

Commercial Motor Insurance Policy

Product Disclosure Statement

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Commercial Motor Insurance Policy

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Welcome to Vero

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

Vero is a member of the Suncorp group of companies.

Who is the insurer?

AAI Limited ABN 48 005 297 807 AFSL 230859 trading as Vero Insurance is the insurer of this **policy** and issuer of this **Product Disclosure Statement (PDS)**.

How to contact us

You may contact us by:

- ▼ Telephone: 1300 888 071
- ▼ Email: via the “contact us” page on our website www.vero.com.au
- ▼ Mail: Vero Insurance
GPO Box 2068
Adelaide SA 5001

About IBNA Limited

This insurance policy is distributed by insurance brokers who are licensed members of IBNA Limited ABN 43086 563 055.

The IBNA Network origins go back to 1984 to give individual general insurance brokers the opportunity to enjoy the benefits of a larger group, yet still maintain that all important feel of independence. With a total turnover of over 800 million dollars in general insurance premiums, the IBNA Network ranks within the top general insurance broking groups in Australia.*

IBNA Limited (“IBNA”) has entered into an arrangement with Vero Insurance to develop financial products and services that are distributed by IBNA members.

For further information about IBNA, please visit www.ibna.com.au.†

Important information about IBNA's advice

Any advice IBNA gives about this policy does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on IBNA advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs. Before you make any decisions about whether to acquire this policy we recommend you should read this insurance policy.

About your insurance policy

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

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

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

In this insurance **policy**:

- ▼ You/your means the policyholder named in the **schedule**.
- ▼ We/our/us means 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 to 31 of this **PDS**.

Cooling off period

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

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

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

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

Privacy statement

AAI Limited trading as Vero Insurance is the insurer and issuer of your commercial insurance 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 Financial Ombudsman Service 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 and adhere to 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
- ▼ Website: www.insurancecouncil.com.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
- ▼ Fax: 1300 767 337
- ▼ Mail: Reply Paid 1453 Customer Relations Unit RE058,
GPO Box 1453 Brisbane QLD 4001 or
- ▼ Email: customer.relations@suncorp.com.au

What we will do to resolve your complaint

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

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

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

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

What if you are not satisfied

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

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

You can contact the FOS by:

- ▼ Telephone: 1300 780 808
- ▼ Mail: Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001.
- ▼ Email: info@fos.org.au; or
- ▼ Website: www.fos.org.au

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

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

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

Updating information

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

Financial Claims Scheme

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

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

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

Information about the FCS can be obtained from APRA:

- ▼ Telephone: 1300 13 10 60
- ▼ Website: www.apra.gov.au

Information about the cost of this insurance

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

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

How various factors may affect your premium

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

Factor	Lowers premium	Increases premium
Type of cover	Legal Liability only	Comprehensive
Market and agreed value	Market value	Agreed value
No Claim Bonus	Higher	Lower
Type of vehicle	Low risk vehicle	High risk vehicle
Vehicle age	Newer vehicle	Older vehicle
Vehicle accessories	None specified	Items specified
Age of driver	Between 30 and 69 years	Below 30 and above 69 years
Radius	Smaller radius of operation	Australia wide
Insured amount	Lower insured amount	Higher insured amount
Postcode	Low risk postcode	High risk postcode
Optional covers	None taken	All taken
Claims experience	Low claims experience	High claims experience
Voluntary excess	Higher	Lower
Occupation	Low risk occupation	High risk occupation
Endorsements	Reduces our risk or your cover	Increases our risk or your cover
Our Expenses of doing business including payments we make to intermediaries	Low expenses	High expenses

Premium discounts

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

Why your premium can change

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

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

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

Information about excesses payable

If you make a claim, you may be required to pay one or more **excesses**. The descriptions of these **excesses**, their amounts (other than the basic **excess**) and the circumstances in which they are applied are shown on pages 22 and 23 of this **PDS**. The amount of the basic **excess** is shown on your **schedule**.

