



Comprehensive Motor Policy

Product Disclosure Statement



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Welcome to Vero Insurance

With the heritage of insuring Australians for over 175 years, together with the scale that comes from being part of the Suncorp Group, Vero Insurance delivers a broad range of superior insurance solutions and services for Brokers and their clients.

At Vero insurance is our focus, we are constantly looking for new and better ways to help our partners and their clients achieve their aspiration.

Who is the insurer?

AAI Limited ABN 48 005 297 807 AFSL No. 230859 trading as Vero Insurance is the insurer of this **policy** and issuer of this **Product Disclosure Statement (PDS)**.

How to contact us

You can contact Vero Insurance:

- ▼ through your insurance adviser; or
- ▼ by writing to us at:
Vero Insurance
GPO Box 3999
Sydney NSW 2001

Who is Smartsalary?

Smartsalary Pty Ltd (ABN 24 096 796 100) is appointed as an authorised representative (AR No. 284 495) of BMS Risk Solutions Pty Ltd. Neither Smartsalary Pty Ltd nor BMS Group are the insurer nor do they act for us.

About your insurance policy

This insurance **policy** is a legal contract between the policy holder noted in the policy **schedule** and us. As a client of the policy holder and an insured person named in the **schedule**, you are entitled to cover under the **policy** to the extent specified in your **schedule** and you can claim directly under the **policy**.

Our agreement to cover you under the **policy** is based on the information you gave the policy holder or their broker when you applied for cover, and any subsequent information which you have supplied.

The terms on which we provide cover to you are set out in this **PDS**, any **Supplementary PDS** 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 and the policy holder must comply with all of the **policy** conditions.

In this insurance **policy**:

- ▼ You/your means the insured person named in the **schedule**.
- ▼ We/our/us means AAI Limited ABN 48 005 297 807 trading as Vero Insurance.

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 and 31 of this **PDS**.

Cooling off period

You have the right to cancel your insurance **policy** by notifying us in writing within 30 days of the date it was issued to you ("cooling off period").

If you cancel it in this time, we will return the amount you have paid and you will have no cover. You cannot cancel during the cooling off period if you have made a claim or wish to make a claim. To cancel at other times, please see "Cancelling Your Policy" on page 10.

Privacy statement

AAI Limited trading as Vero Insurance is the insurer and issuer of this product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group".

Why do we collect personal information?

Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable. We collect personal information so that we can:

- ▼ identify you and conduct appropriate checks;
- ▼ understand your requirements and provide you with a product or service;
- ▼ set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- ▼ assess and investigate any claims you make under one or more of our products;
- ▼ manage, train and develop our employees and representatives;
- ▼ manage complaints and disputes, and report to dispute resolution bodies; and
- ▼ get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations. We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Income Tax Regulations 1936, Tax Administration Act 1953, Tax Administration Regulations 1976, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- ▼ any of our Group joint ventures where authorised or required;
- ▼ customer, product, business or strategic research and development organisations;
- ▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▼ social media and other virtual communities and networks where people create, share or exchange information;
- ▼ publicly available sources of information;
- ▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▼ a third party that we've contracted to provide financial services, financial products or administrative services – for example:
 - ▼ information technology providers,
 - ▼ administration or business management services, consultancy firms, auditors and business management consultants,
 - ▼ marketing agencies and other marketing service providers,
 - ▼ claims management service providers,
 - ▼ print/mail/digital service providers, and
 - ▼ imaging and document management services;
- ▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;

- ▼ a third party claimant or witnesses in a claim;
- ▼ accounting or finance professionals and advisers;
- ▼ government, statutory or regulatory bodies and enforcement bodies;
- ▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
- ▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▼ the Australian Financial Complaints Authority or any other external dispute resolution body;
- ▼ credit reporting agencies;
- ▼ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▼ legal and any other professional advisers or consultants;
- ▼ hospitals and, medical, health or wellbeing professionals;
- ▼ debt collection agencies;
- ▼ any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/privacy, or you can call us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in Contact Us.

Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, or obtaining a list of overseas countries you can:

- ▼ Visit www.vero.com.au/privacy.
- ▼ Speak to us directly by phoning one of our Sales & Service Consultants on: 1300 888 073 or by
- ▼ Email us at claims@vero.com.au

General Insurance Code of Practice

We support the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- ▼ Telephone: (02) 9253 5100 or 1300 728 228; or
- ▼ Website: www.insurancecouncil.com.au

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 contacting us. We will give you a free paper copy of any updates if you request them.

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 extremely 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 www.fcs.gov.au

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:

- ▼ Telephone: 1800 689 762
- ▼ Mail: Reply Paid 1453
Customer Relations Unit RE058
GPO Box 1453 Brisbane QLD 4001; or
- ▼ Email: customer.relations@vero.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 by the end of the next working day.

