

360 Commercial Motor Product Disclosure Statement & Policy Wording

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Commercial Motor Vehicle



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Introduction



This is the 360 Commercial Motor Vehicle Insurance Product Disclosure Statement (PDS) and Policy Wording which is made up of two separate parts.

The first part contains important information about this **policy** to help **you** make an informed decision about whether to purchase this insurance. It gives a summary of the significant features, benefits and risks associated with this **policy**. This section also contains information about costs, **our** dispute resolution system, **your** cooling off rights and other relevant information required under the *Corporations Act 2001 (Cth)*, including other rights, terms, conditions and obligations attaching to this **policy**.

The second part details the terms, conditions and exclusions of the **policy**.

If **we** issue **you** with a **policy**, **you** will be given a **policy schedule**. The **policy schedule** sets out the specific terms applicable to **your** cover and should be read together with the **policy** and any endorsements.

The **policy** and the **policy schedule**, together with any endorsements, **we** send **you** are **your** legal contract with **us** so please keep them in a safe place for future reference.

Please read the whole PDS carefully. It is arranged in different sections. It is important that **you**:

- + check that the sections **you** have requested are included in the **policy schedule**;
- + check that the information **you** have given **us** is accurate;
- + comply with **your** duties under each section and under the **policy** as a whole.

If **you** wish to vary **your** cover or make further enquiries, please contact **your** insurance intermediary.

CGU

This insurance is underwritten by Insurance Australia Limited ABN 11 000 016 722 AFSL 227681, trading as CGU Insurance (CGU). CGU is an authorised Australian insurer, regulated by the Australian Prudential Regulation Authority (APRA). CGU has been providing insurance to Australians for over 165 years and is part of the Insurance Australia Group (IAG).

CGU's contact details are:

Level 13, Tower Two, Darling Park,
201 Sussex Street,
Sydney, NSW 2000
Telephone. 1800 045 517

360 Commercial Motor

360 Commercial Motor Pty Ltd ABN 78 626 251 616 (360 Commercial Motor) is an Authorised Representative of 360 Underwriting Solutions Pty Ltd ABN 18 120 261 270 AFSL 319 181 (360 Underwriting). 360 Commercial Motor has developed this Commercial Motor Vehicle Insurance Policy which is underwritten by CGU.

In issuing this **policy**, 360 Underwriting and 360 Commercial Motor will be acting under an authority given to them by CGU. This means that when issuing this **policy**, 360 Underwriting and 360 Commercial Motor will be acting as an agent for CGU (pursuant to a binder arrangement), not for **you**.

360 Commercial Motor has an authority from CGU to arrange, enter into/ bind and administer this insurance (including handling and settling claims).

360 Commercial Motor's contact details are:

The Forum, Suite 2, Level 3,
240 Pacific Highway,
Charlestown, NSW 2290
Telephone. 1800 411 580

Who You Should Contact

In the first instance, **you** should contact 360 Commercial Motor in relation to this insurance.

Intermediary Remuneration

CGU pays remuneration to insurance intermediaries when CGU issues, renew or varies a **policy** the intermediary has arranged or referred to CGU. The type and amount of remuneration varies and may include commission and other payments. If **you** require more information about remuneration CGU may pay **your** intermediary **you** should ask **your** intermediary.

Important Information



Code of Practice

We proudly support the General Insurance Code of Practice (the 'Code'). The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The objectives of the Code are:

- + to commit **us** to high standards of service;
- + to promote better, more-informed relations between **us** and **you**;
- + to maintain and promote trust and confidence in the general insurance industry;
- + to provide fair and effective mechanisms for resolving complaints **you** make about **us**; and
- + to commit insurers and the professionals they rely upon to higher standards of customer service; and
- + to promote continuous improvement of the general insurance industry through education and training.

The Code Governance Committee is an independent body that monitors and enforces insurers' compliance with the Code.

Our Commitment to You

We have adopted and support the Code and are committed to complying with it. Please contact **us** if **you** would like more information about the Code or the Code Governance Committee.

Complaints and Dispute Resolution

We will always do **our** best to provide **you** the highest level of service but if **you** are not happy or have a complaint or dispute, here is what **you** or **your** insurance intermediary can do.

If **you** experience a problem or are not satisfied with **our** products, **our** services, or a decision **we** have made, **you** or **your** insurance intermediary should let **us** know so **we** can help. **You** may contact **us** via the following options:

Internal Dispute Resolutions Team

Telephone. 1800 411 580 (freecall)
Email. idr@360uw.com.au
Post. Attention IDR Officer
Suite 1, Level 18
201 Kent Street
Sydney NSW 2000

We will try to resolve complaints at first contact or shortly thereafter.

If **we** are not able to resolve **your** complaint when **you** contact **us** or **you** would prefer not to contact the people who provided **your** initial service, the insurer's Customer Relations team can assist:

Telephone. 1800 045 517 (freecall)
Email. Customer.Relations@iag.com.au

Customer Relations will contact **you** or **your** insurance intermediary if they require additional information or have reached a decision. Customer Relations will advise **you** or **your** insurance intermediary of the progress of **your** complaint and the time frame for a decision in relation to **your** complaint.

We expect **our** procedures will deal fairly and promptly with **your** complaint. If **you** are unhappy with the decision made by Customer Relations **you** or **your** insurance intermediary may wish to seek an external review, such as referring the issue to the Australian Financial Complaints Authority (**AFCA**). **AFCA** provides fair and independent financial services complaint resolution that is free to customers. **AFCA** has authority to hear certain complaints. **AFCA** will confirm if they can assist **you**:

Telephone. 1800 931 678 (freecall)
Email. info@afca.org.au
Post. Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Online. www.afca.org.au

Further information about **our** complaint and dispute resolution process is available by contacting **us**.

Cooling-Off Period

You have the right to cancel and return this **policy** by notifying **us** within twenty-one (21) days of the date it was issued to **you** ('cooling off period').

If **you** cancel it in this time, **we** will return the amount **you** have paid, unless **you** have a claim under the **policy** within the cooling off period.

To cancel at other times, please refer to the Cancellation clause in the General Conditions applicable to this **policy** section of this **policy**.

Cost of This Insurance

The total amount **we** charge for this **policy** is made up of:

- + the basic premium amount, which is the amount **we** need to cover the risk insured under this **policy**, as calculated by **us**;
- + **our** administration fee; and
- + any applicable taxes and government charges.

The basic premium amount, administration fee, and applicable taxes and government charges will be shown on the **policy schedule**.

When calculating the premium, **we** take a range of rating factors into account. These factors, and the degree to which they affect the premium, will depend upon the information **you** provide to **us**.

The following factors have a significant impact on **our** calculation of **your** premium:

- + whether **you** choose Comprehensive, Third Party Fire and Theft or Third Party cover;
- + the number and type of **vehicles** to be covered;
- + the value of the **vehicle(s)** to be covered;
- + the location of the **vehicle(s)** to be covered;
- + **your** previous insurance and claims history;
- + the **excess** **you** have selected; and
- + how the **vehicle** to be covered is used.

Your premium, including any discounts **you** may be eligible for, are subject to minimum premiums. **We** consider the minimum amount **we** are prepared to sell the **policy** for and may adjust **your** premium to ensure it does not fall below the minimum amount. Any discounts will be applied to **your policy**, only to the extent any minimum premium is not reached. This means that any discount **you** may be eligible for may be reduced. When **we** determine **your** premium on renewal, **we** may also limit any increases or decreases in **your** premium by considering factors such as **your** previous year's premium amount.

Financial Claims Scheme

You may be entitled to payment under the Financial Claims Scheme in the **event** that CGU becomes insolvent. Access to the scheme is subject to eligibility criteria.

Information about the scheme can be obtained from <https://fcs.gov.au>

How to Make a Claim Under This Policy

When something happens that **you** believe is a claim, it is important to contact **us** on 1300 115 854 or **your** intermediary as soon as reasonably possible.

Details about making a claim are shown under the **Claims Procedures** of the **policy** on page 26.

How Goods and Services Tax (GST) Affects Any Payments We Make

The amount of premium payable by **you** for this **policy** includes an amount for the GST applicable on the premium.

When **we** pay a claim, **your** GST status will determine the amount **we** pay. The amount that **we** are liable to pay under this **policy** will be reduced by the amount of any Input Tax Credit (ITC) that **you** are or may be entitled to claim for the supply of goods or services covered by that payment.

You must advise **us** of **your** correct Australian Business Number (ABN) and Taxable Percentage. Taxable Percentage is **your** entitlement to an ITC on **your** premium as a percentage of the total GST on that premium. Any GST **liability** arising from **your** incorrect advice is payable by **you**.

Where the settlement of a claim is less than the applicable **limit of liability** or the other limits applicable to this **policy**, **we** will only pay the GST (less **your** ITC) applicable to the settlement.

This means that if these amounts are not sufficient to cover the whole claim, **we** will only pay the GST relating to **our** share of the settlement for the whole claim. **We** will pay the claim by reference to the GST exclusive amount of any supply made by any business of **yours** which is relevant to the claim. GST, ITC, BAS and Acquisition have the same meaning as given to those words or expressions in *New Tax System (Goods and Services Tax) Act 1999 (Cth)* and related legislation as amended from time to time.

No Claims Bonus

A No Claims Bonus is a discount that can be earned on eligible Comprehensive policies in recognition of a claims-free record. The No Claims Bonus discount that applies to **your** basic premium is specified in the **policy schedule**. The No Claims Bonus discount is calculated on each vehicle insured under **your** motor vehicle policy, unless **your** claims history does not entitle **you** to a No Claims Bonus. **We** calculate **your** No Claims Bonus rating based on:

- + the claims history of **you** and any other **policyholders**; and
- + the number of years **you** and any other **policyholders** have been licenced for.

