

Commercial Product Disclosure Statement Update

October 2021



Vero Commercial Motor Insurance

We have prepared this guide to help you compare the current Vero Commercial Motor Insurance Policy Product Disclosure Statement (V10165 12/08/2017 A) with the new versions (V10165 25/05/2021 A or V10165 05/10/21 A, depending on policy commencement date.). Please read the new PDS (**PDS**) which is available at vero.com.au for full details of the terms, conditions, limitations and exclusions. This is a summary of key changes only and also does not take into account any endorsements that may apply to the policy. This comparison does not constitute advice and should not be used by a potential insured for any purpose, including making a decision about a financial product or class of products. It is intended as a reference tool for brokers only and does not represent an exact or full outline of the PDS or available cover. This comparison is current as at 1 August 2021. The cover offered to an insured may vary from that described.

Schedule of changes

Part 1

New:

- Worked dollar claim example on How underinsurance applies to partial loss claims
- Definitions:
 - Assessed quote
 - Input tax credit
 - Value of your vehicle

Part 1 (cont.)

Change:

- Insuring clause has been updated to provide more clarity and transparency to the insured
- Insuring clause “what we exclude”, several points have been expanded including providing examples.
- Extra Cover 1. New vehicle after total loss now includes “ex-demonstration” model if the insured purchased it from a licensed motor dealer who was the first registered owner of the vehicle, as well as continued cover for the replacement vehicle.
- Extra Cover 1. Personal effects has had the period of insurance limit removed.
- Extra Cover 3. renamed to 3. Death of Driver and cover amended to be a cash payment of \$10,000 to the estate of deceased person in the event of death.
- Extra Cover 10. Towing and storage has been expanded to include the insureds premises.
- Extra Cover 11. Hire vehicle after theft, has been updated to provide more clarity and transparency to the insured surrounding the use of preferred suppliers.
- What we will pay under Part 1– clauses updated to provide more clarity and transparency to the insured on settlement process.
- Definitions revised to provide more clarity and transparency
 - Market value
 - Partial loss
 - Total loss
- Optional Insurance 2. Rental vehicle after accident is revised to provide more clarity and transparency to the insured regarding cover for a rental vehicle

Part 2

Change:

- Extra Covers are now Additional Benefits:
 - 1. Damage by uninsured drivers
 - 2. Emergency services

Applicable to Both Parts

New:

- About your insurance policies – the following information is added for clarity and transparency to the insured:
 - Optional insurances
 - Underinsurance
 - Reference to legislation
- Communicate with you electronically
- Important information – this section is added for clarity and transparency to the insured and it contains information regarding:
 - 1. Your policy
 - 2. Policy limits
 - 3. General Provisions

Applicable to Both Parts (cont.)

New:

- General Policy Conditions
 - The amount of cover
 - Transfer of interest
 - Other interests
 - Governing law
 - If your contact details change
- General Claims Conditions
 - Repair or replacement
 - Conduct towards us
- Definition
 - Input tax credit

Change:

- How the Goods and Services Tax (GST) affects this insurance – clause updated to provide more clarity and transparency to the insured
- General Policy Conditions – clauses updated to provide more clarity and transparency to the insured
 - Preamble – consequence of non-compliance
 - “Keeping us up to date” is revised to now read as “Change to risk”
- “Taking care and reducing risk” is revised to now read as “Take steps to reduce risk”. This section has also been expanded to provide more clarity and transparency to the insured
- General Claims Conditions – clauses updated to provide more clarity and transparency to the insured
 - Preamble – consequence of non-compliance
 - Paying your excess
 - Claim settlement
 - Rights of recovery
- General Claims Condition ‘Notification of other insurance’ and ‘Subrogation Agreements’ have moved from General Policy Conditions.
- Extra Covers – sub-limit amount clause moved from “What we exclude” to “What we cover”
- Additional Benefits – sub-limit amount clause moved from “What we exclude” to “What we cover”
- When we may refuse a claim/reduce what we pay/recover costs/cancel your policy – clauses updated to provide greater clarity and transparency for the insured around non-compliance with the policy and the various actions that can be taken as a result
- Excess – clauses updated to provide more clarity and transparency to the insured on:
 - when and how to pay the excess
 - when the excess will be waived if the driver of the insured’s vehicle is not at fault

Applicable to Both Parts (cont.)

Change:

- Definitions revised to provide more clarity and transparency
 - Market value
 - Partial loss
 - Total loss
 - Event or events
 - Vehicle
- General Exclusions – clauses updated to provide greater clarity and transparency, including:
 - around financial and non-financial loss, through the provision of numerous examples
 - Electronic data
 - Theft as resulting from the use of vehicle keys when left unattended.