If we cannot resolve your complaint to your satisfaction within 5 working days we will contact you to agree reasonable alternative timeframes. We will endeavour to send you our final decision within 15 working days from the date you first made your complaint, provided we have all necessary information and have completed any investigations required. If you are still unsatisfied with the final outcome at your request we can refer your complaint to our Customer Relations Team. Our Customer Relations Team will review your dispute, and respond to the dispute within 15 working days of your complaint being referred to them provided they receive all necessary information and have completed any investigation required. You can contact our Customer Relations Team on:

- ▼ Telephone: 1300 260 470
- ▼ Mail: Vero Customer Relations Team
PO Box 14180
Melbourne City Mail Centre, VIC, 8001; or
- ▼ Email: IDR@vero.com.au

What if you are not satisfied with our final Customer Relations Team's decision?

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 Australian Financial Complaints Authority (AFCA).

AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA by:

- ▼ Telephone: 1800 931 678
- ▼ Mail: Australian Financial Complaints Authority
GPO Box 3
Melbourne Victoria 3001
- ▼ Email: info@afca.org.au or
- ▼ Website: www.afca.org.au

AFCA has authority to hear certain disputes. Contact AFCA to confirm if they can assist you.

We agree to accept any determination the AFCA makes however you have the right to take legal action if you do not accept their decision.

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**. It reflects what we consider is the likelihood of claims on the **policy** and other factors related to our cost of doing business. The premium includes GST and if applicable Stamp Duty and other relevant state government charges. The premium does not include any service or administration fee charged to you by your insurance intermediary.

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 are significant factors which impact generally on your premium:

- ▼ Type of vehicle;
- ▼ Age of vehicle;
- ▼ financed (lease) amount;
- ▼ Location (postcode);
- ▼ Claims experience
- ▼ Our expense of doing business including payments we make to intermediaries; and
- ▼ Endorsements.

When determining your premium we also take into account the payments we make to Smartsalary.

Premium discounts

Discounts are also factors that can affect your premium. 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 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;
- ▼ new and updated data we use to calculate your premium;
- ▼ any changes in government taxes or charges; and
- ▼ our expense of doing business;
- ▼ Other commercial factors.

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 page 22 of this **PDS**.

The amount of the basic **excess** and the age or **inexperienced driver excess** are shown on your **schedule**.

We take into consideration a number of factors when setting the amount of your basic **excess** and your age or **inexperienced driver excess**, such as the age and driving experience of people who will be driving the **vehicle**.

Your duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract. You do not need to tell us anything that:

- ▼ reduces the risk we insure you for; or
- ▼ is common knowledge; or
- ▼ we know or should know as an insurer; or
- ▼ we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Paying your premiums

You must pay the premium and other charges by the due date to obtain this insurance cover.

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

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.

Any payment reminder we send you does not change the expiry or due date of the **policy**, unless we tell you otherwise.

Where you do not pay your premium by the due date for the first Period of Insurance with us, we can cancel the **policy**. Where you do not pay the premium for renewal by the due date, then the renewal **policy** will not commence and your cover will end at the expiry of the previous Period of Insurance.

If we accept your late payment, we may recommence your cover from the date we receive your payment. If so, you will not have any cover for the period from the due date until the date of payment.

If you change your **policy** you may be required to pay us an additional premium. You must pay this by the due date advised to you.

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

The premium includes an amount on account of GST.

You must inform us of the extent to which you are entitled to an input tax credit for your premium and your claim, 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 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 – i.e. your cost after claiming input tax credits.

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

Except where expressly stated in this **policy** 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 your **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 less any non-refundable government charges). We do not however return any premium in respect of a vehicle that is a **total loss**.

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.

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). If we cancel your **policy** due to fraud, we will not refund any money to you.

Your responsibilities

Policyholder

During the **period of insurance** and at renewal, the policyholder must tell us of any material change to its business, including but in no way limited to, being unable to pay debts or liabilities as they fall due, being placed in administration, voluntary administration, liquidation, being wound up or having a receiver appointed.

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 carried on by you, including being declared bankrupt, unable to pay any debts or liabilities as they fall due, placed in administration, voluntary administration, had a receiver appointed or its permanent discontinuance;
- ▼ details of any conversion or modification to your **vehicle** made by someone other than the manufacturer. For example, if you give your **vehicle** wider 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 immediately notify us of any of the above changes or any other changes that may increase the risk insured under your **policy**.

If we agree to the changes you or the policyholder tell us about, we will confirm this in writing. In some cases, we may only agree to continue to insure the policyholder and/or you under this **policy** if you agree to pay us additional premium. If we are not able to we may cancel this **policy**.