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

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

No Claim Bonus (Comprehensive cover only)

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

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

How you earn a No Claim Bonus

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

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

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

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

For all other vehicles:

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

Protected No Claim Bonus

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

How making a claim could affect your No Claim Bonus

If an event is not your fault

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

Windscreen claims

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

Other claims

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

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

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

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

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

For all other vehicles:

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

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

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

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

Your duty of disclosure

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

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

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

The information you tell us can affect:

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

You do not need to tell us of anything which:

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

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

The duty of disclosure applies to every person or organisation insured under the **policy**. Refer to 'Your responsibilities' on page 5 for more details.

Paying by monthly instalments

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Interested parties

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

Cancelling your policy

How you may cancel

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

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

How we may cancel

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

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

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

Paying by instalments

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

Your responsibilities

Keeping us up to date

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

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

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

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

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

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

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

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

Taking care

You must:

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

Complying with our requirements

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

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

Your cover

Cover options

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

Cover option	Description of cover provided
Comprehensive	Part 1, insured events 1 to 5 (inclusive) apply Part 2 applies
Legal Liability, Fire and Theft	Part 1, insured events 1 to 4 (inclusive) only apply Part 2 applies
Legal Liability Only	Part 1 does not apply Part 2 applies

The insured **events** are listed in the "What we cover" columns on page 7. An insured **event** does not include any of the items, **events** or circumstances set out beside the **event** in the "What we exclude" column.

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

Cover for additional vehicles

We automatically provide cover for any additional vehicle you purchase, lease or become legally responsible for during the **period of insurance**. You must tell us about the additional vehicle within 60 days of getting it and pay any extra premium we ask for.

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

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

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

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

▼ \$300,000 for any **vehicle** type.

Part 1 – Loss of or damage to your vehicle

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

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

✓ What we cover

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

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

✗ What we exclude

We will not pay for:

Loss or damage to tyres

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

Vehicle deterioration

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

Accessories

any **vehicle** accessories other than those:

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

Failure or breakdown

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

Safeguarding your vehicle

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

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

Engine, gearbox and transmission

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

Lawful seizure

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

Accidental damage

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

Extra benefits

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

1. New vehicle after total loss

✓ What we cover

Applicable if your **vehicle** is insured for Comprehensive cover and:

- ▼ it is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity, prime mover, trailer or rigid body truck exceeding 2 tonne carrying capacity and the **loss** or **damage** occurred within 2 years of the date of your vehicle's original registration, or
- ▼ it is a caravan, concrete agitator truck, garbage compactor, concrete pumping truck or trailer, any other specialised rigid vehicle body type or has a stock, tanker or vacuum application and the loss or damage occurred within 12 months of the date of your vehicle's original registration, and

we decide that because of the **event** it is a **total loss**.

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

- ▼ the replacement vehicle is available in Australia; and
- ▼ anyone who provided finance for your **vehicle** agrees in writing.

We will also pay all on-road costs.

✗ What we exclude

The new vehicle benefit does not apply if your **vehicle** is insured for **agreed value**.

If your **vehicle** is a prime mover, trailer or rigid body truck we will not pay more than 120% of the **insured amount** of your **vehicle**.

2. Personal effects

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

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

✗ What we exclude

We will not pay:

- ▼ more than \$2,000 for any one **event**; or
- ▼ if such **personal effects** are insured under another policy.

3. Funeral expenses

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

This benefit will not be reduced by any accident compensation.

✗ What we exclude

We will not pay:

- ▼ more than \$10,000 for any one **event**, or
- ▼ if we have paid an amount for the 'Personal accident' Extra Benefit

We will not pay if the death happens:

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

4. Personal accident

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

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

We pay the driver.

✗ What we exclude

We will not pay:

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

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

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

5. Emergency repairs

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

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

✗ What we exclude

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

- ▼ \$1,500 if your **vehicle** is a motorcycle, car, 4WD, utility or van of not more than 2 tonne carrying capacity; or
- ▼ \$5,000 if your **vehicle** is any other type of vehicle.

6. Emergency accommodation and travel

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

We will pay reasonable costs:

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

If you need emergency accommodation or 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 \$3,000 for any one **event**.

7. Removal of debris

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

If you are liable to pay the cost of cleaning up or removing goods that have fallen off or leaked from containers on 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**.

