time of the **event** your **vehicle** was being used as a show, carnival or festival attraction, parade float or for any similar activity;

✓ What we cover

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Extra benefits

If we agree to pay a claim under this Part 2, we will also pay for the following:

1. Pollution

Your **legal liability** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants or pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water), where such discharge, dispersal, release or escape:

- ▼ is caused by or in connection with the operation ownership possession or use by you or on your behalf of any **vehicle**;
- ▼ is caused by a sudden identifiable unintended and unexpected **event**;
- ▼ takes place in its entirety at a specific point in time during the **period of insurance**; and
- ▼ does not relate to any property, land, air, water course or body of water which you own, occupy or have in your custody or control.

We will also only pay for clean up or removal costs if they are caused by such an incident.

✗ What we exclude

- ▼ if at the time of the **event** your **vehicle** was being driven or used at, in or on any aircraft hangar or any part of an airport or airfield used by aircraft for loading, unloading, taxiing, takeoffs or landings;
- ▼ resulting from the use of your **vehicle** if it was unregistered at the time of the **event**, unless your **vehicle** is an unregistered on-site caravan;
- ▼ in respect of fuel contamination caused by you delivering:
 - ▼ the incorrect type of fuel; or
 - ▼ the fuel to the incorrect place
- ▼ for **damage to property** resulting from an **event** arising out of the use of your **vehicle** while it is digging, excavating, boring or drilling.

However, we will pay if your **vehicle** is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the **event** and is not being used at the time of the **event** for any other purpose including any specific activity for which the **vehicle** was designed

- ▼ to pay fines or punitive, exemplary or aggravated damages;
- ▼ arising directly or indirectly from:
 - ▼ the transportation, distribution, and or storage of asbestos;
 - ▼ any material containing asbestos or any process of decontamination, treatment or control of asbestos.

This will only apply to **personal injury** arising in consequence of inhalation of asbestos fibre, and to **loss or damage to property** due to the presence of asbestos.

- ▼ for **personal injury** or **loss of or damage to property** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants or pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water). However this exclusion does not apply to Extra Benefit 1 Pollution.

We will not pay if the **legal liability** is excluded by any of the exclusion in this Part 2 or the General Exclusions.

We will not pay:

- ▼ more than \$500,000 during the **period of insurance**; or
- ▼ if the **contaminants or pollutants** are **dangerous goods**.

✓ What we cover

2. Legal liability for unregistered on-site caravans

If your **vehicle** is an unregistered on-site caravan, you are covered for your **legal liability**, caused by your use or occupation of the unregistered on-site caravan.

3. Emergency services

We will pay the reasonable costs levied by the police force or any fire brigade or other authority following an **event** involving your **vehicle** resulting in:

- ▼ the attendance of members of a police force at the accident site; and/or
- ▼ the attendance of members of the fire brigade or authority for the purpose of fire extinguishment or other purposes.

Additional covers

The cover provided by Part 2 Legal Liability is extended to cover the following:

1. Damage by uninsured drivers

*Applicable if the **vehicle** is insured for Legal Liability, Fire and Theft or Legal Liability cover only.*

Loss of or damage to your **vehicle in the period of insurance** in an **event** as a result of a collision with another **vehicle** driven by an uninsured driver.

A driver is uninsured if neither the driver nor the owner of the other vehicle had an insurance policy that would cover them for the loss or damage to your vehicle.

We only pay if:

- ▼ you show the **event** was the fault of the uninsured driver and we agree and
- ▼ you can identify the other vehicle and its driver (name, residential address, phone number and registration details).

2. Indemnity to principal

Your **legal liability** as set out in Part 2, in respect of any vehicle not owned or supplied by you while that vehicle is being used or driven by you or an **authorised driver** in connection with your **business**.

3. Legal liability for caravans and trailers

You are covered for your **legal liability** as a result of:

- ▼ the actions of a caravan or trailer while it is being towed by your **vehicle**;
- ▼ a caravan or trailer running out of control after separating from your **vehicle** while your **vehicle** is moving; or
- ▼ another vehicle colliding or acting to avoid a collision with:
 - ▼ property falling off a caravan or trailer while it is being towed by your **vehicle**; or
 - ▼ property being loaded or unloaded from a caravan or trailer attached to your **vehicle**.

✗ What we exclude

We do not pay for:

- ▼ amounts you must pay which are covered, or should be, by Medicare, workers compensation or another government scheme or arrangement, or private medical insurance; or
- ▼ **loss or damage** to the unregistered on-site caravan, unless the caravan is a vehicle insured under Part 1 of this **policy**.