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 **loss** 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 your 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**.

If you do not comply with "Your responsibilities" we can reduce or refuse your claim and/or recover from you any costs or moneys we have paid and/or cancel your **policy**.

Your cover

You are covered under both Part 1 and Part 2 of this **PDS**. Subject to the terms and conditions in this **PDS**, your **vehicle** is insured for **market value**.

What we cover is described in the 'What we cover' sections in the following pages. What we do not cover is described in the 'What we exclude' sections in the following pages, the General Exclusions on pages 24 and 25 of this **PDS** and in any **endorsements** that apply to your **policy**.

Part 1 – Loss of or damage to your vehicle

✓ What we cover

We will pay for the theft, **loss** of or **damage** to your **vehicle** caused by an **event** occurring in Australia or its external territories during the **period of insurance**.

✗ 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 (except as covered in Extra Cover 12 – Tyre replacement).

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
- ▼ accessories that were attached to your **vehicle** at the time of the **loss** or **damage**.

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.

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**.

See General Exclusions on pages 24 and 25.

Extra Covers

If as a result of the **event** which causes the **loss** or **damage** to your **vehicle** we agree to pay a claim under Part 1, we will also pay or provide the following Extra Covers in relation to that **event**.

All of the terms, conditions and exclusions of this **policy** apply to the Extra Covers unless otherwise specified including without limitation the exclusions applicable to Part 1 and Part 2.

1. New vehicle after total loss

✓ What we cover

If you are the first registered owner of your **vehicle** and we decide because of the **event** it is a **total loss**, you can choose to accept a new replacement vehicle of the same make, model and series if:

- ▼ the **loss** or **damage** to your **vehicle** occurred less than 3 years of the date of your **vehicle's** original registration;
- ▼ the replacement vehicle is available in Australia within [30] days of us deciding your **vehicle** is a **total loss**; and
- ▼ anyone who provided finance for your **vehicle** agrees in writing.

We will also pay the costs of similar accessories and parts and all on-road costs. If you choose not to accept a new replacement vehicle to replace your **vehicle** and/or we decide that a new vehicle cannot be agreed between you and us, we will pay the original purchase price which you paid for your **vehicle** including any registration, compulsory third party insurance, delivery and stamp duty costs included in the contract of sale for your **vehicle** and your cover for your **vehicle** will come to an end. Any Extra Cover, Additional Benefit or Optional Insurance for that **vehicle** also ends. There will be no refund of premium.

2. Personal effects

✓ What we cover

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

✗ What we exclude

We will not pay:

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

3. Funeral expenses

✓ What we cover

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

This benefit will not be reduced by any accident compensation.

✗ What we exclude

We will not pay more than \$5,000 for any one **event**.

We will not pay if the death happens:

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

We will not pay if we have paid an amount for the 'Personal accident' Extra Cover.

4. Personal accident

✓ What we cover

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 **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 one or both feet.

We pay the driver.

✗ What we exclude

We will not pay more than \$5,000 for any one **event**.

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

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

We will not pay if we have paid an amount for the 'Funeral expenses' Extra Cover.

5. Emergency repairs

✓ What we cover

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

✗ What we exclude

We will not pay more than \$500 for any one **event**.

6. Emergency travel

✓ What we cover

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 the **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.

✗ What we exclude

We will not pay more than \$2,250 for any one **event**.

7. Emergency accommodation

✓ What we cover

We will pay reasonable costs for your or the **authorised driver's** emergency temporary accommodation if the **event** was more than 100km from your home or the **authorised driver's** home and your **vehicle** was unroadworthy or unsafe to drive following the **event**.

If you need overnight 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 \$2,250 for any one **event**.

8. Removal of debris

✓ What we cover

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.

✗ What we exclude

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

9. Vehicle modifications

✓ What we cover

We will pay the reasonable costs of modifying your **vehicle** for any **authorised driver** of your **vehicle** who is permanently disabled as a direct result of the **event**.

✗ What we exclude

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

10. Towing and storage

✓ What we cover

We will pay the reasonable and necessary costs of towing your **vehicle** when caused by an **event** your **vehicle** cannot be driven to:

- ▼ our nearest assessment centre or repair facility;
- ▼ a **recommended repairer** that we nominate; or
- ▼ a repairer we agree to.

We will also pay the reasonable costs of storing your **vehicle**. You must provide tax invoices and receipts for all costs if we ask for them.

✗ What we exclude

We do not cover storage costs for any period after your claim is settled.

