



COMMERCIAL MOTOR

Product Disclosure Statement

This Product Disclosure Statement (PDS) was prepared on 7 November 2019. It sets out important information about our Commercial Motor Vehicle Insurance cover.

Any advice contained in this PDS is general only and does not take into account your individual circumstances. You should carefully read this document together with any other documentation we send you and keep them in a safe place for future reference.

We may need to update this PDS from time to time if certain changes occur, where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by calling us).

This insurance is administered by Insuret Pty Limited (Insuret) ABN 42 126 793 379 authorised representative number 316981, of The Hollard Insurance Company Pty Ltd (Hollard) ABN 78 090 584 473, AFSL 241436, an authorised Australian insurer. Insuret acts under a binding authority from Hollard. In all aspects of issuing and administering this insurance, Insuret acts as an agent for Hollard and not for you. For more information, please refer to the Insuret Financial Services Guide.

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ABOUT THE INSURER

The insurer of this product is The Holland Insurance Company Pty Ltd (Holland) ABN 78 090 584 473 AFSL 241436 Level 12, 465 Victoria Avenue, Chatswood, NSW 2067.

Insuret Pty Limited (Insuret) ABN 42 126 793 379 acts as an authorised representative (AR No. 316981) on behalf of Holland. Insuret is not acting as your agent.

IMPORTANT INFORMATION

This Product Disclosure Statement (PDS) is an important legal document that has been designed to help you get the most out of your 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 which sets out what is and what is not covered by this policy;
- the insurance certificate we provide with details of:
 - who is insured;
 - the cover(s) selected;
 - the period of insurance;
 - the respective sums insured and/or limits of liability; and
 - excesses and other important information.

You should ensure that you read these documents carefully and keep them in a safe place. If you have any questions regarding this PDS or insurance certificate, please contact Insuret or your insurance broker.

Who is insured under this policy

The person(s) or organisation(s) that are covered by this policy are named as the Insured on the insurance certificate.

We will extend the policy to cover any other entities in which the Insured has a controlling interest, subject to the other entities carrying out the same or substantially the same Business as described on the insurance certificate.

In this policy, those person(s) or organisation(s) are referred to as 'you' or 'your'.

Your Duty of Disclosure

Before you enter into an insurance contract, you have a duty of disclosure under the *Insurance Contracts Act 1984*.

It is your responsibility to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

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

If you do not tell us something

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

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

Significant features and benefits

You need to consider the type of insurance cover that suits your needs. The significant features and benefits of this policy are summarised below.

You can choose to insure business use sedans, station wagons, vans, utilities, trucks, trailers, forklifts and other vehicles.

There are two types of cover to choose from:

Comprehensive Cover – protects you against loss or damage to your vehicle arising from accident, collision, theft, fire, storm or malicious damage. You will also be covered against claims made against you by another party as described in the Third Party Property Damage section.

Third Party Property Damage Cover – protects you (and any authorised driver) against legal liability arising from the use of your vehicle for claims made against you for damage caused to other people's property. It provides no cover for damage to your own vehicle.

Each section includes additional benefits which are described in this document.

How to apply for insurance

Complete our proposal form and forward it to your broker or representative or ask your broker to apply online using our online portal which is available to insurance brokers. If your application is accepted, we will send an insurance certificate to your broker or representative that sets out details of the insurance you have taken out.

Determining your premium

When you purchase your insurance, we tell you the premium you must pay and note it in your insurance certificate. To determine your premium, we consider factors such as the cover you want, the values and types of vehicles to be insured, the nature of use of the vehicles and the areas in which the vehicles are to be used. It also includes amounts that fulfil our obligations to pay any relevant compulsory government charges, taxes or levies (e.g. stamp duty and GST) for your insurance. We show these charges on your insurance certificate.

Premium rates may be changed but only on renewal of the policy or where there has been a change to the risk during the policy term.

Your excess(es)

If you make a claim under this insurance, you may have to pay an excess or multiple excesses and this is the amount you have to pay towards each claim. There are different types of excesses which may apply to you or the driver of your vehicle at the time of the claim and these are listed on your insurance certificate.

At our option your excess will be:

- paid by you to the repairer when you pick up your vehicle after it has been repaired;
- paid by you to us when we request it; or
- deducted from the amount we pay you.

We may agree to waive the requirement for you to pay the excess(es) under certain circumstances where:

- we agree with you that another party is fully responsible for the damage to your vehicle; and
- the damage to your vehicles exceeds the basic excess; and
- you provide us with full contact details of the party who is responsible for the damage to your vehicle, including:
 - first and last name;
 - driver's licence number;
 - vehicle registration number;
 - residential/business address;
 - telephone number.

Cooling off period

If you decide that the cover provided by this policy does not meet your needs, for whatever reason, and you have not made a claim, you can cancel your policy within 14 days of the commencement or renewal of your insurance. You will receive a full refund of any premium paid, less any taxes or duties we cannot recover.