In addition to all of the previous **legal liability** exclusions in this Part 2, we will not pay if the **loss, damage or legal liability** is excluded by any of the exclusions in Part 1 or the General Exclusions.

We will not pay more than \$5,000 or the **market value** of your **vehicle** (whichever is less), for **loss of or damage** to your **vehicle** during any one **period of insurance**.

We will deduct:

- ▼ any **excess** that may apply to your **vehicle**, and
- ▼ the residual value of the **vehicle** if it is not repairable (you keep the damaged **vehicle**).

We do not cover **loss or damage** to:

- ▼ the caravan or trailer unless it is a **vehicle** insured under Part 1 of this **policy**; or
- ▼ the property which is loaded or unloaded from or which falls from the caravan or the trailer.

We do not cover the cost to remove the trailer or caravan debris, unless the caravan or trailer is a **vehicle** insured under Part 1 of this **policy**.

How we settle a claim under part 2

If we agree to pay a claim for **legal liability**, we will pay:

- ▼ the compensation;
- ▼ your legal costs and expenses if we have given our prior written consent to you incurring these costs;
- ▼ costs and charges reasonably and necessarily incurred by you in removing or cleaning up debris, unless stated otherwise; and
- ▼ costs and charges reasonably and necessarily incurred to extinguish a fire that your **vehicle** has caused.

We will also pay for legal costs in representing you or any other person covered at any inquest or other inquiry relating to an **event** which may give rise to you being **legally liable**, if we have given our prior written consent to you incurring these costs.

You must pay any **excess** that may apply.

For an example of how we settle a liability claim, see page 29 of this PDS.

Limits to what we pay

If we agree to pay a claim for **legal liability**, the most we will pay for all claims arising directly or indirectly from one **event** is \$30 million (unless another amount is specified on your **schedule**) but restricted to:

- ▼ \$1,000,000 for any one **event** occurring within the external territories of Australia, but only in respect of the death or bodily injury to another person.
- ▼ \$1,000,000 (unless another amount is specified on your **schedule**) where the vehicle is being used for the transportation of **dangerous goods** or is attached to, or is towing, a vehicle used for the transportation of **dangerous goods**; and
- ▼ \$500,000 during the **period of insurance** in respect of all claims under the "Extra Benefit 1 – Pollution" under Part 2.

These amounts include all legal costs and expenses.

These limits also apply to any cover for your **legal liability** provided under any Extra Benefit, Additional Cover or Optional Cover (both Parts 1 and 2) unless a lower limit is specified in the benefit or cover.

These limits are the most we will pay even if there are several claims against you relating to the one **event**.

Optional covers

✓ What we cover

The following Optional Covers can be chosen by you. The Optional Covers are subject to the type of vehicle and are available for Comprehensive cover only. The Optional Covers you have chosen will be set out in your **schedule**.

1. Windscreen excess waiver

You will not have to pay the basic **excess** for the first windscreen or window glass claim for that **vehicle** in any **period of insurance**. If you have any additional windscreen or window glass claims during the same **period of insurance** for that **vehicle**, the basic **excess** will apply.

2. Hire vehicle after accident

If your **vehicle** cannot be driven or is in need of repair following **loss** or **damage** as a result of an insured **event**, (other than theft) for which we agreed to pay a claim under Part 1, we will reimburse you for the cost of hiring a replacement vehicle:

- ▼ of a similar type to your **vehicle**; and
- ▼ from the date your **vehicle** is left at the repairers.

Please see:

- ▼ Additional Cover 'Hired Vehicle' (page 13) for cover applicable to and caused by the rental vehicle.
- ▼ Extra Benefit 'Hire vehicle after theft' (page 11) for cover applicable if your vehicle is stolen.

3. Protected No Claim Bonus

If you are entitled to a maximum No Claim Bonus:

- ▼ You can choose to protect your No Claim Bonus for your **vehicle** against one **penalty claim** occurring in the **period of insurance** for that **vehicle**; or
- ▼ We may allow you to protect your No Claim Bonus against all **penalty claims** occurring in the **period of insurance** for that **vehicle**.

If you have this Optional Cover your **schedule** will show whether the No Claim Bonus for your **vehicle** is protected for one or all **penalty claims**.

4. Damage to towed vehicles

*Only available if your **vehicle** is a registered tow truck.*

- ▼ We will pay all amounts you become **legally liable** to pay as damages for **loss** or **damage** to any vehicle being towed, retrieved or carried by your **vehicle**, in the **period of insurance**.