11. Hire vehicle costs

✓ What we cover

If as a result of an **event** for which we have agreed to pay a claim for under Part 1, your **vehicle is damaged** and not drivable, or stolen and either not found or is found but is not drivable, we will pay the reasonable cost of hiring a vehicle of a similar make and model to your **vehicle**. This benefit stops 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, toll road use 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:

- ▼ Additional Benefit 'Hired Vehicle' (page 15) for cover applicable to and caused by the rental vehicle.

✗ What we exclude

For any one **event**, we will not pay more than \$3,000.

12. Tyre replacement

✓ What we cover

If any tyre on your **vehicle** cannot be used as a direct result of the **event** we will pay the cost to replace the tyre with a tyre of similar make and specification.

✗ What we exclude

We will not pay:

- ▼ when the condition of the **damaged** tyre's remaining tread means that the tyre does not conform with legal requirements; or
- ▼ for the replacement of a tyre that was recapped or a retread.

13. Lease payout

✓ What we cover

If because of the **event** we decide your **vehicle** is a **total loss**, 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**, less any amounts or interest in arrears at the time of the **loss** or **damage**.

This benefit does not apply if we settle your claim under the Additional Benefit 'New vehicle after total loss' (page 11).

We will pay any amount payable under this benefit directly to the financier.

Additional Benefits

Your **policy** is extended to include the following Additional Benefits. The **loss** or **damage** referred to in the Additional Benefits must happen in Australia. All of the terms, conditions and exclusions of this **policy** apply to the Additional Benefits unless otherwise specified including without limitation the exclusions applicable to Part 1 and Part 2 and in any **endorsements** that apply to your **policy**.

1. Two-wheel or box trailer

✓ What we cover

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** occurring during the **period of insurance**.

✗ What we exclude

We will not pay more than \$1,000 for any one **event**.

No **excess** is payable for any claim accepted by us under this Additional Benefit.

2. Locks and keys

✓ What we cover

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

- ▼ have been stolen (even if your **vehicle** was not);
- ▼ have been **damaged** or lost; or
- ▼ may have been duplicated and there are reasonable grounds to believe so.

✗ What we exclude and excess payable

We will not pay more than \$5,000 for any one **event**.

You must pay to us an **excess** of \$250 for any claim accepted by us under this Additional Benefit.

3. Hired vehicle

✓ What we cover

If you hire a 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:

- ▼ the theft, **loss** of or **damage** to that hire vehicle caused by an **event** and occurring during the **period of insurance**; and
- ▼ your **legal liability** for **damage** to another person's property in the **period of insurance** caused by the hired vehicle while you are driving or in control of the hired vehicle.

Please refer to page 22 of this **PDS** under what we pay for **legal liability** under this Additional Benefit.

(b) and you did insure the hired 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 for theft, **loss** or **damage** to that hire vehicle during the **period of insurance**.

✗ What we exclude and excess payable

We will not pay more than \$40,000 for the **loss** or **damage** to the hired vehicle or the hired vehicle excess for any one **event**.

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 Benefit.

4. Recovery costs – no damage

✓ What we cover

We will pay the reasonable cost of removing your **vehicle** to a place of safety (“Recovery”) following it becoming immobilised, bogged or stranded in Australia 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.

✗ What we exclude

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

This Additional Benefit 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 under this Additional Benefit.

5. Vehicles being test driven by you

✓ What we cover

If a vehicle is being demonstrated to you or test driven in Australia by you or your **authorised driver** during the **period of insurance**, we will cover your **legal liability** for:

- ▼ theft, **loss** of or **damage** to that vehicle; or
- ▼ **damage to another person’s property** in connection with the use of that vehicle. Please refer to page 22 under what we pay for legal liability under this Additional Benefit.

✗ What we exclude

We will not pay:

- ▼ more than \$40,000 for theft of, **loss** or **damage** to the demonstration or test driven vehicle;
- ▼ if the demonstration or test driven vehicle is a customer’s vehicle or being test driven for the purposes of repair, restoration or modification.

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

6. Return of undamaged vehicle after theft

✓ What we cover

If your **vehicle** is stolen in Australia in the **period of insurance** and suffers no **loss** or **damage**, we will pay you the reasonable cost of returning your **vehicle** to your usual place of garaging after your **vehicle** has been recovered following its theft.

7. Marine general average

✓ What we cover

We will pay reasonable costs if your **vehicle** is being transported by sea between Australian ports, for your contribution for your **vehicle** if “General Average” is declared under Australian maritime law.

General Average is declared when goods or cargo are thrown overboard to safeguard the vessel and the remaining property on the vessel. The expenses and salvage costs incurred by the ship owner in preserving the vessel and cargo are shared by those whose property is thereby saved.