8. Vehicle modifications

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

✗ What we exclude

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

9. Towing and storage

✓ What we cover

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

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

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

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

✗ What we exclude

We do not cover:

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

10. Hire vehicle after fire or theft

✓ What we cover

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

We will pay for a hire vehicle of a similar make and model to your **vehicle** for up to 30 days if:

- ▼ your **vehicle** is stolen and either not found or is found but is not driveable, or
- ▼ your **vehicle** was damaged by fire.

This Extra Cover stops if:

- ▼ your stolen **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 a deposit to the hire vehicle company. If you withdraw your claim or we refuse to accept it, you might have to refund to us any payments for the hire vehicle we have already made.

✗ What we exclude

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

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

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

We will deduct:

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

✗ What we exclude

We will not pay:

- ▼ more than 25% of the **market value** of your **vehicle**, or
- ▼ when your **vehicle** is insured for **agreed value**.

We will not pay the lease payout:

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

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

✓ What we cover

Applicable if the **vehicle** is insured for Comprehensive cover only

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

We will deduct:

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

✗ What we exclude

We will not pay:

- ▼ more than 25% of the **insured amount** of your **vehicle**.

We will not pay the lease payout:

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

13. Vehicle retrieval costs

✓ What we cover

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

We will pay the reasonable and necessary costs of having your **vehicle** returned to its normal garaged address:

- ▼ after the completion of repairs, or
- ▼ if your stolen vehicle has been found undamaged.

✗ What we exclude

We will not pay more than \$15,000 for any one **event**.

Additional covers

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

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

1. Two-wheel or box trailer

✓ What we cover

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

✗ What we exclude

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

We will not pay under this Additional Cover if:

- ▼ the **vehicle** is a caravan;
- ▼ the trailer is located outside of the boundaries of the insured's business or domestic premises, whilst detached
- ▼ the trailer is located within a common area of places such as home units, flats, apartments, town house complexes, whilst detached

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

2. Locks and keys

✓ What we cover

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

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

in the **period of insurance**.

✗ What we exclude

We will not pay more than \$5,000 for any one event and no more than \$10,000 in the **period of insurance**.

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

3. Hired vehicle

✓ What we cover

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

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

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

(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 during the **period of insurance**.

✗ What we exclude

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

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

4. Recovery costs – no damage

✓ What we cover

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

You must pay:

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

✗ What we exclude

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

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

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

5. Theft of certain vehicle accessories

✓ What we cover

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

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

✗ What we exclude

We will not cover these accessories if:

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

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

6. Vehicles being test driven by you

✓ What we cover

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

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

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

✗ What we exclude

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

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

7. Non-owned trailer in control

✓ What we cover

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

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

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

✗ What we exclude

We will not pay:

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

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

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

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

We will not backdate any request.

8. Employees' vehicle

✓ What we cover

The definition of '**vehicle**' is extended to include your **employees'** vehicles whilst any such **vehicle** is being used by the **employee** in the course of carrying on your business.

✗ What we exclude

We will not pay under this Additional Cover if your **employees'** vehicle:

- ▼ has a carrying capacity exceeding 2 tonne; or
- ▼ is insured under another policy.

We will not pay more than \$50,000 for any one **event**.

You must pay an **excess** of \$500 for any claim accepted by us under this Additional Cover.

Optional covers

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

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

1. Windscreen excess waiver

✓ What we cover

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

✗ What we exclude

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

2. Rental vehicle following accident

✓ What we cover

If your **vehicle** cannot be driven or is in need of repair following **loss or damage** as a result of an insured **event**, we will reimburse you for the cost of hiring a replacement vehicle:

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

Please see Additional Cover 'Hired Vehicle' (page 12) for cover applicable to and caused by the rental vehicle.

✗ What we exclude

We will not pay:

- ▼ if your **vehicle** is anything other than a car, utility, 4WD or van of not more than 2 tonne carrying capacity;
- ▼ if your **vehicle** is stolen;
- ▼ to hire a vehicle for any longer than the day after repairs to your **vehicle** have been completed;
- ▼ after your claim has been paid if your **vehicle** is a **total loss**;
- ▼ the running costs of the rental vehicle;
- ▼ for any other non-rental costs which you may be liable to pay for under a hire agreement; and
- ▼ more than \$2,500 for any one **event**.