✗ What we exclude

We will not pay if the **loss, damage** or **legal liability** is excluded by any of the **policy** exclusions (to avoid doubt, including the exclusions in Part 1, Part 2 and the General Exclusions)

This option will only apply if your **vehicle** is a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

We will not pay if your **vehicle** is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity:

- ▼ if your **vehicle** is stolen;
- ▼ to hire a vehicle for any longer than the day after repairs to your **vehicle** have been completed;
- ▼ after your claim has been paid if your **vehicle** is a **total loss**;
- ▼ the running costs of the rental vehicle;
- ▼ for any other non-rental costs which you may be liable to pay for under a hire agreement.

We will not pay more than \$1500 for any one **event**.

This Optional Cover does not apply if your **vehicle** is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity.

This Optional Cover does not apply unless you are entitled to a maximum No Claim Bonus for your **vehicle**.

We will not pay:

- ▼ more than \$150,000 any one **event** for **loss** or **damage** to any vehicle/s being towed, retrieved or carried by your **vehicle**, or
- ▼ if your **vehicle** and the vehicle being towed, retrieved or carried are not being operated within the provisions of any law relating to the use of a tow truck.

Application of excess

An **excess** is the amount you might have to pay if you claim. **Excesses** are cumulative and apply to all claims, unless otherwise stated.

For each **event**, or series of **events** arising from the one originating cause you will bear the amount of the **excess** in respect of each and every insured **vehicle**, unless stated otherwise.

The basic **excess** is shown on your **schedule**. The amounts for any other **excesses** that may be payable are detailed below. You might have to pay more than one type of **excess** when you claim. You must pay the **excesses** in full.

We will decide if you pay the **excess** to us (when we ask for it) or to the repairer when you pick up your **vehicle** after it has been repaired. We can also choose to deduct the **excess** from the amount we pay you.

You don't pay any **excess** when your **vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity if:

- ▼ another vehicle is involved, we agree the driver of your **vehicle** was not at fault, and you can identify the other **vehicle** and the other driver responsible (name, residential address, phone number and vehicle registration details); or
- ▼ no other vehicle is involved, we agree the driver of your **vehicle** was not at fault, and you can identify another person at fault (name, residential address and phone number) and prove that they were at fault.

Types of excesses

Basic excess

Basic **excess** is the amount shown on your **schedule**.

Age or inexperienced drivers excess

An age or **inexperienced driver excess** applies if a driver under 25 or an **inexperienced driver** was in charge of your **vehicle** at the time of an **event**. This **excess** will not apply to glass, damage while parked, fire, malicious damage, theft or storm claims.

If we accept a claim where the driver was less than 25 years of age or was an **inexperienced driver**, the following age or **inexperienced driver excesses** will apply to the claim when:

- ▼ the **vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity:
 - ▼ for drivers under 21 years of age \$500
 - ▼ for drivers 21 years of age or older \$300
 - ▼ for **inexperienced drivers** \$250
- ▼ the **vehicle** is a prime mover and:
 - ▼ the **insured amount** for the prime mover is less than \$100,000 or it is insured for Legal Liability only – the age or **inexperienced driver excess** is \$2,500 or \$3,500 if the prime mover was towing more than one trailer at the time of the **event**.
 - ▼ the **insured amount** for the prime mover is \$100,000 or more, but not more than \$200,000 – the age or **inexperienced driver excess** is \$10,000 or \$15,000 if the prime mover was towing more than one trailer at the time of the **event**.
 - ▼ the **insured amount** for the prime mover is more than \$200,000 – the age or **inexperienced driver excess** is \$25,000 or \$37,500 if the prime mover was towing more than one trailer at the time of the **event**.
- ▼ the **vehicle** is not a car, 4WD, utility, van of not more than 2 tonne carrying capacity or prime mover the age or **inexperienced driver excess** is \$750.

You must pay these age or **inexperienced driver excess** in addition to any other **excess** for your **vehicle** that may be payable. For the purposes of the application of these age or **inexperienced driver excess**, a dolly is considered a trailer.

Tipping excess

A tipping **excess** applies if your **vehicle** is a trailer or rigid body truck and it is **damaged** while the tipping hoist is partly or fully extended. The tipping **excess** is \$1,000 and you pay this in addition to any other **excess** payable for your **vehicle**.

Theft excess

A theft **excess** of \$2,500 applies to each claim for theft or **damage** occasioned by theft of:

- ▼ your skid steer loader, excavator, loader, backhoe or bobcat, or
- ▼ any of their accessories, whether these accessories are attached to your **vehicle** at the time of the theft or **damage** or not.

You pay this in addition to any other **excess** for your **vehicle** that may be applicable.

Endorsement excess

An **endorsement excess** may apply if you have **endorsements** to your **policy**. Any **endorsement excess** applicable to your **policy** will be shown in the **endorsement** wording.