What we pay: Part 1

If we agree to pay a claim 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 Benefit 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 Cover 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 you choose not to accept a new replacement vehicle to replace your **vehicle** and/or we decide that a new vehicle cannot be agreed between you and us, we will pay the original purchase price which you paid for your **vehicle** including any registration, compulsory third party insurance, delivery and stamp duty costs included in the contract of sale for your **vehicle** and your cover for your **vehicle** will come to an end. Any Extra Cover, Additional Benefit or Optional Insurance for that **vehicle** also ends. There will be no refund of premium. You will also need to pay us any outstanding **excess** or unpaid premium.

If Extra Cover 1 – 'New vehicle after total loss' does not apply, we will pay you the **market value** of your **vehicle**. The **market value** of your **vehicle** includes accessories defined as your **vehicle**.

Any **excess** or unpaid premium you must pay is deducted from the amount we pay.

If we pay the **market value** then your cover for that **vehicle** comes to an end. There will be no refund of the premium.

Your **vehicle**, including any unexpired premium, registration and Compulsory Third Party (CTP) insurance, unless the law requires otherwise, becomes our property when we pay you for the **total loss**. Where you are entitled or required by law to obtain a refund for unused registration or CTP insurance, we will deduct those amounts from what we pay you for the **total loss**. We are entitled to receive the proceeds from any salvage of the vehicle.

If another party (eg. a bank) has a current and legally valid interest in your **vehicle** and it 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 **market value**, 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 28 of this **PDS**.

Partial loss – Your choice of vehicle repairer and parts policy

If we agree to pay a claim and decide your **vehicle** is a **partial loss**, we can arrange the repairs with a **recommended repairer** we authorise if one is available. Alternatively you can choose your own repairer and if we authorise the repairs as specified below, you can arrange the 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 near by.

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 standard warranty, but not when your **vehicle** has an extended warranty or for windscreen, window glass or radiator and air conditioning parts replacement. In the case of radiators and air conditioning systems parts produced by genuine parts suppliers may be used;
- ▼ only pay the **market value** of damaged parts we consider to be obsolete;
- ▼ not pay for the replacement of undamaged parts which includes items that are part of a whole set when the **loss** or **damage** occurred to only part of the set (such as alloy wheels);
- ▼ 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.

See 'lifetime guarantee for repairs' on page 18.

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 solely by law.

Contribution to repair work

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 or 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** costs 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 29 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**. The parts used in any lifetime guarantee repairs to a **vehicle** will be the same as those explained above in this **policy**. If you are concerned about the quality of the repair to a **vehicle**, you must contact us and make your **vehicle** available to us. You must not authorise any rectification work without our written authority.

We will inspect the repair and arrange any necessary rectification work. If, in our opinion, it would not be safe or economical to carry out the rectification work required, we will declare the **vehicle a total loss**.

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.

Vehicle identification

Where your **vehicle's** identification, such as its compliance, build or VIN plate or label, has been **damaged**, we will try to source a replacement from its manufacturer. If we cannot source it for you, we will attempt to obtain a letter from the manufacturer to confirm your **vehicle's** identity and that its original identification has been **damaged**. We will still repair your vehicle without replacing any damaged identification, unless an alternative form of identification is required by law.

Part 2 – Legal liability

What your vehicle also means

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

- ▼ a trailer;
- ▼ a caravan, or
- ▼ another vehicle which has broken down;

that is being towed by your **vehicle** or a **substitute vehicle** legally and not for reward; and

- ▼ a **substitute vehicle**.

What is legal liability?

Legal liability means that a court or Tribunal in Australia or its external territories finds, or we accept, that:

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

are legally responsible to pay compensation for:

- ▼ **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),

caused by **event** which occurs **during the period** of insurance in Australia or its external territories.

✓ What we cover

We will cover **legal liability** if the **event** which gives rise to the **legal liability** is caused by one or more of the following:

- (a) you or an **authorised driver** driving, using or being in charge of your **vehicle**;
- (b) property being carried by or falling from your **vehicle**;
- (c) loading goods onto your **vehicle** from a fixed place of rest directly beside your **vehicle**;
- (d) unloading goods off your **vehicle** to a fixed place of rest directly beside your **vehicle**; or
- (e) a passenger in your **vehicle** with your or the **authorised driver's** permission while travelling or getting in or getting out of your **vehicle**.

This cover is extended to your employer, principal or business partner when they incur legal liability because you were driving your **vehicle** in connection with your occupation.

✗ What we exclude

We will not pay for **legal liability** arising from, caused by, resulting from or in connection with the following:

- ▼ for anything excluded by any other 'what we exclude' section in Part 1 or Part 2 in this **policy** or in any **endorsement**;
- ▼ 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;
- ▼ if at the time of the **event** your **vehicle** is 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;
- ▼ for **personal injury** if at the time of the **event** your **vehicle** is being used as a show, carnival or festival attraction, parade float or for any similar activity;

x What we exclude (continued)

- ▼ because of an agreement you or anyone insured under this **policy** enters into, unless **legal liability** would have applied anyway;
- ▼ 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;
- ▼ resulting from the use of your **vehicle** if it was unregistered at the time of the **event**.
- ▼ 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 Additional Benefit 1 – ‘Pollution’ in Part 2.