You can still cancel the policy at other times in accordance with the terms shown in the cancelling your insurance section of this PDS.

Cancelling your insurance

How you may cancel

You can cancel your insurance at any time by calling us. We will explain the cancellation process to you. If you have paid an annual premium, we will refund any premium you have paid, less an amount that covers the period for which you were insured.

How we may cancel

We can cancel your insurance to the extent permitted by law, for example if you do not comply with the policy terms and conditions, fail to pay your premium, make a fraudulent claim or if you did not comply with your Duty of Disclosure or misrepresented information when you entered into this insurance contract. If we cancel your policy, we will send you a cancellation letter.

Financial claims scheme

Hollard is an insurance company authorised under the *Insurance Act 1973* (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and is subject to the prudential requirements of the Insurance Act. The Insurance Act contains prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by Hollard are met within a stable, efficient and competitive financial system.

The protection provided under the Financial Claims Scheme legislation applies in relation to Hollard and the policy. If Hollard were to fail and were unable to meet their obligations under the policy, a person entitled to claim insurance cover under the policy may be entitled to payment under the Financial Claims Scheme (access to the Scheme is subject to eligibility criteria). Information about the Financial Claims Scheme can be obtained from the APRA website at www.fcs.gov.au or the APRA hotline on 1300 13 10 60.

OUR OBLIGATIONS TO YOU

We agree to provide you with the cover set out in each of the policy sections which you have selected and that are listed on your insurance certificate. This cover is in force for the period of insurance set out on your insurance certificate. We will cover you for loss, damage and/or liability occurring during the period of insurance, subject to the terms and conditions of the policy.

We will not pay any more than the sum insured or limit of liability for each section shown on your insurance certificate unless otherwise stated.

Renewing the policy

At least 14 days before your insurance expires we will send you a renewal notice, outlining our renewing terms for your insurance, if any. You are not obliged to renew your policy with us.

How we protect your privacy

We are bound by the Australian Privacy Principles (APPs) under the *Privacy Act 1988* (Cth) and comply with the *Privacy Act 1988* (Cth). We are committed to ensuring that all Our business dealings comply with the APPs and acknowledge the importance of keeping personal details for individuals confidential and secure.

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling.

We disclose personal information to reinsurers, insurance intermediaries, insurance reference bureaux, credit reference agencies, your broker and those involved in the claims handling process, for the purposes of assisting us and them in providing relevant services and products, and for the purposes of litigation. We limit the use and disclosure of any personal information provided by us to them to the specific purpose for which we supplied it. By providing personal information to us or our agent, you consent to us making these disclosures.

Without this information, we may not be able to provide you with the services you require.

When you give us personal information about other individuals, we rely on you to have made or make them aware that you will or may provide their information to us and the types of third parties we may provide it to, the relevant purposes we and the third parties will use it for, and how they can access it. If you have not done or will not do either of these things, you must tell us before you provide the relevant information.

If you would like a copy of our Privacy Policy or the Insurers Privacy Policy, would like to seek access to or correct your personal information, or opt out of receiving materials we send, please contact us on 07 3239 7000. You can also view the Privacy Policies at www.insuret.com.au and www.hollard.com.au.

How we resolve your complaints

We welcome every opportunity to resolve any concerns you may have with our products or service. In the first instance contact Insuret, our staff will help you in any way they can. If you are not satisfied with the response received, you can request that a manager address your concern.

If your concern is still not resolved to your satisfaction please write to: Internal Dispute Resolutions Committee at PO Box 779 Spring Hill, QLD 4004. Your concern will be investigated by an officer with full authority to deal with the complaint and we will inform you of the outcome within fifteen working days of receiving your letter.

If your concern still remains unresolved to your satisfaction or has not been resolved within 45 days, you may refer the matter to the Australian Financial Complaints Authority (AFCA) subject to its Rules, which acts as the external dispute resolution scheme for all financial firms. AFCA is an independent body, established by the Federal Government and its service is free to you.

AFCA can be contacted on:

Free call: 1800 931 678

Post: GPO Box 3, Melbourne, Victoria 3001

Website: www.afca.org.au

Email address: info@afca.org.au

A decision of AFCA is binding on us (up to specified jurisdiction limits). A decision of AFCA is not binding on you and you have the right to seek further legal assistance.

YOUR RESPONSIBILITIES

All person(s) or organisation(s) covered by the policy must comply with all conditions of this policy. If you do not comply with the policy conditions, we may reduce or refuse to pay a claim and cancel your policy to the extent permitted by law.

Paying your premium

You are responsible for ensuring that your premiums are paid and kept up to date or your cover could be put at risk. If any premium remains unpaid for more than 14 days from the due date, any claim you make may not be paid.

If you change your bank account or credit card details, you must contact us and tell us the new details. If your financial institution dishonours any payment because of lack of funds, you will be charged for any costs we incur arising from the payment being dishonoured.