For each year there are no at-fault claims made on a **vehicle** under **your policy**, **we** allow a discount from the basic premium. The discount increases each claims-free year until the maximum is reached. Each year at renewal, **your vehicle's** No Claims Bonus is re-calculated. The No Claims Bonus discount does not apply to the Windscreen Extension premium under the Optional Extensions Applicable to **Section One** – Comprehensive Only section of the **policy**.

Protecting the No Claims Bonus

Please note that if **your** No Claims Bonus is not penalised after a claim with one insurer, **you** may still lose some of it if **you** go to a new insurer.

If **your** motor vehicle is eligible for Maximum No Claims Bonus Protection under the Optional Extensions Applicable to **Section One** – Comprehensive Only section of the **policy**, it will be shown on the **Policy Schedule**.

This means **you** can pay an additional amount as part of **your** premium so that **you** do not lose **your** discount if **you** do need to make a claim.

You will be protected from any at-fault claim made in respect of each vehicle insured under **your policy** during the **policy period**, if the additional premium required has been paid and the **policy schedule** specifies "No Claims Bonus protected".

You will also not lose **your** No Claims Bonus with **us** on renewal if:

- + **your** claim involves a collision in which **we** are satisfied the other driver was completely at fault and **you** give **us** the contact details and correct name and address of the other driver and vehicle registration number. In order for **us** to resolve whether **you** or, another person, were at fault, **we** may request additional information – for example witness statements or photographs – and consider any laws, bylaws or rules that may apply to the circumstances.; or
- + **Your** claim is only for window glass in a single **accident**.

Losing Your No Claims Bonus

In all other cases, at the next renewal **you** will lose part of **your** No Claims Bonus for a **vehicle** following each at-fault claim made in respect of that **vehicle**. The discount then increases again after each claims-free year **you** have for a **vehicle** up to the maximum.

Privacy

We are committed to protecting the privacy of the personal information **you** provide to **us**.

The Privacy Act 1988 (Cth) contains the Australian Privacy Principles which require **us** to tell **you** that **we** collect, handle, store and disclose **your** personal and sensitive information for the specific purpose of:

- + deciding whether to issue a **policy**;
- + determining the terms and conditions of the **policy**;
- + compiling data to help develop and identify other products and services that may interest clients, and
- + handling claims.

Personal information is information or an opinion about an identified individual, or an individual who is reasonably identifiable

- + whether the information or opinion is true or not;
- + whether the information or opinion is recorded in a material form or not.

Sensitive information includes, amongst other things, information about an individual's racial or ethnic origin, political opinions, membership of a political organisation, religious beliefs or affiliations, philosophical beliefs, membership of a professional or trade association, membership of a trade union, sexual orientation or practices, criminal record, health information about an individual, genetic information, biometric information or templates.

You have given **us your** consent to collect, use and disclose **your** personal and sensitive information in order to provide **you** with the relevant services and/or products.

When **you** give **us** personal information about other individuals, **we** rely on **you** to have made or make the individual aware that **you** will or may provide their personal information to **us** and the types of other parties and service providers **we** may provide it to, the relevant purposes **we** and the other parties and service providers 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 personal information to **us**.

We disclose personal information to other parties and service providers whom **we** believe are necessary to assist **us** and them in providing the relevant services and/or products. For example, in handling claims, **we** may have to disclose **your** personal and other information to other parties and service providers such as **our** claim management partner, other insurers, reinsurers, loss adjusters, external claims data collectors, investigators and agents, facilitators, assessors or other parties as required by law.

We limit the use and disclosure of any personal information provided by **us** to them to the specific purpose for which **we** supplied it.

We may disclose **your** personal information to **our** insurers, reinsurers, related entities and service providers overseas where it is reasonably necessary for, or directly related to, the functions, services or activities **we** provide to **you**. When **we** transfer **your** information to other countries, including countries which may not have data protection laws that provide the same level of protection that exists in Australia, **we** will protect the information as described in this Privacy Policy.

If **you** do not provide the personal information requested and/or do not provide **us** with **your** consent to the use and disclosure of **your** personal information as set out in this Privacy Statement, **your** insurance application may not be accepted, or **we** may not be able to administer **your** Policy.

We will notify **you** as soon as possible if **your** personal information is involved in a data breach that is likely to result in serious harm to **you**.

If **you** would like a copy of **our** Privacy Policy, would like to seek access to or correct **your** personal information, opt out of receiving materials **we** send, complain about a breach of **your** privacy or **you** have any query on how **your** personal information is collected, stored or used, or any other query relating to **our** handling of **your** personal information, please contact **us**.

This (insurance **policy**) is underwritten by Insurance Australia Limited ABN 11 000 016 722 AFSL 227681 trading as CGU Insurance (**CGU**). **We** may disclose personal information that **we** collect from **you** to **CGU**. For further information on how **CGU** handles **your** personal information, please refer to **CGU**'s Privacy Policy, which can be found at cgu.com.au/privacy, or, alternatively, **you** can also request a copy by contacting **CGU** at privacy@cgu.com.au or 13 24 81.

Summary of Policy Features and Benefits

The features and benefits of this **policy** depend on which Section(s) of the **policy** you effect.

Cover Sections

There are three Sections of this **policy**.

Comprehensive Cover

When your **policy schedule** nominates Comprehensive Cover, the following **policy** sections apply:

- + *Section One – Loss or Damage or Theft of Your Vehicle*; and
- + *Section Two – Third Party Liability*.

Third Party Fire and Theft Cover

When your **policy schedule** nominates Third Party Fire and Theft Cover:

- + *Section One – Loss or Damage or Theft of Your Vehicle* applies, but cover is limited to **loss or damage** caused by fire, explosion, lightning or theft; and
- + *Section Two – Third Party Liability*.

Third Party Cover

When your **policy schedule** nominates Third Party Cover:

- + Only *Section Two – Third Party Liability* applies. There is no cover for **loss or damage** or theft of **your vehicle**.

You are only insured for the Section(s) if we have agreed to provide you with the cover.

The Policy Does Not Cover Certain Things

There are certain restrictions or exclusions that limit the cover given. These can be found in the **policy** wording. Please refer to the exclusions in each cover Section of the **policy** and pages 22 to 23 for General Exclusions applicable to this **policy**.

Significant Risks

This **policy** may not match **your** expectations.

This **policy** may not match **your** expectations (for example, because an exclusion applies). **You** should read the PDS and the **policy** carefully. Please ask **your** insurance intermediary if **you** are unsure about any aspect of this **policy**.

Your Sum Insured May Not Be Adequate

It is important that **you** declare to **us**, a **sum insured** for each **vehicle** to be covered under this **policy**, an amount that reflects the current **market value** of each **vehicle**.

If **you** do not, **you** may not be adequately covered, as **our liability** is limited to:

- + the **sum insured** specified in the **policy schedule** for each **vehicle**, which is the amount **you** declare to **us** for each **vehicle**; or
- + the **market value** of **your vehicle** at the time of **loss** of or **damage** to **your vehicle**;

depending on the cover **you** have chosen.

Commercial Motor Vehicle Insurance Policy

Your Policy

If **we** agree to insure **you** and **you** have paid or agreed to pay **us** the premium **we** will issue a **policy schedule**. The **policy schedule** sets out information specific to **you** such as the cover **we** have agreed to provide, the **policy period** and the **policy sums insured** and **limit of liability**.

The **policy** comprises this document, the **policy schedule** and any endorsements **we** issue. They should be read together and kept in a safe place. Where **we** have agreed to enter into a **policy** with **you** it is subject to the terms, conditions and exclusions of the **policy**.

Types of Cover

We offer three (3) alternative types of cover for **your vehicles**, as detailed below:

- + Comprehensive Cover – Both *Section One – Loss or Damage to Your Vehicle* and *Section Two – Legal Liability* will operate;
- + Third Party Fire and Theft Cover – *Section One – Loss or Damage to Your Vehicle* will apply but cover is limited to **loss or damage** due to theft or caused by fire, explosion or lightning and *Section Two – Legal Liability* will operate;
- + Third Party Cover – *Section Two – Legal Liability* will operate. *Section One – Loss or Damage to Your Vehicle* does not apply.

The type of cover chosen will be specified in the **policy schedule** next to each **vehicle**.

Definitions Applicable to this Policy

Words used in this **policy** that appear in **bold** have a special meaning. Whenever the following words are used in the **policy** and appear in bold they mean what is set out below. Unless the context requires another meaning, a reference to the singular includes the plural and vice versa.

Accident means:

Unintended, unforeseen, fortuitous or unanticipated happening or mishap, which is not expected or designed.

Additional Insured means:

- + any person in charge of **your vehicle** with **your** permission;
- + any passenger in, or on, **your vehicle**;
- + **your** employer, partner or **principal of yours** when **your vehicle** is used on behalf of any of them;
- + Australian governments, local governments or statutory bodies when **your vehicle** is used on behalf of any of them; and
- + the legal representative of a deceased person covered under this **policy**.

Agreed Value means:

The amount (exclusive of GST) nominated by **you** that **we** have agreed to insure **your vehicle** for as shown in the **policy schedule**.

Dangerous Goods means:

Freight that consists of goods defined as dangerous in the **dangerous goods code**.

Dangerous Goods Code means:

The current Australian Code for the Transport of Dangerous Goods by Road and Rail.