See also general exclusions on pages 24 and 25.

Extra Covers

We will also provide the following Extra Cover in this section. All of the terms, conditions and exclusions of this **policy** apply to the Extra Covers unless otherwise specified including without limitation the exclusions applicable to Part 1 and Part 2.

1. Emergency Services

✓ What we cover

If we agree to pay a claim under Part 1 or Part 2, we will also pay the reasonable costs and charges levied by the police force or fire brigade or authority due to your **vehicle** causing the attendance of a member of the:

- ▼ fire brigade or authority for the purpose of fire extinguishment or other purposes; and/or
- ▼ police force;

at the accident site.

Additional Benefits

We will also provide the following Additional Benefits. All of the terms, conditions and exclusions of this **policy** apply to the Additional Benefits unless otherwise specified including without limitation the exclusions applicable to Part 1 and Part 2 and in any **endorsements** that apply to your **policy**. The **event** giving rise to the **legal liability** must not have been expected or intended.

1. Pollution

✓ What we cover

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 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

We will not pay:

- ▼ more than \$500,000 for any one **event**; or
- ▼ if the **contaminants or pollutants** are **dangerous goods**.

2. Non-owned vehicle liability

✓ What we cover

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.

✗ What we exclude

You must pay to us an **excess** of \$500 for each claim accepted by us under this Additional Benefit.

3. Legal liability for caravans and trailers

✓ What we cover

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 cover **loss** or **damage** to:

- ▼ the caravan or trailer;
- ▼ 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.

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

What we pay: Part 2

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

- ▼ the compensation;
- ▼ legal costs and expenses if we have given our prior written consent to you incurring these costs; and
- ▼ costs and charges reasonably and necessarily incurred by you in removing or cleaning up debris and for fire extinguishment, unless stated otherwise.

We will also pay for legal costs in representing you or any other person covered under this **policy** for **legal liability** at any inquest or other inquiry, 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 \$50 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 Additional Benefit 1 – ‘Pollution’ under Part 2.

These amounts include all covered legal costs and expenses, including any covered debris clean up costs and fire extinguishment costs.

These limits are inclusive of and not in addition to any cover for your **legal liability** provided under any Extra Cover, Additional Benefit, or any **endorsement** (both Parts 1 and 2) unless a lower limit is specified in the Benefit, Cover or any **endorsement**.

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

Application of excess

An **excess** is the amount you have to pay if you claim under this **policy**, unless stated otherwise. **Excesses** are cumulative. 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** (or where the amount can be found in this **PDS**) are detailed below. You might have to pay more than one type of **excess** when you claim. You must pay the **excesses** in full. The fact we have asked for payment of your **excess** does not of itself mean that your claim has or will be accepted by us.

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** 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 who was at fault (by providing us with their name, residential address, phone number, insurance details and vehicle registration details);
- ▼ no other vehicle is involved, we agree the driver of your **vehicle** was not at fault, and you can identify another person at fault (by providing us with their name, residential address and phone number) and we agree that they were at fault.

If you are unable to provide us with these details an **excess** will be payable.

We take into consideration a number of factors when setting the amount of the basic **excess**, the age or inexperienced driver **excess** and the glass only claims **excess**, such as:

- ▼ the make, model and type of vehicle being insured, including modifications made to your **vehicle**;
- ▼ the age and driving experience of people who will be driving your **vehicle**.

Types of excesses

Basic excess

Basic **excess** is the amount shown on your **schedule**. The basic **excess** applies to every accident or **event** and every insured vehicle unless we tell you otherwise.

Age or inexperienced driver excess

The following age or **inexperienced driver excesses** apply in addition to the basis **excess** if:

- ▼ at the time of the **event**, a driver aged 21 or under was in charge of your **vehicle**: \$800 each and every claim
- ▼ at the time of the **event**, a driver between 21 to 24 was in charge of your **vehicle**: \$600 each and every claim
- ▼ at the time of the **event**, an **inexperienced driver** was in charge of your **vehicle**: \$600 each and every claim.

These **excesses** will not apply to glass, damage while parked, fire, malicious damage, theft or storm claims.

Glass only claims

An **excess** of \$200 applies to each and every claim for windscreen or window glass only. This **excess** will not apply to any claim for **loss** or **damage** to other parts of the **vehicle**, but the other **excesses** will apply.