You pay the **endorsement excess** shown in the **endorsement** wording in addition to any other **excess** for your **vehicle** that may be payable.

Non-Owned vehicle excess

A non-owned vehicle **excess** of \$500 applies for any claim accepted by us in relation to a vehicle, or your use of a vehicle, which is not your **vehicle**.

Radius excess

A radius **excess** applies if we accept a claim for **loss** or **damage** to your **vehicle** or **legal liability** caused by it, if at the time of the **event**, your **vehicle** is on a journey to or from a destination beyond the maximum radius of operation shown on your **schedule** measured from your **vehicles** garaged postcode shown on your **schedule**.

The radius **excess** is:

- ▼ \$500 if your **vehicle** is a truck or bus,
- ▼ \$2,500 if your **vehicle** is a trailer which at the time of the **event** was being towed by a prime mover or \$500 if being towed by a truck, or
- ▼ \$7,500 if your **vehicle** is a prime mover.

You pay the radius **excess** in addition to any other **excess** for your **vehicle** that may be payable.

Additional cover excesses.

Please refer to pages 12 and 14 for the amount of any **excess** you might have to pay if you make a claim under any Additional Cover in Part 1 of the **policy**.

Application of excess involving trailer and towing vehicle.

If a trailer being towed by your **vehicle** damages the property of another person and:

- ▼ only the trailer was **damaged**, the **excess** for the towing **vehicle** will apply; or
- ▼ there is no **damage** to either the trailer or towing **vehicle**, the **excess** for the towing **vehicle** will apply.

General exclusions

You are not covered for an event occurring when your vehicle is being driven by, or is in the charge of, someone who:

- ▼ was under the influence of, or had their judgement affected by, any alcohol or drug;
- ▼ had more than the legal limit of alcohol in their breath or blood, as shown by analysis;
- ▼ refused to take a legal test for alcohol or drugs or
- ▼ was not licensed, not correctly licensed or not complying with the conditions of their licence.

We will cover you if you were not the driver or person in charge of your **vehicle** at the time of the **event** and you can satisfy us that you did not know, and could not have reasonably known, of any of the above circumstances. If we pay a claim we can recover those costs from the person who was driving or in charge of your **vehicle**, unless the law prohibits recovery by us.

You are not covered:

- ▼ if you or an **authorised driver** does something or neglects to do something that is not in accordance with this **policy** or does not give us the information or assistance that we ask for;
- ▼ for theft of or malicious **damage** to your **vehicle** when anyone insured under this **policy** has not taken reasonable care to prevent this **loss** or **damage**;
- ▼ for financial loss:
 - ▼ occurring because you cannot use your **vehicle**;
 - ▼ because your **vehicle's** value was less after being repaired; or
 - ▼ because your **vehicle's** working life has been reduced;
- ▼ for **loss** of or **damage** to a drill rod or bit attached to your **vehicle** while the drill rod or bit is being used for its designed purpose. For the purposes of this exclusion, a drill rod or bit includes any part attaching to or forming part of the drill rod or bit including but not limited to pipes, guides, filters, gaskets, plugs, caps, beacon housings, tool heads, nozzles and/or any other electronic mechanism;
- ▼ for the cost to repair or replace burnt out electric motors or wiring of appliances in your caravan;
- ▼ for **damage** to your caravan, caravan annexe, trailer or **personal effects** caused by biting, chewing or scratching by an animal or bird;
- ▼ for **damage** to your caravan, caravan annexe or **personal effects** caused by any tenant;
- ▼ if your unregistered on-site caravan is unoccupied for 60 consecutive days. (If you want cover over 60 days, you need to ask us for an extension of time and we must agree in writing. We might charge an extra premium or impose special terms.);
- ▼ for **loss** or **damage** to your caravan caused by the sea or high water;
- ▼ for **loss** or **damage** or **legal liability** caused or contributed to by or arising from any biological, bacterial, viral, germ, chemical or poisonous **contaminant** or **pollutant** (except for any cover provided under Extra Benefit 1. Pollution on page 18) or any looting or rioting following these occurrences;
- ▼ for theft by anyone who has hired or leased your **vehicle** or who has taken it as security for a debt;
- ▼ for any **loss**, **damage** or **legal liability** directly or indirectly caused by or contributed to by or arising from:
 - ▼ ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning or fission of nuclear fuel; or
 - ▼ the radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it;
- ▼ for any **loss**, **damage**, **personal injury**, or **legal liability** directly or indirectly caused by or contributed to by, or arising from nuclear weapons material;
- ▼ for any consequence of war or warlike activities which includes invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- ▼ for any **loss** or **damage** due to confiscation, nationalisation or expropriation;
- ▼ for any **loss**, **damage** or **legal liability** caused by any person or organisation who lawfully destroys or takes away your ownership or control of any property or vehicle covered by this **policy**;
- ▼ for any **loss**, **damage** or **legal liability** which happens before the **period of insurance** or which arises from an **event** before the **period of insurance** starts;
- ▼ for any **loss** or **damage** caused deliberately by you, or any director, business partner, principal, or **employee** of yours, or with your permission;
- ▼ for your consequential loss of any kind including loss by delay, confiscation or detention by customs or other lawful authority, loss of market, lack of performance;