Dry Hire means:

The hiring out of **your vehicle** without a driver.

Event means:

A single **accident** or a series of **accidents** with the same original cause.

Excess means:

The amounts specified in the **policy schedule** that **you** will be required to contribute in respect of any claim payable under this **policy**. Excesses shall be cumulative.

Hire Vehicle Costs means:

The amount paid by **you** to hire a replacement **vehicle**, but does not include running costs, any **loss or damage** to the hire vehicle, any insurance **excess** or other costs which **you** may be liable for under the hire vehicle agreement.

Immediate Family means:

Your spouse, de-facto partner, parents, siblings and dependent children.

Liability means:

A personal responsibility to pay compensation to another person.

Limit of Liability means:

The limit of **liability** or the limit of indemnity in the **policy schedule**.

Loss or Damage means:

Sudden physical loss, damage or destruction to **your vehicle** caused by an unexpected **event** not otherwise excluded by this **policy**. The physical loss, damage or destruction must occur at an identifiable time and place.

Market Value means:

The cost (exclusive of GST and stamp duty) to replace a **vehicle** with another **vehicle** of the same age, condition, make and model, immediately before the **loss or damage**.

Mechanical Breakdown means:

The actual breaking, burning out or malfunction of any part of **your vehicle** (excluding such breakdown due to placing an incorrect type, or inappropriate fuel, lubricant or coolant into a **vehicle**, or failing to place the correct or appropriate fuel, lubricant or coolant into a **vehicle**) whilst in the course of use within the limits specified by the manufacturer, as a result of internal, electronic, electrical or mechanical defect causing sudden stoppage of normal operation and necessitating repair before it can resume normal operation.

Mobile Plant means:

A self-propelled **vehicle** or machine which is not normally registered for on road use and is used for excavating, digging, grading, drilling, lifting, pumping, loading and unloading, vacuuming or other mechanical work.

Modification means:

Enhancements that affect the performance, or diminish safety, or change the characteristics of the **vehicle** beyond the manufacturer's specification.

Non-standard Accessories means:

Accessories that were fitted as an optional extra at the factory or accessories that were fitted after the **vehicle** left the manufacturer.

Permanently Attached Plant means:

A piece of equipment which cannot be easily removed and is necessary for **your vehicle** to operate in the ordinary course of **your** business. This may include a crane arm, hydraulic lifting equipment, concrete bowls, tilt trays, concrete pumping equipment, or other similar equipment.

Personal Effects and Tools means:

Items of clothing, personal belongings, or tools used in connection with **your** business, but not including:

- + mobile electronic devices; or
- + cheques, money, credit cards or negotiable instruments.

Policy means:

This document, the **policy schedule** and any attachment or memoranda affixed and any future documents issued to **you** which amends the Policy Wording or **policy schedule** which together form the insurance contract.

Policy Period means:

The period commencing at the effective date stated in the **policy schedule** and ending at or on the expiry date stated in the **policy schedule**.

Policy Schedule means:

A numbered schedule issued by **us** which forms part of this **policy** and shows **your policy** number, the type of cover provided by the **policy** and any special terms, limits, conditions, exclusions, endorsement and any **excess**.

Pollutant means:

Any irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, chemicals or waste. Waste includes but is not limited to all materials to be recycled, reconditioned or reclaimed.

Principal means:

A person for whom **you** act as agent or representative and includes the Commonwealth of Australia or a State or Territorial Government.

Reasonable Costs means:

Appropriate and fair expenses which are not excessive or extreme in matters of pricing.

Standard Accessories means:

Means accessories that come standard with the **vehicle** at the time of manufacture.

Sum Insured means:

The amount (exclusive of GST) specified against each of **your vehicles** in the **policy schedule** or in other documents forming part of **your policy**.

Third Party means:

A person who is not **you** or is not a person to whom cover is provided directly by this **policy**.

Tool of Trade means:

Use of the vehicle or mobile plant 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**; or
- + transit to or from or within a work site; or
- + transport or haulage.

Total Loss means:

- + **we** assess that the likely cost to repair the **vehicle** plus the value of any salvage exceeds the **market value**; or
- + the **vehicle** is stolen and not recovered within a reasonable period of time as determined by **us**.

Uninsured Vehicle means:

Neither the owner nor the driver of the other **vehicle** is insured against **liability** for property damage.

Use of the Vehicle means:

Use of **your vehicle** in connection with **your** business or occupation, or for private use.

Under Section Two – Legal Liability, use of **your vehicle** also includes:

- + goods falling from it;
- + loading and unloading it, but not carrying a load (or part of a load) to or from **your vehicle**; and
- + towing a single trailer, caravan, or disabled **vehicle**.

Valid Licence means:

The appropriate licence required by law to drive or operate the **vehicle**. Valid licence includes a learner's permit. The driver must be with someone who holds a full licence to drive **your vehicle**, if it is a condition of the permit.

Vehicle means:

Any mechanically propelled machine, including **standard accessories** and **permanently attached plant**, that is designed to travel on wheels or self-laid tracks described in the **policy schedule** and including any **non-standard accessories** specified in the **policy schedule**.

We, Our, Ours, Us means:

Insurance Australia Limited ABN 11 000 016 722 AFSL 227 681, trading as CGU Insurance (**CGU**) and 360 Commercial Motor Pty Ltd ABN 78 626 251 616 (**360 Commercial Motor**) acting as agent for **CGU**.

You, Your, Yours means:

The person(s), companies or firms named in the current **policy schedule** as the insured.

Section One – Loss or Damage to Your Vehicle

What We Cover

- + When the type of cover specified in the **policy schedule** is Comprehensive, **we** will cover **loss or damage** to **your vehicle** shown in the **policy schedule** caused by an **accident** which happens during the **policy period** and occurs within Australia.
- + When the type of cover specified in the **policy schedule** is Fire and Theft, **we** will cover the **loss or damage** to **your vehicle** shown in the **policy schedule** which is caused by:
 - theft; or
 - fire, explosion or lightning;

and which happens during the **policy period** and occurs within Australia.

Covers are only provided if **your vehicle** is being used with **your** permission and the **loss or damage** arises from the use of **your vehicle**.

What We Will Pay

If this **policy** provides **cover** for more than one **vehicle**, the maximum amount payable for the total of all claims arising from one **event** is \$15,000,000, unless otherwise specified in the **policy schedule**.

Basis of Settlement

Following **loss or damage** to **your vehicle** covered under this section, **we** may, at **our** option:

- + repair or replace **your vehicle** or make a cash payment equivalent to the cost of repairing or replacing **your vehicle**; or
- + reinstate **your vehicle** to its condition before it was damaged; or
- + depending on the cover **you** have chosen, pay the **market value** or the **sum insured** of **your vehicle** shown on **your** current **policy schedule**; or
- + depending on the cover **you** have chosen, pay the **agreed value** of **your vehicle** shown on **your** current **policy schedule**.

Our choice will have regard to the circumstances of **your** claim and consider any preference **you** may have.

If the **vehicle** is repaired to a better condition than it was in before the **loss or damage**, then **you** may be required to contribute to the cost of repairs and **your** contribution will be based on the increased value of the **vehicle**. However, **we** will not proceed with these repairs until **we** have discussed this with **you** and sought **your** agreement.

You will be required to pay an **excess** towards any claim (see *Claims Procedures Applicable To This Policy* on page 26).

Parts Policy

We are entitled to replace damaged parts with new parts or used parts of similar age and condition to those being replaced.

Parts not available in Australia

If **your vehicle** needs any parts that are not available in Australia and **we** agree to them being obtained outside Australia, the maximum **we** will pay is:

- + the overseas list price for those parts; plus
- + the cost of surface transport; and
- + landing costs.

Reusable parts

When **your vehicle** is repaired, the repairer may use reusable parts or parts that are not manufactured by a supplier to the **vehicle's** original manufacturer which:

- + are consistent with the age and condition of the **vehicle**
- + do not affect the safety or the structural integrity of the **vehicle**;
- + comply with the **vehicle** manufacturer's specifications and applicable Australian Design Rules;
- + do not adversely affect the post repair appearance of the **vehicle**;
- + do not void or affect the warranty provided by the **vehicle** manufacturer.

What You Are Not Covered For

The following exclusions apply to *Section One – Loss or Damage to Your Vehicle*.

We will not pay for **loss or damage** caused by or arising out of:

Damage to tyres

Damage to tyres or wheel rims caused by braking, road punctures, cuts or bursts.

Leaking lubricant or coolant

Any mechanical damage (other than by fire) resulting from the absence or leaking of lubricant or coolant or using a type of lubricant or coolant that is not intended for the make and model of **your vehicle**.

Mechanical breakdown or failure

Structural, mechanical, electrical, hydraulic or electronic breakdown or failure.

This exclusion will not apply to:

- + **loss or damage to your vehicle**, if an **accident** occurs resulting from such breakdown or failure; or
- + cover provided under the Additional Benefits Applicable to *Section One* – Comprehensive only 'Mechanical breakdown' clause.

Pre-existing damage

Pre-existing damage, or the costs of fixing faulty repairs which were done before the commencement of the **policy period**.

Solidification of goods

The solidification of any goods carried by **your vehicle** or any container attached to **your vehicle**.

Theft or attempted theft

Loss or damage by theft or the attempted theft of **your vehicle**:

- + during or after a fire or **accident** unless **you** have taken reasonable steps to ensure the safety of the **vehicle**; or
- + by false pretence or by fraudulent conversion; or
- + by any person to whom **you** have entrusted the **vehicle** for any purpose.