Keep us up to date

During the period of insurance and at renewal you must tell us of any of the following changes:

- any change in the business activities carried on by you;
- details of any conversion or modification to your vehicle, including proof (such as an engineer's certificate) that the vehicle continues to satisfy the requirements to remain registered after the conversion or modification; or
- if 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 you have:

- been declared bankrupt;
- been placed in administration, voluntary administration or had a receiver appointed;
- been refused insurance or had any insurance cancelled or declined within the last 3 years;
- been convicted of a criminal offence within the last 5 years; or
- had your licence suspended, disqualified or cancelled within the last 3 years.

Taking care

You must take all reasonable care to prevent loss, damage or injury and you must comply with all laws and regulations for the safety, licensing, registration, use and storage of vehicles.

When not being driven, vehicles must be left locked and with the keys removed.

Other insurance

You must tell us about any other insurance policy that insures any risk insured by this policy and provide us with details of the other insurance.

Other party's interests

You must tell us of the interests of all parties (e.g. credit providers or other owners) who will be covered by this insurance. If a credit provider is noted on your insurance certificate as having an interest in your vehicle, and we agree to settle a claim on a cash basis, we have the option of making this payment to the credit provider in full or part settlement of the claim.

Admitting liability

You must not admit guilt, fault or liability for an accident, or negotiate to pay or defend any claim without written consent.

Preventing our right of recovery

We will not cover you for loss, damage or liability if you have agreed not to seek compensation from another person who is liable to compensate you for any loss, damage or liability which is covered by this policy.

Keep proof of ownership and value

When you make a claim for loss or damage to property covered by this policy, we will require you to justify any amount claimed. We recommend that you keep records to make this task easier.

OTHER IMPORTANT MATTERS

Goods and Services Tax (GST)

Any claim payments made under this insurance will be based on GST inclusive costs, up to the relevant sum insured, market or agreed value or maximum amount that we pay. However, if you are or would be entitled to claim any input tax credits for the repair or replacement of insured property or for other things covered, we will reduce any claim under this insurance by the amount of such input tax credits.

Law

This insurance contract is subject to Australian law and practice with Australian courts having sole jurisdiction.

Transfer of interest

You cannot transfer any interest in this policy without our written approval.

Cross liabilities

In situations where this insurance covers more than one party, each of the parties will be considered as a separate legal entity and the cover provided will apply to each party as if a separate policy has been issued to each party. The cover provided by this additional benefit will not exceed our limit of liability in the aggregate.

Joint insurance

Any claim, statement, act or omission made by, or on behalf of, any one of the people or entities named as the insured on the insurance certificate is considered to be a claim, statement, act or omission made by all of the people or entities named as the insured.

Legal representation

We may legally represent you or the driver who was in charge of your vehicle, at any inquest or other official enquiry into an incident that may be the subject of a claim under this insurance. This representation may also include the defence of any alleged offence in connection with the incident in any court of summary jurisdiction. The representation at these hearings is at our option.

YOUR COVER

Under this policy you can select from the following types of cover:

- **Comprehensive cover:** Section 1 and Section 2 apply.
- **Third Party Property Damage Cover:** Section 1 does not apply. Section 2 only applies.

Your insurance certificate describes the basis on which each vehicle is insured.

SECTION 1 – LOSS OR DAMAGE TO YOUR VEHICLE

We cover the theft of your vehicle or damage caused to your vehicle resulting from an accident, fire, storm, or malicious damage.

You can claim for loss or damage to your vehicle if:

- your vehicle is insured for comprehensive cover;
- the event which causes the loss or damage happens during the period of insurance;
- the loss or damage occurs within Australia;
- the loss or damage is not excluded by any of the general exclusions;
- the loss or damage is not excluded by any endorsement.

We do not cover:

- damage to tyres caused by braking or by punctures, cuts or bursts;
- damage due to depreciation, wear and tear, rust or corrosion;
- structural, mechanical, electrical or computer breakdowns, failures or breakages;
- damage to any vehicle accessories other than those:
 - supplied by the manufacturer as part of the original vehicle;
 - stated within the definition of vehicle; or
 - accessories specified on your insurance certificate.
- additional loss or damage to your vehicle caused after an accident, theft or breakdown unless you have taken reasonable steps to protect or safeguard it;
- loss or damage as a result of the lawful seizure of your vehicle.

Automatic cover for vehicles acquired during the period of insurance

We will provide automatic cover for any vehicles purchased, leased or hired by you for up to:

- \$100,000;
- the vehicle's current market value; or
- the purchase price of the vehicle;

whichever is the lesser.

You must:

- notify us within 30 days of the purchase, lease, hire or sale; and
- pay any additional premium requested by us.

The vehicle must be of a similar type and usage to the existing vehicles on this policy and have a gross vehicle mass of no more than 10 tonnes.

ADDITIONAL BENEFITS – SECTION 1

The following additional benefits are payable or provided in addition to the sum insured for your vehicle if your vehicle has comprehensive cover.