3. Protected No Claim Bonus

✓ What we cover

Where a **penalty claim** would affect your No Claim Bonus, it will not be affected for that **vehicle** provided that you have not made a previous **penalty claim** for an insured **event** occurring in the **period of insurance** for that **vehicle**.

✗ What we exclude

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

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

4. Damage to towed vehicles

✓ What we cover

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

✗ What we exclude

We will not pay:

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

How we settle a claim under 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 or Optional Cover in this Part, the "Limits to what we pay" in Part 2 will apply.

Total loss

If we accept a claim and decide your **vehicle** is a **total loss** and the conditions applying to Extra Benefit 1 are met you can choose to accept a new replacement vehicle of the same make, model and series as your **vehicle**. If Extra Benefit 1 does not apply we will settle your claim one of the following ways:

(a) Market Value or Insured Amount

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

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

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

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

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

(b) Agreed value

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

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

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

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

(c) Legal Liability fire and theft

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

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

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

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

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

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

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

Partial loss

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

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

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

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

- ▼ authorise the repair of your **vehicle** to its condition immediately before the **event**;
- ▼ authorise only the use of new parts or genuine parts which are consistent with the age or condition of your **vehicle**;
- ▼ authorise only the use of manufacturer's approved parts if your **vehicle** is under warranty, but not when the **vehicle** has an extended warranty or for windscreen replacement;

- ▼ only pay the **market value** of damaged parts we consider to be obsolete;
- ▼ replace damaged windscreen or window glass with glass which may not be produced by the original manufacturer but will meet Australian Design Rules; and
- ▼ guarantee the quality of materials and workmanship in respect of the repairs for the life of the **vehicle**.

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

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

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

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

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

You may have to contribute to the cost of replacing or repairing tyres, engines, accessories, paintwork, bodywork, radiators, batteries, interior trims, or caravan annexes affected by wear and tear or rust and corrosion. How much you are required to pay will depend on how worn we consider these items were when the **damage** happened.

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

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

Lifetime guarantee for repairs

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

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

Underinsurance condition

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

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

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

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

Part 2 – Legal liability

What is Legal liability?

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

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

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

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

What your vehicle also means.

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

- ▼ a 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.

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

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

✓ What we cover

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

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

✗ What we exclude

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

- ▼ which is a direct or indirect result of discharge or escape of **contaminants or pollutants** or **dangerous goods** from your **vehicle** unless they are substances you are legally allowed to carry;
- ▼ for **loss of or damage to property** you own, control or are responsible for, or which belongs to someone who normally lives with you. However, this exclusion will not apply to your **legal liability** for **damage** to motor vehicles belonging to an **employee** or visitor which occurs within the confines of a private car park owned or operated by you;
- ▼ for **personal injury** to anyone who was your **employee** at the time of the **event**;
- ▼ for **personal injury** if you were or anyone else was required by law to have insurance for compensation, damages or similar insurance for injury (e.g. 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;

x What we exclude

- ▼ occurring because you, an **authorised driver** of your **vehicle**, a passenger in your **vehicle**, or your employer, principal or business partner agreed to accept liability;
- ▼ under any agreement you or anyone insured under this **policy** has entered into, unless liability would have applied anyway;
- ▼ for **personal injury** if at the time of the **event** your **vehicle** was being used as a show, carnival or festival attraction, parade float or for any similar activity;
- ▼ if at the time of the **event** your **vehicle** was being driven or used at, in or on any aircraft hangar or any part of an airport or airfield used by aircraft for loading, unloading, taxiing, takeoffs or landings;
- ▼ resulting from the use of your **vehicle** if it was unregistered at the time of the **event**, unless your **vehicle** is an unregistered on-site caravan;
- ▼ in respect of fuel contamination caused by you delivering:
 - ▼ the incorrect type of fuel; or
 - ▼ the fuel to the incorrect place.
- ▼ for **damage to property** resulting from an **event** arising out of the use of your **vehicle** while it is digging, excavating, boring or drilling.