Wear and tear

Wear and tear, rust, corrosion, depreciation or gradual deterioration.

Section Two – Legal Liability

What We Cover

We will cover **you** and any **additional insured** for **liability** arising from property damage or bodily injury as a result of an **accident** occurring during the **policy period** caused by the **use of the vehicle** if it is:

- + registered for use on a public road; or
- + a towed **vehicle** for which registration is not required by law.

In addition, this part of the **policy** operates for **liability** arising from property damage if **your vehicle** is mobile machinery that is exempt from registration, being used on a public road or on public property and carrying a legal permit for such use.

What We Will Pay

The **policy schedule** specifies as the **limit of liability**, the maximum amount **we** will pay for the total of all claims arising from one **event** being:

- + \$35,000,000; or
- + \$1,000,000 if **your vehicle** is being used for the transport of **dangerous goods** and complies with the **dangerous goods code**; or
- + if an amount is specified in the **policy schedule**, that amount.

What You Are Not Covered For

We will not pay for any:

Death or bodily injury

Liability arising from death or bodily injury:

- + to any member of **your immediate family** or to any person ordinarily residing with **you** or with whom **you** ordinarily reside; or
- + in respect of which **you** are, or any other person is, required by law to have in force a compulsory insurance **policy** or be a member of a statutory compensation scheme, at the time such **liability** is incurred; or
- + in respect of which insurance is required by virtue of any statutory workers' compensation scheme; or
- + if **your vehicle** is registered in the Northern Territory of Australia.

Fines or punitive damages

Fines, or any punitive, exemplary or aggravated damages which a court awards against **you** or another person covered under this **policy**.

Mobile crane

Liability caused by operating **your vehicle** as a mobile crane to lift goods. This exclusion does not apply to loading or unloading goods onto or from **your vehicle**, by use of a crane mounted on the **vehicle**.

Property in care or control

Damage to any property owned by or in the care or control of a person covered under this **policy**. The following property is not subject to this exclusion:

- + employees' or visitors' **vehicles** and their contents while in a carpark owned or operated by **you**; or
- + any building that is both rented and occupied by **you**.

Territorial limits

Claims bought in any country outside Australia, or in a court within Australia exercising the jurisdiction of a country other than Australia.

Tool of trade

Liability caused by any **vehicle** or **mobile plant** that is being used as a **tool of trade** other than as specified in the definition of '**tool of trade**'.

Trailer, caravan or vehicle under tow

Damage to any trailer, caravan or disabled **vehicle** being towed by **your vehicle** other than the limited **cover** given under Additional Benefits Applicable to *Section One* 'Use of trailers'.

Additional Benefits

If as a result of an **event** a claim is accepted under **Section One** of this **policy**, **we** may also provide the following Additional Benefits, depending on the type of cover **you** have selected. Cover provided under these Additional Benefits is otherwise subject to the terms, conditions, exclusions, applicable to this **policy**.

Additional Benefits Applicable to Section One

If as a result of an **event** a claim is accepted under **Section One – Loss or Damage to Your Vehicle**, **we** will provide the following additional benefits in relation to that claim. The additional benefits will not serve to increase the maximum sum payable under **Section One** beyond \$15,000,000.

Hire of Vehicle Following Fire or Theft

If **your vehicle** is a sedan or station wagon or other **vehicle** with a carrying capacity up to 5 tonnes and after **you** notify **us** that the **loss or damage** is caused by fire or theft, **we** will assist **you** in paying **hire vehicle costs**:

- + up to a maximum of \$3,000 each **vehicle** for a replacement **vehicle** of similar make and model or carrying capacity;
- + for a hire period until **your vehicle** has been recovered and repaired or **your** claim has been settled as a **total loss**.

To the extent permitted by law **we** will not pay any additional charges incurred, other than the daily rental rate.

Towing and Return of Vehicle

Following an **accident**, or on recovery of **your** damaged **vehicle** following theft or attempted theft, **we** will pay the **reasonable costs** of towing **your** damaged **vehicle** to the nearest repairer or other agreed place and pay the **reasonable costs** of returning the **vehicle** to **you** following its repair or recovery.

Use of Trailers

We will pay for **loss or damage** sustained by any two-wheeled or four-wheeled trailer while it is attached to **your vehicle**.

The maximum **we** will pay for any one **accident** is the **market value** of the trailer up to a maximum of \$3,000.

To the extent permitted by law **we** will not pay any claim under this additional benefit, if there is any other insurance in place covering the same **event** to the extent that indemnity is provided to the **Insured** under that other policy of insurance.

Additional Benefits Applicable to Section One – Comprehensive Only

If as a result of an **event** a claim is accepted under **Section One – Loss or Damage to Your Vehicle**, and the cover type Comprehensive is specified in the **policy schedule** for the **vehicle**, **we** will provide the following additional benefits in relation to that claim. The additional benefits will not increase the maximum sum payable under **Section One** beyond \$15,000,000.

Cover for Additional Vehicles

We automatically provide cover for any additional **vehicle** **you** acquire, purchase or lease (but not hire or borrow) during the **policy period** provided:

- + the **vehicle** is of a similar type to the **vehicles** covered at the commencement of the **policy period**; and
- + **you** notify **us** within sixty (60) days of acquisition; and
- + **you** pay any extra premium requested.

The maximum **we** will pay in respect of **loss or damage** to any additional **vehicle**, is the **market value**, up to a maximum of \$300,000. However, if the **market value** is more than the amount **you** paid for it, then the maximum **we** will pay is the amount **you** paid for it up to a maximum of \$300,000.

This additional benefit does not require a valid claim under **Section One – Loss or Damage to Your Vehicle** Comprehensive cover, for the benefit to be applied.

Chains, Gates, Ropes and Tarpaulins

We will pay the **reasonable costs** for repair or replacing of any **loss or damage** to chains, gates, ropes or tarpaulins which are attached to or within the **vehicle** at the time of the **loss or damage** or the theft of **your vehicle**, up to maximum of \$5,000 any one **event**.

Completion of Journey

We will pay up to \$5,000 for the **reasonable costs** of:

- + hiring another **vehicle** of similar make and model to complete the journey; or
- + returning **your vehicle's** driver and any non-fare-paying passengers to the point of departure; or
- + at **your** option, transporting them to the driver's destination; or
- + overnight accommodation costs if the journey cannot be completed within the day.

Following the **loss or damage**, if **your vehicle** cannot be safely driven.

Disabled Driver Vehicle Modifications

We will pay up to \$10,000 for the **reasonable costs** incurred to modify **your vehicle** or **your** driver's own private **vehicle**, if **your** driver is permanently disabled as a result of an **accident** involving **your vehicle**.

Dry Hire

We will extend **cover** on insured **mobile plant** during **dry hire** provided:

- + **you** have an executed contract for hire agreement in place containing a provision that the hirer will be responsible for **loss or damage**; and
- + the hire agreement is not subject to any damage waiver, or conditions restricting **our** rights of subrogation.

This additional benefit does not require a valid claim under *Section One – Loss or Damage to Your Vehicle* Comprehensive cover, for the benefit to be applied.

Emergency Repairs

- + We will pay up to \$3,000 for the **reasonable costs** of immediate repairs to enable **your vehicle** to be driven safely or to be moved to a place of safety following **loss or damage** as a result of an **accident**;

Emergency Service Costs

Following an **accident** involving **your vehicle** we will pay up to \$25,000 for charges imposed on **you** by the Fire Brigade, Police or State, Federal or Local Government Emergency Services.

Employees Vehicles

We will provide Comprehensive cover to **your** employees using their own **vehicles** in the course of their employment with **you**, provided the:

- + employee has observed and fulfilled the terms and conditions of this **policy** as though they were **you**; and
- + **vehicle** is not covered under any other **policy** of insurance providing similar insurance as that provided under this additional benefit to the extent that indemnity is provided to the employee under that other policy of insurance.

In respect of **loss or damage** to any such **vehicle**, the maximum we will pay is the **market value** or \$25,000.

This additional benefit does not require a valid claim under *Section One – Loss or Damage to Your Vehicle* Comprehensive cover, for the benefit to be applied.

Expediting Expenses

We will pay fifty percent (50%) of the normal repair costs, up to a maximum of \$5,000, for the **reasonable costs** necessary to effect immediate temporary repairs or to expedite permanent repairs to **your vehicle**.

Faultless Collision Excess Waiver

We will not apply any **excess** if:

- + **your vehicle** is involved in a collision with another vehicle; and
- + we are satisfied and agree that the driver of the other vehicle was totally at fault; and
- + **you** provide **us** with the registration number of the other vehicle, and the name and address of its driver; and
- + the claim exceeds any **excesses** that would otherwise be applicable.

In order for **us** to resolve whether **you** or another person was at fault, **we** may request additional information – for example witness statements or photographs – and consider any laws, bylaws or rules that may apply to the claim circumstances. If **we** are unable to determine **who** was at fault, the **excess** is payable by **you**.

First Aid Expenses

Where **you** or **your** driver has been involved in an **event** causing injury to a **third-party** and the **event** involves **loss or damage** to **your vehicle**, **we** will pay **reasonable costs** up to a maximum of \$2,500 for any one **event** towards **your** or **your** drivers first aid costs regarding the **third-party**, but only to the extent that such first aid has been administered and only to the extent these costs are not medical expenses which **we** are prohibited from providing cover for under either or both of the *Health Insurance Act 1973 (Cth)* or the *Private Health Insurance Act 2007 (Cth)*.