- ▼ for an **event** that occurs outside Australia or its external territories;
- ▼ except as otherwise provided in the Terrorism Insurance Act 2003, for:
 - (a) **personal injury, damage to property, legal liability, loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any **act of terrorism** regardless of any other cause or **event** contributing concurrently or in any other sequence to the **personal injury, damage to property, legal liability, loss, damage**, cost or expense;
 - (b) **personal injury, damage to property, legal liability, loss, damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any **act of terrorism**.

We will not pay a claim for loss, damage or legal liability:

- ▼ If another person is, or could have been, liable to compensate you for such **loss, damage** or **legal liability**, but you have agreed with that person either before or after the **loss, damage** or **legal liability** occurred that you would not seek to recover any moneys from that person.

You are not covered if, at the time of an event, your vehicle was:

- ▼ damaged, unsafe or unroadworthy. However, this exclusion will not apply if you prove that the unroadworthy or unsafe condition of your **vehicle**:
 - ▼ did not cause or contribute to the **loss, damage** or liability being incurred, or
 - ▼ could not reasonably have been detected by you;
- ▼ being used in a race, contest, trial, test, hill climb or any similar activity;
- ▼ being used on a competition race track, circuit, course or arena;
- ▼ being used by you for illegal purposes;
- ▼ carrying passengers for payment or reward unless it was a car pool, child care arrangement or fare paying passenger bus;
- ▼ carrying a greater number of passengers than it was designed for or is allowable according to law;
- ▼ conveying, towing, lifting or carrying a load not secured according to law;
- ▼ conveying, towing, lifting or carrying a load in excess of that which is was designed for or is allowable according to law;
- ▼ being used to move **dangerous goods** or substances that pollute or contaminate unless this was done legally;
- ▼ travelling on railway lines; or
- ▼ being operated, transported or driven in an underground mine or mining shaft (but we will cover you if your **vehicle** was being used for open cut mining).

Making a claim

You must do the following if there is an **event** that could lead to a claim

- ▼ Contact our Vero First Response Unit as soon as possible on 1300 888 073. We're available 24 hours a day. Our staff will advise you whether to bring your **vehicle** to one of our assessing centres or take it to a repairer. We can help with any other arrangements necessary to get you back on the road as quickly as possible.
- ▼ Do everything reasonable to limit and prevent further **loss, legal liability** or **damage**.
- ▼ If someone has stolen, attempted to steal or maliciously damaged your **vehicle**, call the police immediately. If we ask, you must provide to us the name of the Police Officer and Police station where you made the report.
- ▼ Obtain the full names, addresses and phone numbers of all drivers and passengers involved and any witnesses to the **event**. You will also need to obtain the vehicle registration numbers and insurance details of all vehicles involved. If **damage** is caused to any other property please provide details of the address and owners names.
- ▼ Give us any information and other assistance we reasonably need to handle the claim. If we ask for it, you must provide us with a statutory declaration verifying the truth of your claim and any matters connected with it; and
- ▼ If you get demands, a notice of prosecution, details of an inquest or similar communications from other parties involved in the **event**, you must tell us immediately. If you delay in telling us, we may not cover any legal or other costs that result from that delay.
- ▼ Tell us your entitlement to Input Tax Credits (ITCs) for your insurance premium if you are registered or should be registered for goods and services tax (GST) purposes. If information you give us is incorrect, we will not cover you for any resulting fines, penalties or tax charges.

What you must not do:

- ▼ Admit to anyone else involved in the **event** that it was your fault.
- ▼ Unless we have agreed, negotiate or promise anyone a payment, authorise any repairs (except **emergency repairs** to your **vehicle**, see page 10 for details) or dispose of any damaged property.
- ▼ Accept any payment (including **excess** payments) from anyone unless we agree first.