However, we will pay if your **vehicle** is being used for the sole purpose of travelling to or from any work site or transporting or carting goods at the time of the **event** and is not being used at the time of the **event** for any other purpose including any specific activity for which the **vehicle** was designed
- ▼ to pay fines or punitive, exemplary or aggravated damages;
- ▼ arising directly or indirectly from:
 - ▼ the transportation, distribution, and or storage of asbestos;
 - ▼ any material containing asbestos or any process of decontamination, treatment or control of asbestos.

This will only apply to **personal injury** arising in consequence of inhalation of asbestos fibre, and to **loss** or **damage to property** due to the presence of asbestos.
- ▼ for **personal injury** or **loss** of or **damage to property** arising directly or indirectly out of the actual, alleged or threatened discharge, dispersal, release or escape of **contaminants or pollutants** into or upon any property, land, the atmosphere, water course or body of water (including ground water).

Extra benefits

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

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

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

The exclusion for **contaminants or pollutants** on page 18 does not apply to this Extra Benefit.

✗ What we exclude

We will not pay:

- ▼ more than \$1,000,000 during the **period of insurance**; or
- ▼ if the **contaminants or pollutants** are **dangerous goods**.

2. Legal liability for unregistered on-site caravans

✓ What we cover

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

✗ What we exclude

We do not pay for:

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

3. Emergency services

✓ What we cover

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

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

Additional covers

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

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

1. Damage by uninsured drivers

✓ What we cover

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

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

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

We only pay if:

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

✗ What we exclude

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

We will deduct:

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

2. Indemnity to principal

✓ 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

We will not pay under this Additional Cover if the **vehicle** is a customer's vehicle.

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

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

How we settle a claim under Part 2

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

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

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

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

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

Limits to what we pay

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

- ▼ \$1,000,000 (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
- ▼ \$1,000,000 during the **period of insurance** in respect of all claims under the “Extra Benefit 1 – Pollution” under Part 2.

These amounts include all legal costs and expenses.

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

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

Application of excess

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

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

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

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

Excess waiver

You are not required to pay an **excess** when your **vehicle** is involved in an **event** if the amount of the **loss** or **damage** to your **vehicle** is not greater than \$5,000, and:

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

Types of excesses

Basic excess

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

Age or inexperienced drivers excess

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

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

- ▼ the **vehicle** is a car, 4WD, utility or van of not more than 2 tonne carrying capacity:
 - ▼ for drivers under 21 years of age \$500
 - ▼ for drivers 21 years of age or older \$300
 - ▼ for **inexperienced drivers** \$250

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

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

Tipping excess

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

Theft excess

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

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

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

Endorsement excess

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

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

Radius excess

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

The radius **excess** is:

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

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

Additional cover excesses

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

Application of excess involving trailer and towing vehicle

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

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

General exclusions

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

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

We will cover you if you were not the driver or person in charge of your **vehicle** at the time of the **event** and you can satisfy us that you did not know, and could not have reasonably known, of any of the above circumstances.

If we pay a claim we can recover those costs from the person who was driving or in charge of your **vehicle**, unless the law prohibits recovery by us.

You are not covered:

- ▼ if you or an **authorised driver** does something or neglects to do something that is not in accordance with this **policy** or does not give us the information or assistance that we ask for;
- ▼ for theft of or malicious **damage** to your **vehicle** when anyone insured under this **policy** has not taken reasonable care to prevent this **loss** or **damage**;
- ▼ for financial loss:
 - ▼ occurring because you cannot use your **vehicle**;
 - ▼ because your **vehicle's** value was less after being repaired; or
 - ▼ because your **vehicle's** working life has been reduced;
- ▼ for **loss** of or **damage** to a drill rod or bit attached to your **vehicle** while the drill rod or bit is being used for its designed purpose. For the purposes of this exclusion, a drill rod or bit includes any part attaching to or forming part of the drill rod or bit including but not limited to pipes, guides, filters, gaskets, plugs, caps, beacon housings, tool heads, nozzles and/or any other electronic mechanism;
- ▼ for the cost to repair or replace burnt out electric motors or wiring of appliances in your caravan;
- ▼ for **damage** to your caravan, caravan annexe, trailer or **personal effects** caused by biting, chewing or scratching by an animal or bird;
- ▼ for **damage** to your caravan, caravan annexe or **personal effects** caused by any tenant;
- ▼ if your unregistered on-site caravan is unoccupied for 60 consecutive days. (If you want cover over 60 days, you need to ask us for an extension of time and we must agree in writing. We might charge an extra premium or impose special terms.);
- ▼ for **loss** or **damage** to your caravan caused by the sea or high water;
- ▼ for **loss** or **damage** or **legal liability** caused or contributed to by or arising from any biological, bacterial, viral, germ, chemical or poisonous **contaminant or pollutant** (except for any cover provided under Extra Benefit 1. Pollution on page 20) or any looting or rioting following these occurrences;
- ▼ for theft by anyone who has hired or leased your **vehicle** or who has taken it as security for a debt;
- ▼ for any **loss, damage** or **legal liability** directly or indirectly caused by or contributed to by or arising from:
 - ▼ ionising radiation or radioactive contamination from any nuclear fuel or waste which results from the burning or fission of nuclear fuel; or
 - ▼ the radioactive, toxic, explosive or other dangerous properties of nuclear machinery or any part of it;
- ▼ for any **loss, damage, personal injury**, or **legal liability** directly or indirectly caused by or contributed to by, or arising from nuclear weapons material;
- ▼ for any consequence of war or warlike activities which includes invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- ▼ for any **loss** or **damage** due to confiscation, nationalisation or expropriation;
- ▼ for any **loss, damage** or **legal liability** caused by any person or organisation who lawfully destroys or takes away your ownership or control of any property or **vehicle** covered by this **policy**;
- ▼ for any **loss, damage** or **legal liability** which happens before the **period of insurance** or which arises from an **event** before the **period of insurance** starts unless specifically stated otherwise;
- ▼ for any **loss** or **damage** caused deliberately by you, or any director, business partner, principal, or **employee** of yours, or with your permission;
- ▼ for your consequential **loss** of any kind including loss by delay, confiscation or detention by customs or other lawful authority, loss of market, lack of performance;

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

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

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

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

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

Making a claim

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

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

What you must not do:

- ▼ Admit to anyone else involved in the **event** that it was your fault.
- ▼ Unless we have agreed, negotiate or promise anyone a payment, authorise any repairs (except **emergency repairs** to your **vehicle**, see page 9 for details) or dispose of any damaged property.
- ▼ Accept any payment (including **excess** payments) from anyone unless we agree first.

What you must agree to if you claim:

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

Fraudulent claims

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

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

Some other circumstances affecting claims

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

- (a) you have not complied with your duty of disclosure (see page 3);
- (b) when making a claim you:
 - ▼ are not truthful,
 - ▼ have not given us full and complete details, or
 - ▼ have not told us something when you should have;
- (c) you are paying your premium by instalments and at the date of the **event** you are claiming for, you are a month (or more) late in paying an instalment;
- (d) you have not complied with any conditions of your **policy**.

Claim payment examples

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

Example: Total loss - Market value

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

The market value is determined as follows:

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

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

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

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

Example: Total loss - Agreed value

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

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

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

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

Example: Partial loss

A vehicle is comprehensively insured for market value. The vehicle is stolen and subsequently recovered, damaged 22 days later. We assess the cost of repairs to be \$5,500. The vehicle takes 3 days to repair from the time it was recovered. The basic excess is \$500.