Windscreen and window glass cover

We will pay up to \$1,250 if the windscreen or any other window glass (excluding sun roofs, moon roofs or panoramic roofs) of your vehicle is damaged as a result of an accident. We will not apply an excess to your claim provided that:

- the crack extends through the entire thickness of the glass; and
- the damaged glass is the only damage to your vehicle resulting from the accident.

Glass replaced under this additional benefit will be replaced with glass which meets Australian design rules but may not be made by the original manufacturer.

This additional benefit only applies to vehicles which have a gross vehicle mass of 3.5 tonnes or less and is limited to one excess free glass claim per vehicle in each period of insurance.

Locks and keys replacement

We will pay up to \$5,000 in any one period of insurance towards the cost of replacing the keys and/or recoding your vehicle's locks if:

- the keys to your vehicle(s) are lost or stolen; or
- they are damaged as a result of an accident.

This limit is a policy limit, not a limit per vehicle.

The following additional benefits are payable or provided in addition to the sum insured for your vehicle if:

- *your vehicle has comprehensive cover; and*
- *we agree to pay a claim for loss or damage to that vehicle under Section 1.*

Audio/communication/navigation equipment

We will pay up to \$5,000 per event for loss or damage to radio/receivers, audio equipment, telephone equipment and navigation equipment permanently attached to your vehicle.

Unspecified accessories

We will cover up to \$5,000 for the following accessories which have been fitted to your vehicle but not disclosed to us:

- canopy;
- towbar;
- window tint;
- tool boxes;
- bull bar/nudge-bar;
- spotlights/light bar/driving lights;
- roof racks;
- tray;
- floor mats;
- tonneau cover;
- snorkel.

The most we will pay per item is \$1,000.

In the event of a total loss, where your vehicle is insured for Agreed Value, the maximum amount we will pay inclusive of this benefit is the Agreed Value.

Emergency accommodation and travel expenses

We will pay up to \$3,000 to cover reasonable costs of accommodation and/or transportation that you incur if:

- your vehicle is stolen; or
- damaged as a result of an accident; and
- you are more than 100km from your point of departure and from the address where your vehicle is normally parked overnight.

We will also pay up to an additional \$6,000 to cover reasonable costs to return your vehicle to you following its repair or recovery.

Emergency repairs

If your vehicle is damaged as a result of an accident and is unable to be driven we will reimburse you for the reasonable cost of emergency repairs to your vehicle to enable you to return your vehicle to the point of departure or your chosen repairer.

The most we will pay under this benefit is \$1,250 per event.

Expedited settlement guarantee

If your vehicle is declared a total loss as a result of an accident, we agree to settle your claim within 21 days of receipt of all documentation supporting your claim. If we do not settle within this timeframe we will pay your next month's finance or lease payment for the damaged vehicle.

This benefit is subject to your lodgement of all claim documentation, including:

- a fully completed claim form;
- a copy of the vehicle's registration certificate.

Finance contract gap payment

We will pay up to 25% of the market value of your vehicle towards the discharge of your obligation under a finance agreement, if:

- your vehicle is declared a total loss; and
- your finance contract exceeds the market value of your vehicle.

We will not cover:

- any arrears or any amount which was overdue at the date of loss;
- any amount included in the finance contract which does not relate to your original purchase of the vehicle which has been declared a total loss.

Funeral expenses

We will pay up to \$10,000 to cover reasonable costs associated with the burial or cremation of the driver of your vehicle. We only pay this benefit if the driver dies as a result of:

- injuries sustained in an accident involving the vehicle; and
- the death occurs within 12 calendar months from the date of the accident.

General average

We will pay any contributions you are obligated to pay towards any general average and salvage charges where maritime conditions apply to the transport of your vehicle by sea between places in Australia.

The most we will pay is the sum insured of the affected vehicle(s).

Hire of vehicle following accident

We will pay up to \$300 per event to cover the reasonable cost of hiring a vehicle of similar make and model if your vehicle is unable to be driven as a result of an accident during the period of insurance.

This benefit ceases immediately from the time when your vehicle is able to be driven by you, or the time we settle your claim, whichever is the earlier.

Hire of vehicle following theft

We will pay up to \$3,000 per event to cover the reasonable cost of hiring a vehicle of similar make and model if your vehicle is stolen.

This benefit ceases immediately if your stolen vehicle is:

- returned undamaged;
- we repair your vehicle and return it to you; or
- we settle your claim;

whichever is the earliest.

We will not reimburse you for hire car costs incurred prior to the theft of your vehicle being reported to us.

Personal effects & tools

We will pay up to \$3,000 towards the repair or replacement of your personal effects or tools provided that:

- they are lost or damaged as a result of an accident; or
- stolen as a result of forcible entry to your vehicle; and
- they are not covered under another policy.