What you must agree to if you claim:

- ▼ You must provide proof of ownership of any lost or damaged property. Proof could include your **vehicle** log book, receipts, valuations or warranties.
- ▼ You must let us inspect and, if necessary, move your **vehicle** before repairs begin.
- ▼ Give us any information and help we need to handle the claim. This can include agreeing to be interviewed and providing relevant documents we ask for.
- ▼ You must allow us to make admission, defend or settle claims on your behalf.
- ▼ You must allow us to take legal action in your name against another person to recover any payment we have made on a claim before we have paid your claim, or whether or not you have been compensated or paid in full for your actual **loss**.
- ▼ If we decide to defend you, settle any claim against you, represent you or try to recover money from the person who caused the **loss** or **damage**, you must give us all the assistance we need, including assistance after your claim has been paid.

Fraudulent claims

If you or someone acting on your behalf makes a false or fraudulent claim, we may:

- (a) refuse to pay the claim;
- (b) cancel the **policy**;
- (c) take legal action against you; or
- (d) do any or all of the above.

Some other circumstances affecting claims

We may refuse to pay a claim, or we may reduce the amount we pay you, if:

- (a) you have not complied with your duty of disclosure (see page 4);
- (b) when making a claim you:
 - ▼ are not truthful,
 - ▼ have not given us full and complete details, or
 - ▼ have not told us something when you should have;
- (c) you are paying your premium by instalments and at the date of the **event** you are claiming for, you are a month (or more) late in paying an instalment;
- (d) you have not complied with any conditions of your **policy**.

Claim payment examples

The following worked dollar examples are designed to assist in the understanding of some of the important benefits and how claims are calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. The following should be used as a general guide only. You should consider all examples as each example covers different benefits and scenarios.

Example: Total loss – Market value

A car that has a carrying capacity of not more than 2 tonnes is comprehensively insured for market value. The basic excess is \$500. The vehicle is damaged in an accident and we assess the cost of repair to be \$20,000. We decide it is a total loss.

The market value is determined as follows:

The vehicle is an 8 year old sedan in poor condition. A motor vehicle guide records the value is \$20,000 for good condition. We assess the market value to be \$15,000 (GST inclusive).

How much we pay		Further information
Market value	\$15,000	The vehicle is a total loss with a market value of \$15,000. We normally decide a vehicle is a total loss if the complete repair cost exceeds its market value less salvage value.
Less ITC	- \$1,364	If you are registered for GST and entitled to an Input Tax Credit (ITC) we will deduct this entitlement. In this example you are entitled to a full Input Tax Credit (100%). We will not deduct this entitlement if your vehicle is insured for Agreed Value.
Less outstanding premium	- \$300	If you paid your insurance by pay by the month instalments, we will deduct the remaining instalments for the period of insurance. In this example, there are three \$100 per month instalments remaining when total loss occurs.
Less excess	- \$500	Only the basic excess applies in this example. We deduct this from the amount we pay to you.
Total claim	\$12,836	We would normally pay the Total claim amount directly to you in a total loss situation.
Plus lease payout	\$2,200	If, instead of owning your vehicle outright, your vehicle was purchased under a finance lease and the amount owing was \$17,200 (excluding any payments in arrears and resulting interest), we will pay the difference between the amount owing under the finance arrangement and the market value (\$17,200 - \$15,000). This benefit has a limit of 20% of the market value (\$3,000).
Less ITC	- \$200	In this example you are entitled to a full Input Tax Credit (100%).
Total claim	\$14,836	We would normally pay the claim directly to your financier and not to you in circumstances of a lease payout. You pay your financier any amounts left owing.

If the vehicle in the above example was less than 2 years old at the time of the event, instead of paying the claim above you can choose to accept a replacement vehicle including similar accessories and parts plus on-road costs e.g. registration, compulsory third party, pre-delivery. You must pay the excess to the dealership that has provided the replacement vehicle or us.

If the vehicle salvage is valued at \$1000, the salvage becomes our property and we are entitled to keep the \$1000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless you obtain these refunds directly in which case we will deduct these costs from the total claim above.

Example: Total loss – Agreed value

A utility that has a carrying capacity of not more than 2 tonnes is comprehensively insured for an agreed value of \$45,000. The vehicle is damaged in an accident that we agree was not your fault and you have identified the at fault party and provided all their details that we require.

We assess the cost of repair of your vehicle to be \$40,000. We decide it is a total loss. The vehicle is not subject to finance. The basic excess is \$500.

How much we pay		Further information
Agreed value	\$45,000	The vehicle is a total loss with an agreed value of \$45,000. We normally decide a vehicle is a total loss if the complete repair cost exceeds its agreed value less salvage value.
Less ITC	\$0	We do not deduct any ITC when your vehicle is comprehensively insured for agreed value.
Less excess	\$0	No basic excess applies in this example as the accident was not your fault and you have provided all the details of the at fault party that we require.
Total claim	\$45,000	We would normally pay the Total claim amount directly to you in a total loss situation, unless your vehicle is subject to finance.