Endorsements

Some **endorsements** may also affect the amount of an **excess**, when it is paid or impose additional **excesses**. You should refer to your **schedule** for details of the **endorsements** that apply to your **policy**.

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 and/or drug and/or medication;
- ▼ had more than the legal limit of alcohol in their breath, blood, urine or saliva, 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 **damage** to your **personal effects** caused by biting, chewing or scratching by an animal or bird;
- ▼ 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** or any looting or rioting following these occurrences (except for any cover provided under Additional Benefit 1 – 'Pollution' on page 21);
- ▼ 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 the **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 unless specifically stated otherwise;
- ▼ for any **loss** or **damage** caused deliberately or recklessly by you, or any director, business partner, principal, or **employee** of yours, or someone acting with your or their express or implied consent;
- ▼ 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;
- ▼ **loss**, **damage** or **legal liability** if excluded by any **endorsement**;

▼ we will not cover:

- (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** otherwise covered by this **policy**, 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 can prove to our satisfaction that the unroadworthy or unsafe condition of your **vehicle**:
 - ▼ did not cause or contribute to the **loss, damage or legal 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 it 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

In this section a reference to 'you' also means a reference to an **authorised driver**. You must comply with the following conditions if an **event** occurs which may lead to or results in a claim. If you do not comply with these conditions, we may refuse your claim or reduce the amount we pay you.

You must:

- ▼ Contact our Vero claims team as soon as possible on 1300 619 033. We're available 24 hours a day, 7 days a week. 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 practicable.
- ▼ 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 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 co-operation and other assistance we need to handle the claim. If we ask for a statutory declaration verifying the details of your claim and any matters connected with the claim, you must provide it.
- ▼ If you get a demand, a relevant letter, 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 for your insurance premium if you are registered or are required to 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 liability you incur.
- ▼ Notify us of any other insurance that insures any risk insured by this **policy** and provide us details of the other insurance.
- ▼ Retain and preserve your damaged insured **vehicle** and property for inspection by us or our agents (including a loss adjuster) prior to authorisation of repairs unless repairs are immediately necessary for safety reasons, or to minimise or prevent further **loss, damage** or **legal liability**.

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** or **emergency travel**, see page 13 for details) or dispose of any **damaged** property or enter into any agreement or take any action or step that has the effect of limiting or excluding your rights to recover your claim.
- ▼ 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. We will decide what is acceptable proof of ownership however proof could include your **vehicle's** log book, receipts, a valuation or warranty documents.
- ▼ 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 re-interviewed and providing relevant documents and/or information we ask for.
- ▼ You must allow us to make admission, defend or settle claims on your behalf.
- ▼ You must allow us to take any action or legal proceeding in your name or in the name of any other person or entity that suffered your **loss** 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.

If you have commenced action or instituted legal proceedings against any person or entity liable to you for your **loss**, we have the right and you permit us to take over and continue that action or legal proceeding. Where recovery of your **loss** forms part of any representative proceeding which has not been instituted under our instructions, we have the right and you permit us to exclude your **loss** from that representative proceeding for the purpose of including your **loss** in a separate representative proceeding which is or will be instituted under our instructions.

Fraudulent claims

If you or someone acting on your behalf, or with your knowledge makes a claim that is false or causes **loss** or **damage** deliberately, we may:

- ▼ refuse to pay the claim;
- ▼ cancel the **policy**;
- ▼ take legal action against you; or
- ▼ do any or all of the above.

When we may refuse a claim

We may refuse to pay a claim, or we may reduce the amount we pay you, if when applying for the insurance, or when making a claim:

- ▼ you have not complied with your duty of disclosure (see page 9);
- ▼ you:
 - ▼ are not truthful,
 - ▼ have not given us full and complete details, or
 - ▼ have not told us something when you should have;
- ▼ you have not complied with any conditions of your **policy**;
- ▼ you do any of the following without us agreeing to it first:
 - ▼ make or accept any offer or payment or in any other way admit you are liable for **loss, damage** or **legal liability**; or
 - ▼ settle or, attempt to settle or defend any claim; or
 - ▼ defend any claim;
- ▼ cover is excluded by 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 event 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 at \$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 Input Tax Credit	- \$1,364	If you are registered for GST and entitled to an Input Tax Credit 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 to you.
Less unexpired CTP insurance and registration	-\$240	We deduct the value of unexpired CTP insurance and registration which you can collect from your transport authority
Total claim	\$12,896	We would normally pay this amount directly to you in a total loss situation.

On top of this settlement, we would also seek confirmation of any outstanding amount on your lease.

*If we decide your vehicle is a **total loss** 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**, less any amounts or interest in arrears at the time of the **loss** or **damage**.*

If the vehicle in the above example was less than 3 years old at the time of the event and you are the first registered owner, 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.