Our settlement for the replacement of personal effects will be subject to depreciation to reflect the age and wear and tear of the item(s) being replaced at the time of the loss or damage.

The most we will pay for any one item is \$500.

Removal of debris

We will pay up to \$25,000 to cover costs incurred to clean up and remove your vehicle debris following an accident involving your vehicle.

Replacement vehicle following total loss

If you have a total loss claim under this policy and your vehicle is:

- a sedan, station wagon, van or utility with a gross vehicle mass of 3.5 tonnes or less;
- is deemed, by us, to be a total loss within 24 months of its first registration as a new vehicle; and
- you are the first and only registered owner; and
- the sum insured equates to no less than 90% of the market value; and
- where your vehicle is financed, your financier has given us written consent;

we will provide you with the option to accept a replacement vehicle of a similar make and model as the basis of settlement. Subject to local availability.

This benefit includes stamp duty but does not include registration or insurance.

Signwriting

We will pay up to \$5,000 for the repair or replacement cost of signwriting or fixed advertising signs or materials forming a permanent part of your vehicle at the time of loss.

Substitute vehicle

We cover your third party liability arising from the use of a substitute vehicle if:

- the substitute vehicle is being used because your vehicle has been stolen or is being repaired as a result of damage; and
- the substitute vehicle does not belong to you; and
- no other insurance policy provides the same cover for the same liability; and
- not more than one substitute vehicle is used at any one time.

The cover applies until your vehicle is repaired and can be used by you or where we make a final offer of settlement in respect of claim for damage to or loss of your vehicle.

Employee's vehicle

Your policy is extended to provide comprehensive cover in respect of any employee using their own vehicle for business purposes with your prior consent.

Any loss incurred under this additional benefit is subject to a \$50,000 limit of liability.

The coverage provided does not extend to include any other additional benefits provided under section 1 of this policy.

We will not pay any amount if there is cover of an equivalent or greater level in force under a separate policy at the time of the accident or loss.

Towing & storage costs

We will pay the reasonable cost of removing your vehicle to the nearest repairer or safe and secure place after it is damaged in an accident or recovered after theft.

We will only pay the reasonable cost of storing your vehicle following an incident covered by this policy.

Trailer cover

We will pay up to \$2,000 for loss or damage to any trailer owned by you provided that the trailer:

- has a gross vehicle mass of less than 2 tonnes; and
- is damaged whilst being towed by a vehicle insured under this policy.

This benefit is not payable if the trailer is separately insured under this or any other insurance policy.

Emergency services costs

We will pay up to \$25,000 per event to cover costs levied in respect of Fire Brigade, Police, Ambulance or any government emergency services as a result of an accident involving your vehicle.

OPTIONAL BENEFITS

If you have requested either of these optional benefits they will be shown on your insurance certificate.

Hire vehicle following an accident extension

We will pay up to an additional \$1,200 per event to cover the reasonable cost of hiring a vehicle of similar make and model if your vehicle is unable to be driven as a result of damage sustained in an accident during the period of insurance. This benefit is only payable if we have agreed to pay for repairs to the damage under section 1 of the policy.

This benefit ceases immediately from the time when your vehicle is able to be driven by you, or the time we settle your claim, whichever is the earliest.

Penalty claim protection

If you have requested and we have agreed to provide this cover, your insurance certificate will note which vehicle(s) is covered by this optional benefit.

In the event of penalty claim(s) occurring during the period of insurance to a vehicle covered by this optional benefit we will not increase the renewal premium for the next period of insurance for that vehicle as a result of the first two penalty claims during the period of insurance. If a vehicle covered by this optional benefit is the subject of more than 2 penalty claims during the period of insurance we will increase the premium based on the third and all subsequent penalty claims only.

HOW WE SETTLE A CLAIM UNDER SECTION 1

If we agree to pay a claim under section 1, we will decide if we pay you for a partial loss or a total loss.

TOTAL LOSS

Your vehicle is a total loss if it is stolen and not recovered after 14 days of you reporting the theft to us and we agree to accept a claim for theft of your vehicle, or as a result of damage we decide it is uneconomical or unsafe to repair.

Where we decide your vehicle is a total loss and the conditions applying to Additional Benefit – ‘Replacement vehicle following a total loss’ are met, you can choose to accept a new replacement vehicle of the same make, model and series as your vehicle. If you do not choose to accept a new replacement vehicle we will settle your claim in one of the following ways:

A. Market value

If your vehicle is insured for market value then our settlement will be based on the market value of your vehicle at the time of the loss, including the value of any accessories or modifications, less any applicable excess(es) and ITC entitlement.

B. Agreed value

If your vehicle is insured for an agreed value then our settlement will be based on the amount shown on your insurance certificate, including the value of any accessories or modifications you have told us about and we have agreed to insure and which are noted on your insurance certificate, less any applicable excess(es) and ITC entitlement.