If the vehicle salvage is valued at \$10,000, the salvage becomes our property and we are entitled to keep the \$10,000 proceeds of its sale plus any registration and compulsory third party insurance refund. This does not affect the calculations above unless these refunds are paid to you directly in which case we will deduct these costs from the total claim above.

Example: Partial loss

A vehicle is comprehensively insured for market value. The vehicle is stolen and subsequently recovered, damaged, 25 days later. We assess the cost of repairs to be \$5,500. The basic excess is \$500.

How much we pay		Further information
Damage to vehicle	\$5,500	We normally decide a vehicle is repairable if the cost of repairs is significantly less than the market value.
Less excess	- \$500	Only the basic excess applies in this example. We normally require you to pay the excess directly to the repairer.
Total claim	\$5,000	We would normally pay this amount directly to the repairer in a partial loss situation.

If personal effects to the value of \$350 are also stolen during the theft:

Plus personal effects	+ \$350	Personal effects cover is limited to \$1,000 per event. This extra benefit's sub-limit is in addition to the market value of the vehicle.
Total claim	\$5,350	We normally pay the \$350 for personal effects to you (and the remaining \$5,000 directly to the repairer).

If a replacement vehicle of a similar type for a cost of \$100 per day is arranged by us:

Plus vehicle hire cost	+ \$2,500	The cost per day times the number of days from the date of theft until the date of recovery is 25 x \$100. This benefit has a limit of up to 30 days and we will not pay more than \$3,000. Note: This benefit would not apply if the vehicle was damaged in an accident instead of stolen, unless you also selected optional cover 2 'Rental vehicle following accident'.
Total claim	\$7,850	We normally pay the \$2,500 for vehicle hire directly to the hire company (the \$350 to you and the \$5,000 to the repairer).

Example: Legal liability

A vehicle is insured for Legal Liability cover. The vehicle is involved in an accident and the other driver claims that the driver of your vehicle has a legal liability for the accident. The damage to the other vehicle would be assessed by a court at \$12,500. There is a basic excess of \$500 on your policy. The legal costs to defend your legal liability are \$3000.

How much we pay		Further information
Damage to other vehicle	\$12,500	We normally pay the cost of repairs directly to the third-party claimant.
Less excess	- \$500	Only the basic excess applies in this example. We normally require you to pay this amount to us before we act on your behalf.
Plus our legal costs	+ \$3,000	We incur and do not charge you for these costs providing you have paid your excess prior to legal costs being incurred.
Total claim	\$15,000	

If the driver of your vehicle was not at fault and the driver of the other vehicle was at fault but was not insured, and you provide us with the details of the other driver. The basic excess is \$500. For the purposes of this example it is assumed that your vehicle is not comprehensively insured:

Damage by uninsured drivers additional Cover	\$4,500	Your vehicle is not covered for own damage because Legal Liability Only cover was purchased. However, the 'damage by uninsured drivers' Additional Cover provides limited cover in these circumstances for up to \$5,000. For the purposes of this example, we assess that the damage to your vehicle will cost more than its market value of \$4,500. We decide it is not repairable.
Less ITC	- \$409.09	If you are registered for GST and entitled to an Input Tax Credit (ITC) we will deduct this entitlement. In this example you are entitled to a full Input Tax Credit (100%).
Less excess	- \$500	Only the basic excess applies in this example. We deduct this from the amount we pay you
Less residual value of wreck	- \$500	The remaining value of your damaged vehicle. We deduct this from the amount we pay you.
Total claim	\$3,091.91	We normally pay this directly to you. You will keep the damaged vehicle.

Definitions

Word	Meaning
Act of terrorism	An act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government or to put the public, or any section of the public, in fear.
Agreed value	The amount we agree to insure your vehicle for. This amount is shown on your schedule .
Authorised driver	A person controlling, driving or using your vehicle with your consent.
Contaminants or pollutants	Includes smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants and other contaminants or pollutants. Pollutants and contaminants do not include dangerous goods .
Damage or damaged	Sudden or unforeseen physical damage or destruction.
Damage to property	<ul style="list-style-type: none"> ▼ physical loss of or damage to or destruction of tangible property including resultant loss of use; or ▼ loss of use of tangible property which has not been physically damaged or destroyed provided such loss of use is caused by an event.
Dangerous goods	<ul style="list-style-type: none"> ▼ substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail; ▼ liquid fuels, liquefied or compressed gasses, toxic chemicals, acids, organic peroxides, or corrosives; ▼ infectious, explosive radioactive, or oxidising substances; or ▼ substances with a flashpoint of below twenty two point seven degrees celsius (22.7°C).
Emergency repairs	Minor repairs which are essential for you to be able to drive your vehicle safely from an accident or event causing damage .
Employee or employees	Any person: <ul style="list-style-type: none"> ▼ engaged in your business under a contract of service or apprenticeship, or ▼ supplied to you pursuant to a contract of labour hire.
Endorsement	A written change or addition we make to your policy , particularly if we have changed the cover to meet your needs or excluded a specific cover we would have normally covered. Any endorsements that apply to your policy will be shown on your schedule , unless we send you the endorsement separately.