The salvage becomes our property and we are entitled to keep the \$1,000 proceeds of its sale. This does not affect the calculations above.

Example: Partial loss – Repair

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 stolen and subsequently recovered, damaged, 10 days later. We assess the cost of repairs to be \$5,500.

How much we pay		Further information
Damage to vehicle	\$5,500	We normally decide the 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 if the vehicle is a car, 4WD, utility or van of not more than 2 tonne carrying capacity. This extra cover's sub-limit is in addition to the market value limit 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 \$150 per day is arranged by us:

Plus vehicle hire cost	+ \$1,500	The cost per day times the number of days from the date of theft until the date of recovery is 10 x \$150. This benefit has a limit of up to \$3,000.
Total claim	\$6,850	We normally pay the \$1,500 for vehicle hire directly to the hire company (the \$350 to you and the \$5,000 to the repairer).

Example: Legal liability

A car that has a carrying capacity less than 2 tonne is comprehensively insured. The driver of your vehicle was at fault. The basic excess is \$500. For the purposes of this example it is assumed that there was no damage to your vehicle.

How much we pay		Further information
Damage to a third party vehicle	\$2,500	Your vehicle partially damages a third-party vehicle and you are deemed at fault and we accept that you are liable for the damage to the third party vehicle. The third-party's insurer seeks recovery of \$2,500 from you to pay for the third party vehicle repair costs. You lodge a claim under your insurance policy which is accepted by us and you pay your excess accordingly.
Less excess	-\$500	Only the basic excess applies in this example. You pay the excess to us and we use this to pay the third party's insurer.
Total claim	\$2,000	We normally pay this directly to the third party insurer.

Definitions

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.

Aircraft

Any thing made or intended to fly or move in or through the air or space other than model aircraft with a wingspan under 1.5 meters.

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.

Contaminants or pollutants do not include **dangerous goods**.

Damage or damaged

Sudden or unforeseen physical damage or destruction.

Damage to property

- ▼ 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

- ▼ substances which are shown in the Australian Code for the Transport of Dangerous Goods by Road or Rail;
- ▼ liquid fuels, liquefied or compressed gases, 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:

- ▼ engaged in the business under a contract of service or apprenticeship, or
- ▼ supplied to you pursuant to a contract of labour hire.

Endorsement or endorsements

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.

Event or events

One incident or all incidents of a series consequent on, or attributable to, one source or original cause.

Excess or excesses

The first amount of each and every claim that shall be paid by you, before the application of any limits of your **policy**.

Inexperienced driver

A person who is 24 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.

Input Tax Credit

The amount you are entitled to claim as a credit against GST that you have paid.

Loss or losses

Sudden and unforeseen physical loss.

Market value

The amount we calculate the market would pay for your **vehicle**. It takes into account the age, make, model, and condition of your **vehicle** immediately before the **loss** or **damage**. We might use recognised industry publications to calculate the amount. If we do so, depending on the **vehicle's** age, we may also take into account the kilometers it has travelled. Market Value does not include any allowance for dealer profit, warranty costs, any stamp duty or transfer fees.

Partial loss

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**.

Period of insurance

Means the period of time your policy is in force, as shown on your current **schedule**.

Personal effects

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.

Personal injury

Death, bodily injury, sickness, disease, disability, shock, fright, mental injury, mental anguish, or loss of consortium resulting from any of them.

Policy

The insurance contract between the you and us, under which you are covered as a named insured. It consists of this **PDS**, any **supplementary PDS** we may give you, any **endorsements** and your **schedule**.

Product Disclosure Statement (PDS)

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 give you.

Reasonable repair costs

If you choose your own repairer, we will pay the amount we consider to be reasonable repair costs taking into account:

- ▼ your repairer's quote with any adjustment or reduction recommended by an experienced motor vehicle assessor we appoint, and
- ▼ that cost will be subject to the limitations we apply when normally authorising repairs to a recommended repairer (see page 17); and
- ▼ any quote(s) we may choose to obtain from one or more of our **recommended repairers**

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.

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

A document that updates or adds to the information in the **PDS**.

Total loss

When your **vehicle** is stolen and not recovered within 14 days of you reporting its theft to us and we decide your claim is in order or when your vehicle is so badly **damaged** that it would not be safe or economical to repair.

Vehicle

The vehicle 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 – 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 – mud flaps – paint protection – panel/rust protection – pinstriping/decals – protective mouldings – ramps – rear louvre 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**.

Insurer and issuer:
AAI Limited ABN 48 005 297 807 AFS Licence No. 230859
trading as Vero Insurance.

PDS prepared on 5 December 2018

V10124 31/12/2018 A