C. Sum insured or market value

If your vehicle is insured for sum insured or market value whichever is the lesser, then our settlement will be based on the amount shown in your insurance certificate or the market value of the vehicle at the time of the loss, whichever is the lesser, including the value of any accessories or modifications, less any applicable excess(es) and ITC entitlement.

Applicable to A, B and C

If your claim involves a payment by us for the total loss of your vehicle your insurance cover on that vehicle will cease as soon as we accept liability and if the premium for that vehicle has been fully paid there will be no refund. If there is a portion of the annual premium for the vehicle still owing to us at the time of the incident this outstanding amount will be deducted from the claims settlement.

After settling a claim where we have declared your vehicle a total loss, that vehicle including any unexpired registration or CTP, unless otherwise required by law, becomes ours and we are entitled to receive the proceeds from any salvage of the vehicle.

PARTIAL LOSS

Where we decide your vehicle is a partial loss, we will decide if we:

- repair the damage;
- replace the damaged parts of your vehicle; or
- pay you what it would cost us to repair the damaged parts of your vehicle.

If we determine that your vehicle can be repaired, we will allow you to obtain a quote from a repairer of your choice.

When we authorise repairs, we will:

- authorise your vehicle to be repaired to a similar standard and condition as it was prior to the damage which is the subject of the claim. This authorisation will remain valid for 180 days from the date of original repair authorisation;
- authorise the use of new and used parts which are genuine or non-genuine and are consistent with the age and condition of your vehicle;
- replace damaged glass with glass which meets Australian design rules but may not be made by the original manufacturer;
- pay you the market value in respect of parts which we cannot obtain and or are obsolete;
- guarantee the quality of workmanship of the repairs we have authorised whilst you own the vehicle.

We are not responsible for any consequential costs or losses arising from any delay in obtaining/delivery of parts. If a part is not available within Australia we will pay the surface freight cost from a source of our choosing.

You may have to contribute towards:

- the cost of repairs or replacement where your vehicle was in poor condition at the time the loss occurred. Poor condition includes unrepaired prior damage, corrosion, wear and tear or other deterioration; or
- the cost of repair or replacement of tyres, engines and other perishable items based on the useful remaining life of the damaged part/item.

SECTION 2 – THIRD PARTY PROPERTY DAMAGE

We will cover your legal liability to pay compensation for accidental loss or damage to someone else's property arising out of an accident during the period of insurance where:

- you are at fault; and
- the legal liability arises out of the use of your vehicle.

Cover for legal liability for property damage extends to include:

- actions of any passenger travelling in your vehicle while getting into or out of your vehicle;
- damage caused by goods being carried on or falling from your vehicle;
- the transport of dangerous goods by your vehicle, provided that you comply with the Australian Code for the Transport of Dangerous Goods by Road or Rail. The limit of liability in these situations is \$1,000,000 however there is no cover for legal liability if:
 - the goods being transported require the vehicle/goods to be placarded;
 - the goods are in containers larger than 350KGs for solids or 400 litres for liquid or pastes.

We will not cover:

- any loss or damage caused by your unregistered vehicle;
- legal costs to defend criminal acts or fines for breaches of road traffic statutes;
- damage to property belonging to, or in the custody of you or any relative or friend of yours ordinarily residing with you or with whom you ordinarily reside;
- any penalties, fines, punitive, exemplary or aggravated damages for which you are liable;
- your liability under any contract, or if you have agreed to, or accepted liability without our prior agreement unless you would have been liable irrespective of the terms of that contract.

The most we will pay for legal liability arising directly or indirectly from the original accident is the limit of liability shown on your insurance certificate.

ADDITIONAL BENEFIT – SECTION 2

If we agree to pay a claim under section 2 – Third Party Property Damage, we will also provide the following extra cover.

Supplementary bodily injury

We will cover your legal liability to pay compensation for death or bodily injury caused by and arising from the use of your vehicle provided that your vehicle is registered for use on a public road within Australia when the liability is incurred.

We do not cover legal liability for death or bodily injury to:

- you or any person driving or in charge of your vehicle;
- an employee;
- a member of your family.

We also do not provide cover:

- if you or any person driving or in charge of your vehicle:
 - is wholly or partly covered under any statutory or compulsory insurance policy or compensation scheme or fund; or
 - would have been entitled to be covered under such scheme or fund if it were not for the application of any excess.
- if you would not have been entitled to claim under any statutory or compulsory insurance policy or compensation scheme or fund because you failed to:
 - register your vehicle;
 - insure your vehicle;
 - comply with the requirements of any statutory or compulsory insurance policy or any statutory or compulsory insurance or compensation scheme or fund.

HOW WE SETTLE A CLAIM UNDER SECTION 2

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

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

If we agree to pay a claim for legal liability, the most we will pay for all claims arising directly or indirectly from any one event is shown on your insurance certificate.