Word
Event or events
Excess or excesses
Inexperienced driver
Insured amount or insured amounts
Loss or losses
Market value
Partial loss
Penalty claim
Period of insurance
Personal effects
Personal injury
Policy
Product Disclosure Statement (PDS)
Reasonable repair costs

Meaning
One incident or all incidents of a series consequent on, or attributable to, one source or original cause.
The first amount of each and every claim that shall be paid by you, before the application of any limits by the policy .
A person who is 25 years or over and has not held a drivers licence for the class of vehicle being driven at the time of the event for the past 2 consecutive years.
The relevant amount specified in the schedule .
Sudden and unforeseen physical loss.
The amount you would have to pay to buy a vehicle similar to your vehicle immediately before the loss or damage , taking into account its make, model, age, kilometres travelled and condition. To determine the market value , we may refer to an accepted motor vehicle valuation guide used by the motor industry.
When we decide, at our option, to repair your vehicle , replace any part of it or reimburse you for the loss or damage to it. In this case, we will not treat your vehicle as a total loss .
An event or claim where we consider you to be at fault, or a claim where we are not able to recover the costs of repairing or replacing your vehicle .
Means the period of time your policy is in force, as shown on your current schedule .
Clothing and personal belongings normally worn or carried but excluding personal computers, non-fixed GPS units, musical instruments, curios, works of art, money or credit cards.
Death, bodily injury, sickness, disease, disability, shock, fright, mental injury, mental anguish, or loss of consortium resulting from any of them.
Your insurance contract. It consists of this PDS , any endorsements and your schedule . It also includes any Supplementary PDS we may send you.
PDS is the name of this document and it contains the terms of your insurance cover. It tells you what cover we provide, details of costs and excesses and other important information. It should be read together with your schedule , any endorsements and any Supplementary PDS that we may give you.
If you choose your own repairer, we will pay the amount we consider to be reasonable repair costs taking into account: <ul style="list-style-type: none"> ▼ your repairer's quote with any adjustment or reduction recommended by an experienced motor vehicle assessor we appoint, and ▼ a quote we may choose to obtain from one of our recommended repairers.

Word	Meaning
Recommended repairer	A repairer who has been appointed by us as a recommended repairer because we have assessed the repairer as capable of meeting our strict standards of quality workmanship, timeliness, efficiency and cost effectiveness.
Road	Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.
Schedule	The schedule attached to and forming part of the policy , or if the policy has been renewed the schedule issued with the renewal notice.
Substitute vehicle	A vehicle which does not belong to you and which you, your spouse, defacto partner or an employee are using while your vehicle is not in use because your vehicle is unroadworthy or undergoing repair but does not include a hire vehicle.
Supplementary PDS (SPDS)	A document that updates or adds to the information in the PDS .
Total loss	When your vehicle is stolen and not recovered, or is damaged so badly it would cost more to repair than the value of your vehicle .
Value of your vehicle	The market value or agreed value , whichever is shown in your schedule .
Vehicle	The vehicle(s) described on your schedule . The following accessories will also be insured if they are attached to or in or on your vehicle : baby capsule/car seats – bicycle carriers - binders – bonnet protector – built in refrigerators – built in televisions – bull bar – caravan annexe – cargo barrier – CB and/or 2 way radio – chains – cruise control – dash mats – decorative wheel trims – driving lights – fire extinguishers – fixed GPS units – floor mats – gates – headlamp guards – motor cycle helmets, gloves, or associated riding clothes up to a total of \$500 (if we pay a claim covering your motorcycle) – mud flaps – paint protection – panel/rust protection – pinstriping/decals – protective mouldings – rear louve sunshade – registration plate covers – ring feeder – seat covers – side steps for a 4WD – signwriting – sleeping box – sound systems (fitted as standard by manufacturer) – spare wheel cover – steering locks – tarpaulins – tools supplied as standard by the vehicle manufacturer or similar replacements – tow bars – weather shield – winch. It also includes other vehicle accessories or modifications if we have agreed to insure them as part of your vehicle and they are shown on your schedule .

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