Funeral Expenses

We will pay up to \$25,000 for funeral, burial or cremation expenses in the **event** of the death of **your** driver:

- + arising out of an **accident** involving **your vehicle**; and
- + occurring within twelve (12) calendar months from the date of the **accident**.

This additional benefit includes the expenses associated with the funeral, burial or cremation. It also extends to include transportation of the body of the deceased person and necessary travel by any member of the deceased person's **immediate family**.

General Average Charges

We will pay general average and salvage charges which are incurred whilst **your vehicle** is being transported by sea between places in Australia, provided **you** obtain **our** consent prior to the signing of any general average bond.

If **you** do not obtain **our** prior consent, **we** will only pay the reasonable charges up to the amount **we** would have agreed to pay had **you** obtained **our** prior agreement.

Goods in Transit

We will pay for **loss or damage** to **your** goods or the goods of a **third party** whilst being carried or in **your vehicle** which has carrying capacity not exceeding five (5) tonnes as a result of **loss or damage** to **your vehicle**.

The maximum payable under this additional benefit is \$5,000 subject and to an additional \$250 **excess** per **event**.

To the extent permitted by law, this benefit will only apply to **loss or damage** to **your** goods or the goods of a **third party** if they are not covered by any other contract of insurance or for **loss or damage**, which is in **excess** of any benefit available under any other contract of insurance.

Immediate Family Expenses

If **you** or **your** driver is injured and hospitalised whilst driving **your vehicle** and the **event** is **covered** by this **policy**, **we** will pay **reasonable costs** for travel, accommodation, meals and related expenses for **you** or **your** driver's **immediate family** to visit the injured driver in hospital.

The maximum **we** will pay under this additional benefit is \$3,000 any one **policy period**.

Lease and Finances Vehicle Pay-Out

We will pay up to twenty-five percent (25%) of the **market value** or the **sum insured** as specified in the **policy schedule** for **your vehicle**, toward the discharge of **your** obligation under a lease agreement or finance agreement, if:

- + **your vehicle** is declared a **total loss**;
- + the lease or finance agreement pay-out exceeds the amount payable under the basis of loss settlement; and
- + **your vehicle** was not purchased via a personal loan or other form or credit.

The amount payable under this additional benefit will be reduced by any:

- + payments and interest in arrears at the time of **loss or damage**; and
- + discounts in respect of finance discharge, including interest for the unexpired term of the agreement.

Mechanical Breakdown

We will pay the **reasonable cost** of repairs to **your vehicle** resulting from **mechanical breakdown** provided **your vehicle** is:

- + less than five (5) years old from its original manufacture and has travelled less than 100,000 kilometres at the date of such **mechanical breakdown**; and
- + not used for the carriage of fare paying passengers; and
- + not used by **you** as a courier or freight carrier in **your** business; and
- + less than 5 tonnes in carrying capacity.

We will pay up to \$2,000 in respect of any one **mechanical breakdown**. The maximum payable in any one **policy period** for all **mechanical breakdowns** is \$6,000 or the **market value** of **your vehicle**.

This additional benefit does not require a valid claim under **Section One – Loss or Damage to Your Vehicle** Comprehensive cover, for the benefit to be applied.

New Vehicle Option

If **your vehicle** is:

- + less than 24 months old from the date it was first registered; and
- + declared a **total loss**,

we will replace **your vehicle** with a new **vehicle** of the same make and model and with the same accessories, (or if unavailable, a **vehicle** of similar make and model and with similar accessories), including registration fees, compulsory **third-party** insurance, delivery charges and stamp duty.

Upon delivery of the replacement **vehicle**, **you** will need to pay:

- + any **excess** that applies to **your** claim; and
- + any outstanding premiums; and
- + the unused portion of registration fees and compulsory **third-party** insurance of the **total loss vehicle**.

Other Interested Parties

In the **event** of any **loss or damage** to a **vehicle** covered by this **policy** which is subject to a lease or other financing arrangement whereby the financier retains security over the **vehicle**, the financier will be an insured under this **policy** but only to the extent that the financier's remaining interest in the **vehicle** covered by this **policy** was affected at the time of the **loss or damage** to the **vehicle**.

Personal Effects and Tools

We will pay up to \$2,000 in total for loss, destruction or damage to **personal effects and tools** belonging to **you** or **your** employees, if the **personal effects and tools** are not otherwise insured (to extent permitted by law), and that indemnity is provided to **you** or **your** employees under that other policy of insurance and they suffer loss, destruction or damage in an **accident** involving **your vehicle**.

Removal of Debris

We will pay up to \$50,000 for the cost necessarily incurred in the clean-up and removal of debris from **your vehicle** including debris from:

- + goods falling from **your vehicle**; or
- + the spillage, escape, or explosion of goods being carried by **your vehicle**.

Replacement of Locks and Keys

We will pay up to \$5,000 per **vehicle** to a maximum of \$10,000 per **event** for the **reasonable costs** of replacing the key ignition barrel and all locks and keys, or re-coding of locks including associated electronic components of the **vehicle**, if **your** keys are stolen or damaged or there are reasonable grounds to believe **your** keys may have been illegally duplicated.

Signwriting

We will pay the **reasonable costs** of signwriting or fixed advertising signs, murals, special art work, or materials, forming a permanent part of **your vehicle** following **loss or damage** to **your vehicle**.

Stamp Duty for Transfer of Ownership

If a claim on **your vehicle** is settled as a **total loss**, we will pay the stamp duty and transfer fees that are due on the transfer of ownership of a replacement **vehicle** into **your** name. The amount we will pay will be based on the value of **your vehicle** immediately before the **loss or damage**.

Taxi Fares

We will pay up to \$100 for the cost of a taxi fare **you** have paid, and for which **you** have a receipt, for transport from the scene of an **accident** where **your vehicle** incurred **loss or damage** and requires towing.

Trauma Counselling

We will pay the **reasonable costs** for counselling for **you**, **your** drivers or their **immediate family**, if:

- + **your** death arose from the **accident** which caused the **loss or damage**; or
- + the death of **your** driver arose from the **accident** which caused the **loss or damage**; or
- + the death of any other person if it arose from the **accident** which caused the **loss or damage** and either **you** or **your** driver was present at the **accident** scene when it occurred.

The maximum we will pay for trauma counselling is \$5,000 per **event**. The trauma counselling must be directly arranged by us.

This additional benefit is only provided to the extent that any payment does not comprise medical expenses which we are prohibited from providing cover for under either or both of the *Health Insurance Act 1973* (Cth) or the *Private Health Insurance Act 2007* (Cth).

Tyre Replacement

If a tyre is damaged and unable to be used again as a direct result of **loss or damage**, we will pay the **reasonable cost** of replacing the tyre with a new tyre of similar make and specification to the tyre that is damaged.

Provided that the condition of the damaged tyre's remaining tread conformed with all legal requirements at the time of the **loss or damage**, and was not recapped or retreaded.

Unspecified Non-Standard Accessories or Permanently Attached Plant

We will pay the **reasonable costs** to repair or replace **non-standard accessories** or **permanently attached plant**, limited to 25% of the **market value** of the **vehicle** up to a maximum of \$5,000, unless otherwise stated in the **policy schedule**.

Optional Extensions Applicable to Section One – Comprehensive Cover Only

The following are extensions to the cover provided under Section One of this **policy** and **you** can request any of these Optional Extensions for an additional premium. If **we** agree to provide cover as provided by any of these Optional Extensions, the Optional Extension will be stated on the **policy schedule**.

These Optional Extensions, are otherwise subject to the terms, conditions, exclusions and definitions applicable to this **policy**. The optional extensions will not increase the maximum sum payable under Section One beyond \$15,000,000.

Hire Vehicle Following Accident

If **your vehicle** is a sedan or station wagon or other **vehicle** with a carrying capacity up to five (5) tonnes and is damaged following an **accident** and **you** have a valid claim under **Section One – Comprehensive**, cover for **your vehicle** is extended to include the following optional extension:

- + **we** will pay up to \$2,500 in total for **hire vehicle costs** incurred by **you** for hiring a replacement **vehicle**, of similar make and model or carrying capacity, following notification by **you** to **us** of **loss or damage** to **your vehicle**.

We will not pay this optional extension in respect of any period of hire continuing after **your vehicle** has been repaired, or after **we** have settled the claim as a **total loss**.

We will not pay any additional charges incurred, other than the daily rental rate.

Maximum No Claims Bonus Protection

If **your vehicle** is insured for maximum no claims bonus protection, **we** will protect **your** no claims bonus for any claims incurred during the **policy period**, in respect of that **vehicle**.

To be eligible, **you** must be on the maximum no claims bonus and this must be specified in the **policy schedule**.

Windscreen Extension

If **your vehicle** is **covered** for the windscreen extension, **you** can claim for any windscreen or window glass damage during the **policy period**, without the application of any **excess**.

Additional Benefits Applicable to Section Two

Where a claim has been accepted under *Section Two – Legal Liability* and subject to the exclusions listed in *Section Two* under “*What you are not covered for*” and all other terms and conditions of the **policy**, **we** will also pay the following additional benefits.

Provided that these additional benefits will not serve to exceed **limit of liability** as specified in the current **policy schedule**.

Contractual Liability

We will cover **you** for **liability** for **third party** property damage arising under any undertaking, or indemnity, given or contracted for by **you** provided that such **liability** would have attached under the **policy** in the absence of such an undertaking, or indemnity, or contract.