GENERAL EXCLUSIONS – APPLICABLE TO ALL SECTIONS

You are not covered:

- for an event occurring when your vehicle is being driven by you or any person who:
 - is not licensed to drive your vehicle or is not complying with the conditions of their licence whilst doing so;
 - is under the influence of any drug or intoxicating alcohol or whose blood alcohol level exceeded the percentage permitted by law in the State or Territory where the accident occurred; or
 - who refused to submit to any test to determine the level of alcohol or drugs in the blood when reasonably requested by the police.

Your claim will not be refused if you can satisfy us that you had no reason to suspect that the driver was not licensed or that their judgment was impaired or affected by alcohol or any drug. If we pay a claim, we can recover all claim costs from the person who was driving or was in charge of your vehicle.

- if your vehicle is being used:
 - to carry passengers for hire, fare or reward except under a private pooling arrangement;
 - in an unsafe or un-roadworthy condition;
 - to carry a number of passengers or tow a load greater than that for which your vehicle was constructed;
 - in any opencast or underground mining activity; or
 - on the tarmac or airside at any airport.

Your claim will not be refused if you can satisfy us that the incident was not caused by the unsafe or un-roadworthy condition of your vehicle, the carriage of the additional passengers, or load in excess of your vehicle's design specifications.

- for use of your vehicle in any motor sport or time trial or while being tested in preparation for any motor sport or time trial;
- for use of your vehicle in connection with the motor trade for experiments, tests, trials or demonstration purposes;
- for any claim and/or liability in connection with, or directly or indirectly caused by, or directly or indirectly arising from asbestos, asbestos products or asbestos contained in any products.
- for any claim and/or liability arising from:
 - your vehicle being operated as a tool of trade, including any plant/equipment attached to your vehicle, other than when being driven on a public road;

- loss of use, reduction in value, depreciation, wear and tear, rust or corrosion;
 - mechanical, electrical or computer breakdowns, failures or breakages;
 - loss or damage as a result of the lawful seizure of your vehicle;
 - repairs carried out to your vehicle without our consent;
 - the cost to repair old damage, faulty workmanship or incomplete repairs that were in existence prior to the incident which resulted in a claim for loss or damage under this policy;
 - damage to tyres by braking or by punctures, cuts or bursts;
 - additional loss or damage to your vehicle after an accident, theft or breakdown unless you have taken reasonable steps to protect or safeguard it; or
 - any claim if untruthful statements are made by you or by a third party in connection with a claim where you knew or should have known them to be untrue.
- for any consequential losses (financial and non-financial loss) or extra costs following an event covered by this policy, such as:
 - loss of income or wages;
 - loss caused by delay, confiscation or detention, for example by customs or another lawful authority;
 - medical expenses;
 - professional, expert, legal consulting or valuation costs unless you obtained our prior written authority to incur these costs;
 - loss related to stress or anxiety;
 - loss occurring because you cannot use your vehicle;
 - reduction of your vehicles value (including its trade-in or resale value) after being repaired;
 - loss or costs, including the cost of your time (e.g. inconvenience), to prove your loss or damage or to help us with your claim (e.g. telephone calls, statements, postage);
 - travel costs or other types of costs because you cannot use your vehicle, unless expressly covered elsewhere in this policy;
 - any costs not otherwise covered by your policy.

However, we will cover other people's losses and costs to the extent that insured legal liability exists to those people under Section 2 – Third Party Property Damage.

- for any claim for accidental loss, damage or legal liability arising from:
 - a deliberate, intentional, malicious or criminal act (including theft, conversion or misappropriation) caused by or involving you or any person who is acting with your express or implied consent;
 - war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military or usurped power or by contamination or pollution by chemical, biological or nuclear agents;
 - ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste, the combustion of nuclear fuel (including any self proclaimed process of nuclear fission) or nuclear weapons material.
- for any 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 cause or event contributing concurrently or in any other sequence to the damage to property, legal liability, loss, damage, cost or expense; or
 - any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

We will not pay for loss, damage or liability caused by or arising directly or indirectly from:

- explosives or radioactive substances, in any quantity;
- all dangerous goods and hazardous goods if the manner in which they are transported does not comply with the current Australian code for the Transport of Dangerous Goods by Road or Rail, or any other applicable legislation and regulations;
- the transport of goods which requires the vehicle/goods to be placarded;
- the transport of goods in in containers larger than 350KGs for solids or 400 litres for liquid or pastes.

MAKING A CLAIM

If an event occurs that is likely to result in a claim, you must follow the steps in this section. This will assist us to assess your claim quickly.

First you must:

- report the accident or theft to the police where the accident must be reported by law;
- take all reasonable precautions to prevent further loss, damage, theft or liability;
- as soon as possible after the discovery of the loss, damage or theft, provide us with a detailed written

and signed proof of loss with full details of the circumstances surrounding the incident;

- obtain 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;
- give us any information, documentation and other assistance we reasonably need to handle the claim; and
- tell us immediately if you receive demands, a notice of prosecution, details of any legal proceedings, inquest or similar communications from other parties involved in the event. If you delay in telling us, we may not cover any legal or other costs that result from that delay.