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

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

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

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

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

Example: Legal liability

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

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

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

Damage by uninsured drivers Additional Cover	\$4,500	Your vehicle is not covered for own damage because Legal Liability Only cover was purchased. However, the 'damage by uninsured drivers' Additional Cover provides limited cover in these circumstances for up to \$5,000. For the purposes of this example, we assess that the damage to your vehicle will cost more than its market value of \$4,500. We decide it is not repairable.
Less ITC	- \$409.09	If you are registered for GST and entitled to an Input Tax Credit (ITC) we will deduct this entitlement. In this example you are entitled to a full Input Tax Credit (100%).
Less excess	- \$500	Only the basic excess applies in this example. We deduct this from the amount we pay you
Less residual value of wreck	- \$500	The remaining value of your damaged vehicle. We deduct this from the amount we pay you.
Total claim	\$3,090.91	We normally pay this directly to you. You will keep the damaged vehicle.

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.

Agreed value

The amount we agree to insure your **vehicle** for. This amount is shown on your **schedule**.

Authorised driver

A person controlling, driving or using your **vehicle** with your consent.

Contaminants or pollutants

Includes smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants and other contaminants or pollutants. Pollutants and contaminants do not include **dangerous goods**.

Damage or damaged

Sudden or unforeseen physical damage or destruction.

Damage to property

- ▼ physical **loss** 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 gasses, toxic chemicals, acids, organic peroxides, or corrosives;
- ▼ infectious, explosive radioactive, or oxidising substances; or
- ▼ substances with a flashpoint of below twenty two point seven degrees celsius (22.7°C).

Emergency repairs

Minor repairs which are essential for you to be able to drive your **vehicle** safely from an accident or **event** causing **damage**.

Employee or employees

Any person:

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

Endorsement

A written change or addition we make to your **policy**, particularly if we have changed the cover to meet your needs or excluded a specific cover we would have normally covered. Any **endorsements** that apply to your **policy** will be shown on your **schedule**, unless we send you the **endorsement** separately.

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 by the **policy**.

Inexperienced driver

A person who is 25 years or over and has not held a drivers licence for the class of vehicle being driven at the time of the **event** for the past 2 consecutive years.

Insured amount or insured amounts

The relevant amount specified in the **schedule**.

Loss or losses

Sudden and unforeseen physical loss.

Market value

The amount you would have to pay to buy a **vehicle** similar to your **vehicle** immediately before the **loss** or **damage**, taking into account its make, model, age, kilometres travelled and condition. To determine the **market value**, we may refer to an accepted motor vehicle valuation guide used by the motor industry.

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**.

Penalty claim

An **event** or claim where we consider you to be at fault, or a claim where we are not able to recover the costs of repairing or replacing your **vehicle**.

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, Blackberries, iPhones, iPods, electronic PDA's, 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

Your insurance contract. It consists of this **PDS**, any **endorsements** and your **schedule**. It also includes any **Supplementary PDS** we may send you.

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 may 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
- ▼ a quote we may choose to obtain from one 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.

Road

Any surveyed or unsurveyed land dedicated to public use, according to law, as a road (including a footpath or median strip). It also includes a toll road or a bridge which is open to the public and used as a road.

Schedule

The schedule attached to and forming part of the **policy**, or if the **policy** has been renewed the schedule issued with the renewal notice.

Substitute vehicle

A vehicle which does not belong to you and which you, your spouse, defacto partner or an **employee** are using while your **vehicle** is not in use because your **vehicle** is unroadworthy, undergoing repair or service.

Supplementary PDS (SPDS)

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

Total loss

When your **vehicle** is stolen and not recovered, or is **damaged** so badly it would cost more to repair than the **value of your vehicle**.

Value of your vehicle

The **market value** or **agreed value**, whichever is shown in your **schedule**.

Vehicle

The vehicle(s) described on your **schedule**. The following accessories will also be insured if they are attached to or in or on your vehicle: baby capsule/car seats – bicycle carriers - binders – bonnet protector – built in refrigerators – built in televisions – bull bar – caravan annexe – cargo barrier – CB and/or 2 way radio – chains – cruise control – dash mats – decorative wheel trims – driving lights – fire extinguishers – fixed GPS units – floor mats – gates – headlamp guards – motor cycle helmets, gloves, or associated riding clothes up to a total of \$500 (if we pay a claim covering your motorcycle) – mud flaps – paint protection – panel/rust protection – pinstriping/decals – protective mouldings – rear 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**.

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

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IBNA does not guarantee any benefits under this policy.

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