Damage Caused by Uninsured Vehicles

Where **your vehicle** is covered for Third Party only or Third Party, Fire and Theft, as specified in the **policy schedule**, **we** will pay for **loss or damage** to **your vehicle** caused by, or arising from, a collision with another **vehicle** (other than **vehicles** owned by **you** or under **your** control) provided that:

- + the other driver is identified; and
 - has no insurance cover in respect of damage caused by such **vehicle**; and
 - is substantially responsible for the **loss or damage**; and
- + **you** agree that **we** can recover any amount paid by **us** to **you** from the other driver on **your** behalf; and
- + **you** agree not to take separate action without **our** written consent.

The maximum amount **we** will pay under this additional benefit in respect of any one **event** is \$10,000.

Legal Costs

We will pay **your** legal costs and expenses incurred with **our** written consent in respect of **your liability** to a **third-party** for damage to that **third-party's** property as a result of the **use of the vehicle**.

Movement of Other Vehicles

We will pay for **your liability** for damage to **third party** property arising out of **your** lawfully moving any **vehicle** parked in a position so as to prevent or impede the loading, unloading or legitimate passage of **your vehicle**.

Non-Owned Vehicles

We will pay for **your liability** arising from the use of any **vehicle** that is:

- + not owned or supplied by **you**; and
- + being driven by **you** or by a person authorised by **you** in connection with **your** business; and
- + not **covered** under any other **policy** of insurance providing similar insurance as that provided under this additional benefit and that other **policy** would indemnify **you** or **your** business under that other **policy** of insurance.

We will not pay for **your liability** for loss, destruction or damage to such **vehicle**.

Towing Disabled Vehicles

We will pay for **your liability** for damage to **third party** property occasioned whilst **your vehicle** is towing any disabled **vehicle** provided the disabled **vehicle** is not being towed for reward or financial gain.

General Exclusions Applicable to this Policy

These general exclusions apply to all sections of this **policy**.

We will not pay:

Asbestos

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from the use or presence of asbestos or asbestos products or asbestos contained in any products.

Communicable disease

For any **loss or damage** or **liability** directly caused by a **communicable disease** or the threat or perceived threat of any **communicable disease**.

For the purpose of this exclusion, the following definition applies:

Communicable disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- + the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not;
- + the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas between organism; and
- + the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

Consequential loss

For consequential loss unless it is specifically covered under this **policy**. This means **we** will not pay for direct or indirect financial or economic loss. For example, loss of use or enjoyment, loss of profits or depreciation.

Cyber and electronic data

For **loss or damage**, **liability**, claim, cost or expense directly or indirectly caused by or contributed to by:

- + errors or omissions involving access to, processing of, use of or operation of any computer system or any unavailability or failure to access, process, use or operate any computer system, or
- + any unauthorised, malicious or criminal act (or any threat or hoax of this) involving access to, processing of, use of or operation of any computer system,

provided that this exclusion will not apply to physical **loss or damage** directly caused by an incident or **event we cover you** for under this **policy** except if caused by vandalism or a malicious act. For example, **we** will not cover **you** if **your vehicle's** GPS or security system cannot be used because of a cyber attack, but **we** will cover **you** for theft of **your vehicle** if it is stolen after the **vehicle's** security system is impacted by a cyber attack.

Dangerous goods

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from:

- + explosives or radioactive substances, in any quantity;
- + all **dangerous goods** if the manner in which they are transported does not comply with the current **dangerous goods code**, or any other applicable legislation and regulations.

Data loss

For **loss or damage**, **liability**, claim, cost or expense directly or indirectly caused by or contributed to by loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any data including the value of any data.

Deliberate act

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from a deliberate act ordered or carried out by **you**, or by any person acting with **your** permission, except when it is to avoid or reduce damage that would otherwise happen.

Excluded driver(s)

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from:

- + any person who does not have **your** permission to be driving **your vehicle**; or
- + any person who does not hold a **valid licence** required by law for driving **your vehicle**; or
- + any person whose driving licence is not valid in the place where **your vehicle** is being used; or
- + any person driving while under the influence of alcohol or any drug; or
- + any person driving with an illegal amount of alcohol or any drug in their blood; or
- + any person who refuses to be legally tested for alcohol or any drug; or
- + any person or group of people specified as excluded in the **policy schedule**; or
- + any unspecified person, if the **policy schedule** restricts use to specified drivers.

However, if the person driving **your vehicle** is excluded above and **you** can show that:

- + **your vehicle** was stolen or illegally driven without **your** permission; or
- + **you** could not reasonably have known that the driver was unlicensed or would be driving while affected by alcohol or a drug.

and the driver is not named as one of the insureds, **we** will provide cover under this **policy** to **you**, but not to the driver. In these circumstances, the driver has no protection under this **policy**. Where possible, **we** will try to recover from the driver any amount paid to **you** or on **your** behalf.

Lawful removal

For **loss or damage**, or **liability** caused by, or arising directly or indirectly resulting from the lawful seizure of **your vehicle** or the loss of **your vehicle** by any other legal process or operation of law.

Pollutants

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from:

- + death or bodily injury or property damage directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of **pollutants** or contaminated substances into or upon any property, land, the atmosphere or any watercourse or body of water (including ground water);
- + death or bodily injury or property damage directly or indirectly arising out of the discharge, seepage, migration, dispersal, release or escape of **pollutants** or contaminated substances caused by any product that has been discarded, dumped, abandoned or thrown away by others;
- + the cost of removing, nullifying or cleaning up **pollutants** or contaminated substances; or
- + the cost of preventing the escape of **pollutants** or contaminated substances.

This pollutants general exclusion will not apply where the claim arises from a sudden, identifiable, unintended and unexpected **event** which takes place in its entirety at a specific time and place during the **policy period**.

Radioactivity

Loss or damage, or **liability** caused by, or arising directly or indirectly from radioactivity, or from the use, existence or escape of nuclear fuel, material or waste, or the action of nuclear fusion.

Sanctions

and, **we** will not be able to provide any cover, pay any claim or provide any benefit under this **policy** (including any refund of premium), to the extent that such cover, claim, benefit or refund may contravene or expose **us** to any sanction, prohibition or restriction under United Nations resolutions or any trade or economic sanctions, laws or regulations of any country.

Use of vehicle

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from:

- + carrying passengers for payment other than private car sharing arrangements; or
- + driving tuition for payment; or
- + motor trade use other than servicing, repairing or testing of **your vehicle**; or

- + use of **your vehicle** for an unlawful purpose or any purpose other than that for which **your vehicle** was made if any of these things caused or contributed to the incident; or
- + use of **your vehicle** for any race, trial, contest, stunt or experiment; or
- + letting **your vehicle** on hire to others; or
- + carrying goods unlawfully in or on **your vehicle**; or
- + use of **your vehicle** in underground mines, mining shafts or tunnels that are not public roads; or
- + use of **your vehicle** on premises of an airport that handles scheduled commercial flights, provided that this exclusion only applies to areas within the airport that are restricted and not accessible to the general public; or
- + use of **your vehicle** on rails, tracks or cables; or
- + use of **your vehicle** while not running solely on terra firma.

War or terrorism

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from:

- + war or warlike activities, which includes invasion, act of foreign enemy, hostilities (whether or not war is declared), civil war, rebellion, revolution, insurrection, military or seized power; or
- + terrorism, which may include but is not limited to an act involving the use of force or violence and/or 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 or ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Unroadworthy or unsafe condition

For **loss or damage**, or **liability** caused by, or arising directly or indirectly from the unroadworthy or unsafe condition of the **vehicle** and that condition caused or contributed to the **loss or damage** or **liability**.

We will pay if **you** can prove the unroadworthy or unsafe condition of the **vehicle** was not known and could not reasonably have been known at the time of the **loss or damage** or the incurring of the **liability**.

General Conditions Applicable to this Policy

There are conditions set out in this General Conditions Applicable to this **policy**, in the Claims Procedures Applicable to this **policy** section and under each particular cover and Section. When making a claim, **you** must have met and then continue to comply with the conditions of **your policy**.

If **you**, or someone covered under **your policy**, do not meet these conditions or make a fraudulent claim **we** may:

- + refuse to pay **your** claim; or
- + adjust what **we** pay for **your** claim; or
- + cancel **your policy**.

The course of action **we** take when **you** fail to follow a condition will be considered in each circumstance based on what impact or effect **your** failure to comply caused or contributed to the claim or **our** decision to issue **your policy**.

Accidents/Losses Affect Your Renewal Premium

When calculating **your** renewal premium, all claims that occur during the **policy period** may affect the coming year's renewal premium.

In addition, **we** reserve the right:

- + if **you** report an incident or loss after **we** have advised renewal terms, to revise **our** renewal terms;
- + where the **policy** has been renewed and a claim has been reported that occurred in the previous **policy period**, to charge any appropriate additional premium relative to the reported claim; and
- + where the **policy** has been renewed, to reduce the **policy period** in proportion to the amount due if any additional amount is not paid within thirty (30) days of notification.

Cancellation

You may cancel this **policy** at any time by giving **us** notice in which case **we** will refund to **you** the balance for the premium that applies to the period from the date the **policy** is cancelled until the end of the **policy period**. **We** will not refund the administration fee or **policy** fee shown on the tax invoice.

We may cancel this **policy** by giving **you** written notice if **you** do any of the following:

- + make a misleading statement to **us** when **you** apply for **your** insurance;
- + failed to tell **us** anything **you** should tell **us** when **you** apply for this **policy**, when **you** renew this **policy**, when **you** change or reinstate this **policy**;
- + failed to comply with the conditions of this **policy**;
- + failed to pay the premium for this insurance;

- + are not fair and open in **your** dealings with **us**;
- + make a claim that is not true under this **policy** or any other **policy** of insurance (whether with **us** or some other insurer);
- + failed to notify **us** of a change in the circumstances of the risk during the **policy period**; or
- + fail to do what **we** have told **you** that **you** are required to do.