You must never, without our consent:

- admit guilt, fault or liability (except to the police);
- offer or negotiate to pay a claim;
- approve any repairs or arrange replacements (other than emergency repairs necessary to minimise or prevent further loss or damage);
- accept any payment (including excess payments) from anyone unless we agree first.

When you make a claim you agree to:

- provide us with proof of ownership of any lost or damaged vehicle or property;
- help us manage the claim, which may include us inspecting your vehicle or asking you questions, or you providing written statements to us under oath;
- allow us to take possession of damaged property (including the associated unexpired registration and CTP in the event of a total loss) that is the subject of a claim;
- help us as we work to negotiate, defend or settle any claim made under this insurance and to exercise for our benefit your legal right of recovery against any other party;
- tell us about any other insurance that may be relevant to the claim;
- supply a police report number for any incident that involves theft or malicious damage;
- pay any excess(es) that applies to this policy in full prior to settlement of that claim. We have no liability to you under this policy until you have paid the applicable excess or excesses. If the excess has been requested but remains unpaid, we may:
 - refuse to settle the claim until full payment of the excess has been received; or
 - deduct the excess from any settlement amount we may pay.

WHAT OUR WORDS MEAN

accident

a mishap involving your vehicle that is unintentional and unexpected and arises from a single event.

agreed value

the amount we agree to insure your vehicle for as specified on the insurance certificate.

authorised driver

a person controlling, driving or using your vehicle with your consent.

damage or damaged

sudden or unforeseen physical damage or destruction.

dangerous goods

includes smoke, vapours, soot, fumes, acid, alkalis, toxic chemicals, liquids or gasses, waste materials, or other irritants and other contaminants or pollutants.

emergency repairs

minor repairs which are essential for you to be able to drive your vehicle safely from an accident or event.

event or events

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

excess

the amounts you must pay for each claim made under your policy. The types of excess are outlined in this document and detailed on your insurance certificate. Excesses are cumulative.

hazardous goods

- substances which are detailed in the Australian Code for the Transport of Dangerous Goods by Road or Rail;
- infectious, explosive, radioactive or oxidising substances; or
- substances with a flashpoint of below twenty two point seven degrees Celsius (22.7 degrees Celsius).

insurance certificate

is the latest insurance certificate we send you. It includes details of the cover we are providing and the excess(es) that will apply to claims together with any special terms that we may have imposed.

limit of liability

the amount shown on the insurance certificate and is the maximum amount we will pay for your liability from one accident or series of accidents that arise from the one cause.

loss or losses

sudden and unforeseen physical damage.

market value

the amount we calculate the market would pay for your vehicle. It takes into account the age, make, model, and condition of your vehicle immediately before the loss or damage.

penalty claim

any claim where we are unable to recover our costs of repairing or replacing your vehicle or we consider you to be at fault.

partial loss

when we decide, at our option to repair your vehicle, replace any part of it or reimburse you for the loss or damage to it. In this case, we will not treat your vehicle as a total loss.

period of insurance

the period during which this policy is current. The period of insurance is stated on your insurance certificate. If this insurance policy is cancelled, the period of insurance terminates when the cancellation becomes effective.

personal effects

clothing and personal belongings normally worn or carried but excluding cash, negotiable instruments, tickets, computers, mobile phones, laptops, iPad and tablet devices, personal navigation equipment, jewellery of any type, unset jewels or stones, precious metal (e.g. gold bullion), musical instruments, curious, works of art, or payment cards.

policy

Your insurance contract. It consists of this PDS, any supplementary PDS we may give you, any endorsements and your insurance certificate.

substitute vehicle

a vehicle which does not belong to you and which you are using while your vehicle is not in use because it has been stolen or is undergoing repair to damage covered by this policy.

tool of trade

any vehicle, plant or equipment that is being used for excavating, digging, grading, drilling, lifting, pumping, vacuuming or other mechanical work, other than for:

- loading and unloading goods onto or from a vehicle, by use of a crane mounted on that vehicle;
- transit to or from or within a work site; or
- transport or haulage.

total loss

when your vehicle is:

- stolen and not recovered within 14 days; or
- when the damage sustained to your vehicle in our opinion renders it uneconomical to repair when compared to the insured value shown on your insurance certificate.

vehicle(s)

the vehicle(s) specified on your insurance certificate that complies with all applicable laws and regulations for registration as applicable in the state where it is registered or domiciled and includes:

- standard tools, modifications and accessories as supplied by the manufacturer;
- fitted or non-standard accessories, modifications and extras which you have told us about and we have accepted and listed on your current insurance certificate.

we, us or our

Insuret Pty Ltd as an authorised representative of the insurer of this policy, The Hollard Insurance Company Pty Ltd.

you or your

the person(s) or organisation shown in the insurance certificate as the insured. It also includes employees who are authorised to drive the vehicle.

CONTACTING US

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