We may cancel this **policy** pursuant to any right at law but subject to the provisions of the *Insurance Contracts Act 1984* (Cth).

Changes To Your Insurance Details – What You Must Tell Us

You must tell **us**:

- + as soon as reasonably possible of any changes to the address where **your vehicle** is normally garaged, the use of **your vehicle** and the regular drivers who will drive **your vehicle**;
- + of any modifications that are made to **your vehicle**, and accessories that are added to **your vehicle**;
- + of any driving or criminal offences that have been committed by anyone who regularly drives **your vehicle**. **You** are not required to tell **us** about any parking offences that a regular driver may receive; and
- + of any drivers who regularly drive the **vehicle** who have their licence suspended, cancelled or restricted by endorsement.

In such circumstances, **we** reserve **our** rights to vary **your policy** and charge an appropriate additional premium.

If **you** do not provide such notification before the happening of an **event** giving rise to a claim under this **policy** then, subject to the *Insurance Contracts Act, 1984* (Cth), **we** may refuse to pay a claim, either in whole or in part. The course of action **we** take when **you** fail to provide such notification will be considered in each circumstance based on what impact or effect **your** failure caused or contributed to the claim or **our** decision to issue **your policy**.

Change of Ownership

If **you** dispose of **your vehicle** or give up **your** ownership of it, **your** cover will come to an end without notice. To obtain a refund, see the Cancellation clause above.

Cross Liability

Where more than one party comprises the insured each of the parties shall be considered as a separate and distinct entity and the word **you** shall be considered as applying to each party in the same manner as if a separate **policy** has been issued to each, provided that nothing in this clause results in the increase of the **limit of liability**.

We will waive **our** rights of recovery in relation to any **liability** or **loss or damage** that would be covered by this **policy** against any party insured by the **policy**, however this subrogation waiver will not apply to any party insured who has been guilty of serious or willful misconduct in relation to the **liability** or **loss or damage**.

Subrogation Waiver

We will waive any rights, remedies, or relief to which **we** may become entitled by subrogation against any entity or person where **you** have been required by contractual agreement to release such party from **liability**.

Due Diligence and Reasonable Precautions

At **your** own expense **you** must take all reasonable precautions and use all due diligence to prevent or minimise anything that could result in claim under this **policy** and take all reasonable measures to maintain all **your vehicles** in sound, efficient, working condition and comply with all relevant statutory obligations, regulations and by-laws imposed by any public authority for the safety of persons or property.

Inspection

Our representatives and agents shall have the right to inspect and examine any **vehicle** insured under **your policy** at a mutually agreed time and place.

Notices

Any notice **we** give **you** will be in writing and will be effective:

- + if it is delivered to **you** or **your intermediary** personally or electronically; or
- + it is delivered or posted to **your** address last known to **us**.

You must tell **us** of any change of postal address as soon as reasonably possible.

Policy Alterations

If **you** request an alteration to this **policy**, the alteration becomes effective when:

- + **we** agree to it;
- + **you** pay or agree to pay any appropriate additional premium **we** require to effect the alternation to **your policy**; and
- + **we** give **you** a new **policy schedule** detailing the change.

Assignment

You cannot give anyone else an interest in this **policy** without **our** prior written consent.

Claims Procedures Applicable to this Policy

What You Must Do After an Accident or Claim

When **your vehicle** is involved in an **accident** or **event** that may give rise to a claim under **your policy**, **you** must:

- + take all reasonable steps to prevent further **loss** or **damage**;
- + use **your** best endeavours to preserve anything which might prove useful by way of evidence in connection with any claim and, if possible, take photos of the **accident** scene and any **vehicle** damage;
- + obtain the other driver's licence details, name, address, **vehicle** details, the name of their insurance company and any other relevant details such as telephone numbers of witnesses, registration details, and details of owners of other property;
- + make **your vehicle** available for inspection by **us** at a reasonable time and place. **We** will only accept responsibility for repairs carried out under **our** signed authority;
- + take back the property stolen when it is recovered prior to **us** paying **you** for the theft, if **we** ask **you** to. Under these circumstances **we** will pay **our liability** for any **loss** or **damage** caused as a result of the theft;
- + as soon as reasonably possible, send to **us**, or tell **us** about, any letter or communication from other parties, notice of impending prosecution or details of any inquest or official enquiry;
- + give information and assistance reasonably required by **our** legal representative or investigator to allow **us** to fully examine and settle **your** claim, and/or enforce in **your** name the rights **we** may have against any **third party**. **We** will act reasonably in exercising **our** discretion in the conduct of any legal proceedings and in the settlement of any claim while **we** conduct any recovery action. **We** will keep **you** reasonably informed and updated with the progress of proceedings;
- + tell **us** of any other insurance or compensation scheme covering the same **loss** or **damage** or **liability** or part of it;
- + pay any contribution to the cost of repairs or parts as directed by **us**;
- + allow **us** to pay to any nominated interested party any part of the claim settlement which **you** owe to them;
- + inform the Police as soon as reasonably possible of the damage coming to **your** attention, if **your vehicle** (or part of **your vehicle**) is stolen, or damaged in an attempted theft, or if malicious damage is suspected;
- + inform **us** or **your** intermediary without delay of **your** intention to lodge a claim under the **policy**. **We** will give **you** advice on what **you** must do and may ask **you** to complete **our** claim form. **We** will not pay for any costs or amounts which are attributable to delays by **you** when advising **us** of any **event**, **liability** matters or demands for payment.

If these things are not done by **you**, or any other person covered by **your policy**, **we** may refuse a claim or reduce the amount **we** pay **you** for a claim to the extent **your** noncompliance causes or contributes to a claim. If in doubt at any time, call **us** or **your** intermediary.

The course of action **we** take when **you** fail to follow these requirements will be considered in each circumstance based on what impact or effect **your** failure to comply caused or contributed to the claim or **our** decision to issue **your policy**.

What You Must Not Do After an Accident or Loss

In the **event** of an **accident** that may give rise to a claim, **you** must not:

- + make any admission, offer, promise, payment or indemnity, which would prejudice **our** rights at law, without **our** written consent to the contrary;
- + carry out any repairs or alterations, other than emergency repairs, without **our** written consent.

What We Do

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If **we** do this **we** will do it in **your** name. **We** have full discretion in the conduct of any legal proceedings and in the settlement of any claim. **You** must co-operate by giving **us** any relevant statements, documents or assistance **we** may reasonably require. This may include giving evidence in any legal proceedings. **We** will only request information and assistance that is relevant to the conduct of proceedings and will explain why the information and assistance is required.

We may at **our** option at any time pay to **you**, in respect of a claim the **sum insured**, **market value**, **agreed value** or any other amount which is the limit of **our liability** under the terms and conditions of the **policy**.

Upon such payment **we** shall relinquish conduct or control of and be under no further **liability** under **your policy** in connection with such claim or claims except for costs, charges and expenses in respect of the period prior to the date of such payment covered by **your policy** (whether or not pursuant to an order made subsequently) or incurred by **us** with **our** written consent prior to the date of such payment.

If **we** agree to pay any claim under **your policy**, then regardless of whether or not actual payment has been made, **we** shall immediately be subrogated to any rights contractual or otherwise which **you** may have in connection with that claim.

What Can Affect a Claim

We will reduce the amount of a claim by the **excess** shown in the **policy** or on the **policy schedule**.

We may refuse to pay or reduce a claim if **you** are in breach any of the conditions of this **policy**, including any endorsements noted on or attached to the **policy schedule**. The course of action **we** take when **you** fail to follow a condition will be considered in each circumstance based on what impact or effect **your** failure to comply caused or contributed to the claim or **our** decision to issue **your policy**.

We pay only once for **loss or damage** from the same **event** covered by this **policy** even if it is covered under more than one section of the **policy**.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- + it is in any way fraudulent;
- + or any fraudulent means or devices are used by **you** or anyone acting on **your** behalf to obtain any benefits under this **policy**.

Choosing a Repairer

We can assist **you** in selecting a suitable repairer to repair the **loss or damage** to **your vehicle**. **You** also have the right to choose **your** own repairer. In both instances **we** will work closely with the repairer to strive to achieve the best repair outcome for **you** however **we** may require a second quotation from a repairer chosen by **us**. **We** will then choose (subject to any relevant **policy** limits) to:

- + authorise the repairs at **your** repairer of choice;
- + pay **you** the reasonable cost of repairing **your vehicle**; or
- + move **your vehicle** to a repairer **we** both agree will repair **your vehicle**.

Wherever practicable **we** will accommodate **your** preference if **you** have a repairer of choice but **we** reserve the right to select another repairer and the final decision will be **ours**.

Repair Guarantee

If **your vehicle** is repaired by a repairer suggested by **us**, **we** guarantee the quality of those repairs for as long as **you** own **your vehicle**.

Contribution

If **we** agree to additional repairs, painting or replacement parts that improve the condition of the **vehicle**, **you** may be required to contribute to the amount of the improvement. **We** will not proceed with these repairs until **we** have discussed this with **you** and sought **your** agreement.

However, **you** will not need to pay any contribution towards the cost of replacement parts if the **vehicle** and the parts being replaced are less than two years old.

Total Loss

When **we** settle a claim as a **total loss**:

- + **we** will pay **you** the **market value**, up to the **sum insured** specified on **your policy schedule** for **your vehicle**. If the **market value** exceeds the **sum insured**, **we** will pay **you** the **sum insured** as specified in the **policy schedule**;
- + if **your vehicle** is insured for **agreed value**, **we** pay the **agreed value** after assessing the **total loss**;
- + **we** will deduct any **excess** that applies to **your** claim, any outstanding premiums, and any unused portion of registration fees and compulsory **third party** insurance; and
- + the wreckage becomes **our** property; and
- + any proceeds of any salvage sale become **ours**; and
- + the insurance on the **vehicle** terminates without refund of premium

Where a **total loss** settlement has been made, then cover on **your vehicle** is fully used and therefore comes to an end without refund of premium.

However if **your** claim is for a collision and **we** are satisfied the other driver was completely at fault, **we** will allow this **policy** to continue for a replacement **vehicle**. In that **event**, **you** will be required to pay any extra premium **we** require if there is a change in risk or circumstances or type or value of **vehicle** for the time remaining on **your policy**. In order for **us** to resolve whether **you**, or another person, were at fault, **we** may request additional information – for example witness statements or photographs – and consider any laws, bylaws or rules that may apply to the claim circumstances.

Where this **policy** covers more than one **vehicle** then this clause will only apply to the particular **vehicle** which has been treated as a **total loss**. If **we** declare **your vehicle** a **total loss** and pay **you** the **market value** or replace **your vehicle**, then the **policy** will come to an end for that **vehicle** and **you** will no longer have any cover for it. This means **you** will not be entitled to make any further claim for that **vehicle** under this **policy**.

If **your vehicle** is declared a **total loss** and **we** pay according to the cover provided by this **policy**, **we** will provide **you** the right to purchase the salvage at the value set by **us**. Or **you** must allow **us** to take possession of **your vehicle**. If **we** do not take possession of **your vehicle**, **you** cannot abandon **your** responsibilities for it.

Other Insurance

You must tell **us** of any other insurance which will or may, whether in whole or in part, cover any **loss or damage** or **liability** insured under **your policy**.

How a Claim Payment is Calculated

Preventing Our Rights of Recovery

If **you** have agreed not to seek compensation from any person liable to compensate **you** for **loss, damage** or **liability** covered by **your policy** who would otherwise be liable to compensate **you** with respect to that **loss, damage** or **liability**, **we** will not cover **you** for that **loss, damage** or **liability**.

Salvage

We are entitled to obtain and retain any items or materials salvaged or recovered after **you** make, and **we** agree, to pay a claim by replacing or paying to replace any items or materials. If **we** elect not to take possession of any items or materials salvaged or recovered, **you** cannot abandon **your** responsibilities for them.

We may, at **our** option deduct the value of the salvage from any claim settlement. **We** may sell the items or materials and keep the proceeds or **we** may choose to sell the items or materials to **you**, provided **you** agree to pay the market price.

Excesses Applicable to this Policy

The **excess** is the amount **you** will be required to pay towards a claim for each **vehicle** insured by the **policy**, unless **we** have agreed to waive it.

For each **event**, or series of **events** arising from the one originating cause, **you** will be required to pay in full the amount of the **excess** in respect of each and every **vehicle**.

The **excess** is specified in the **policy schedule**. The amount of the **excess** on each **vehicle** may differ dependent on a number of factors including:

- + **vehicle** type and value;
- + the state where the **vehicle** is garaged;
- + **your** claims experience.

In some circumstances **you** may be required to pay one or more additional **excesses** dependent on the type of **vehicle** and where it is garaged.

Unless otherwise specified in the **policy schedule**, an additional **excess** of \$500 applies if:

- + any hydraulic lifting or tipping mechanism is operating on **your vehicle** or on an attachment to **your vehicle**;
- + any tarpaulins, gates or other load-securing devices are damaged or stolen;
- + **your vehicle** has a convertible roof or open top and **your** claim is for damage to or theft of the roof material or anything inside the **vehicle**. However, this clause does not apply in the **event** of a collision.

Age Excess and Inexperienced Driver Excess

Excesses are cumulative.

Age **excess** and inexperienced driver **excess** amounts, if any, as specified in the **policy schedule** apply (as below) only when **your vehicle** is actually being driven by people allowed to drive it.

The age and inexperienced driver **excesses** do not apply if **your vehicle** is not being driven, or if the claim is for window damage only, fire, theft or storm damage.

- + Age **excess** applies when the driver is under 25 years of age. The **policy schedule** may specify different amounts for certain age groups;
- + Inexperienced driver's **excess** applies if the driver is 25 years of age or older and:
 - has been licensed for less than two years to drive the class of **vehicle** being driven; or
 - is licensed but does not hold a licence issued in Australia or New Zealand.

Age **excesses** or inexperienced driver **excesses** do not apply to a driver holding a valid learner's permit and driving the **vehicle** in accordance with the relevant State or Territory regulations. However the age **excess** or inexperienced driver **excess** will apply to the supervising driver of the **vehicle** as if the supervising driver, had they been the driver of the **vehicle**, would have been subject to the age **excess** or inexperienced driver's **excess**.

Other Additional Excesses

Other additional **excesses** may apply and if they do apply, they will be specified in the **policy schedule**.

Total Excess

The total **excess** that applies to a claim is the **excess** specified in the **policy schedule**, plus any additional **excesses** that apply.

When You Will Not Have to Pay an Excess

This section is applicable only to comprehensive covered **vehicles**.

You will not have to contribute any **excess** towards a claim if:

- + **you** can satisfy **us** that the claim involves a collision with another **vehicle** and **we** are satisfied the collision which gave rise to the claim was totally the fault of the driver of another **vehicle**; and
- + **you** tell **us** the registration number of the other **vehicle** and the full name, detail's and address of the other driver; and
- + the amount of **your** claim exceeds the applicable **excesses** under the **policy**.

We give this benefit only if **we** are allowed legally to recover the amount of any **loss** including any applicable **excesses** from the **third party**.

Where the driver of the other **vehicle** disputes who was at fault, **you** may be required to pay any **excess** which applies but **we** will refund it if **we** are successful in establishing that the other driver was at fault.

In order for **us** to resolve whether **you**, or another person, were at fault, **we** may request additional information – for example witness statements or photographs – and consider any laws, bylaws or rules that may apply to the claim circumstances. If **we** are unable to determine who was at fault, the **excess** is payable.

The following examples are designed to illustrate how a claim payment might typically be calculated. It is assumed that the insured is registered for GST purposes. The examples do not cover all scenarios or all additional benefits and do not form a part of the **policy** terms and conditions. They are a guide only:

Section One – Damage to or Theft of Your Vehicle

Total loss of insured vehicle – market value

Your vehicle is a six (6) year old sedan in poor condition and is insured for Comprehensive cover for **market value**. **Your excess** is \$500 and **you** are registered for GST.

The **market value** of **your vehicle** is \$15,000 which is less than the cost to repair **your vehicle** which has been assessed at \$20,000. **We** decide **your vehicle** is a **total loss**.

We pay **you** \$13,136 (\$15,000 less \$1,364 ITC less \$500 **excess**). **We** retain the **vehicle**.

Total loss of insured vehicle – lease pay-out figure – market value

Your vehicle is sedan, **your excess** is \$500 and **you** are registered for GST. **We** decide **your vehicle** is a **total loss**.

The amount for which **you** are responsible under the lease agreement is \$17,200 which is greater than the **market value** which has been assessed at \$15,000. The amount for which **you** are responsible under the lease agreement is less than 25% greater than **market value**.

We pay the financier \$15,136 (\$17,200 less \$1,564 ITC less \$500 **excess**). **We** retain the **vehicle**.

New vehicle option

Your vehicle was only 8 months old from the commencement date of original registration, was purchased new by **you** and **we** decide it is a **total loss**. **Your excess** is \$1,000 and **you** are registered for GST.

It will cost **us** \$50,000 for a new replacement **vehicle** plus new registration of \$900.

We pay to replace **your vehicle** \$50,900 and **you** pay **us** **your excess** of \$1,000 plus any outstanding premiums, plus any unused portion of registration and compulsory **third-party** insurance from **your vehicle** that was a **total loss**. **We** retain the **vehicle**.

Theft of your insured vehicle

Your vehicle is a six (6) year old work utility with a carry capacity of less than five (5) tonnes in reasonable condition. It is insured for Comprehensive cover for **market value** and **your excess** is \$500. The **market value** is assessed at \$15,500. **Your policy** also provides cover for **personal effects and tools** up to \$2,000 if they are not otherwise insured.

Your vehicle is stolen and recovered damaged ten (10) days later and **we** authorised **your vehicle** to be towed to the repairer. The tow company invoice **us** \$500 and the cost of repairs is \$6,500.

A replacement **vehicle** was hired for fifteen (15) days at a cost \$100 per day (total \$1,500) and **you** also had tools of \$1,500 stolen from **your vehicle**.

You pay **your excess** of \$500 to the repairer and **we** pay \$1,500 to **you** for **your** tools, \$6,000 (\$6,500 less \$500 **excess**) to the repairer, \$500 to the towing company and \$1,500 to the hire company.

Section Two – Legal Liability

Damage to third party property

We or a court decide **you** are liable to pay repair costs of \$10,000 for damage to **third party** property.

We have paid \$2,500 to **our** lawyers to defend the claim on **your** behalf and **your excess** is \$500.

We will pay the **third party** \$10,000 and **our** lawyers \$2,500. **You** must pay **us** **your** \$500 **excess**.





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