



Motor Vehicle Insurance

Product Disclosure Statement and Policy

INTRODUCTION

We Welcome You to the AVEA Insurance Limited Motor Vehicle Insurance Product Disclosure Statement (PDS).

It is important that before You purchase the insurance You take the time to read and understand this PDS in its entirety, as it contains important information as required under the financial service provisions of the Corporations Act 2001.

If You do not understand any part of this PDS, please contact Us and We will be happy to explain any matter for You.

PLEASE TAKE THE TIME TO READ THROUGH THIS BOOKLET CAREFULLY AND RETAIN FOR YOUR RECORDS

This PDS has been prepared as at 15th February, 2012, V80212

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DEFINITIONS

Agreed Value: The amount stated in the current Policy Schedule as the sum proposed for insurance and includes all accessories. This amount cannot exceed the Purchase Price of the Vehicle, including accessories.

Business Use: The Vehicle is used in connection with a business. Excluded uses are detailed in Exclusions on pages 11, 12, 13 & 14.

Endorsement: A condition applied by Us or an alteration request by You. An Endorsement may be sent as a separate document or may be stated on the Policy Schedule or Renewal Certificate.

Financier: The Finance Company or credit institution, stated in the Policy Schedule, that provided the funds for the purchase of a Vehicle and where the Vehicle is regarded as security for the funds provided.

Imported Used Vehicle: Any Vehicle that had previously been registered and driven in another country prior to being imported into Australia.

International Licence: Any licence to drive a Vehicle not issued by a State or Territory of the Commonwealth of Australia.

Legal Liability: The legal responsibility to pay compensation for damage to property, other than Your own, as a result of an accident for which You are at fault.

Market Value: Our assessment of the Market Value of the Vehicle (Using local Market Values and taking into account the make, model, age and condition of the Vehicle) at the time of loss for which a claim is made. Market Value represents the Purchase Price (including GST) which can be negotiated for a Vehicle of the same make, model, age and condition as the Vehicle described in the Policy Schedule. The Purchase Price does not include extended warranty costs, stamp duty or transfer fees. This amount cannot exceed the Purchase Price of the Vehicle, including accessories.

Modifications: Alterations to the Vehicle's standard body, interior, engine, suspension, wheels, tyres or paintwork which may affect the value, safety, performance or appearance of the Vehicle.

Non-Standard Accessory: Any items fitted to the Vehicle which were not fitted to the Vehicle by the Manufacturer or Dealer when the Vehicle was first delivered as a New Vehicle. This includes but is not limited to:

- New Factory LPG
- Bull Bars, Roof Racks, Side Steps, GPS, Bluetooth and Phone Kits.

Period of Insurance: The period commencing on the inception date and ending on the expiry date, as stated on the Policy Schedule.

Policy: The insurance contract. It consists of this PDS, the latest Policy Schedule and any other Endorsements or notices We may give You from time to time.

Policy Schedule: The document which shows Your details, the Vehicle details, the Policy number together with the details of cover, establishment fee, Premium and other Policy details.

Premium: Is the amount You pay for Your Policy excluding any establishment fee.

Private Use: The Vehicle is only Used for social, domestic and pleasure purposes. This includes commuting to and from Your place of employment. Excluded uses are detailed in Exclusions on pages 11, 12, 13 & 14.

Purchase Price: The amount paid for the Vehicle, registration, dealer delivery fees and statutory insurance but excludes all other costs.

Renewal Certificate: The document which shows the renewal offer provided to You and the terms on which the offer is made, including details of cover, Premium and other Policy details. Upon payment of the Premium, this document becomes the current Policy Schedule.

Replacement: The supply of a Vehicle similar to the Vehicle which is the subject of a claim, taking into account its make, model, age and condition at the time of loss or damage.

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

Total Amount Payable: Is Your Premium and any establishment fee shown in Your Policy Schedule.

Total Loss: Where the Vehicle, in Our opinion, is unable to be repaired economically or it has been stolen and not recovered.



Vehicle: The motor Vehicle and any acceptable accessories/Modifications described on the Policy Schedule.

We, Us and Our: The underwriter, AVEA Insurance Limited.

You and Your: The insured person(s) named in the Policy Schedule, or any person who has Your express or implied consent to be in control of the Vehicle. It also includes the Financier if the Vehicle is subject to a finance contract only to the extent of their interest in the Vehicle.

WHAT IS A PRODUCT DISCLOSURE STATEMENT (PDS)?

This PDS is designed to assist You in understanding the product You are considering so You can make an informed choice about whether You should purchase the insurance product.

WHO IS THE INSURER?

AVEA Insurance Limited (AVEA), the underwriter of this insurance product, is an Australian owned insurance company which holds an Insurance Licence issued by Australian Prudential Regulation Authority (APRA), and an Australian Financial Services Licence issued by Australian Securities and Investments Commission (ASIC).

If You need to contact AVEA please do so through any of the options listed in the company details below:

AVEA Insurance Limited

ABN: 18 009 129 793

AFS Licence: 238279

PO Box 226, Nunawading VIC 3131

Telephone: 1800 99 99 77 / (03) 8878 1899

Facsimile: (03) 8878 1880

Web: www.avea.com.au

Email: aveainsurance@avea.com.au

COOLING OFF PERIOD

You have the right to return the Policy to Us within 14 days of the date that it was issued or sold to You ("cooling off period") unless You make a claim under the Policy within the cooling off period.

If You return the Policy during the cooling off period, We will refund the Total Amount Payable. The Policy will be terminated from the date You notify Us of Your request.

To return the Policy, You must notify Us in writing within the cooling off period. You can do this by contacting Us by the methods detailed above.

YOUR PRIVACY

We need to collect, Use and disclose Your personal information in order to consider Your application for an insurance Policy and to provide the cover You have chosen, administer the Policy and assess any claim. You can choose not to provide Us with some of the details or all of Your personal information, but this may affect Our ability to provide the cover or assess the claim.

By providing Your personal information to Us, You acknowledge and consent that We can collect and Use Your personal information for the following purposes:



- to assess Your current and any subsequent application; administer the Policy; calculate or offer discounts; and to investigate, assess and pay any claim made by You or against You; and
- for these purposes, We can collect Your personal information from and/or disclose it on a confidential basis to, the following: Our related entities; Our distributors; other insurers; insurance reference bureaus; law enforcement agencies; investigators; lawyers; advisers and the agents of these.

Where You provide personal information to Us about another person, You must be authorised to provide that information to Us and inform that person (unless doing so would pose a serious threat to the life or health of any individual) who We are, how We Use and disclose their information, and how they can gain access to that information.

You may gain access to the personal information held on record about You and/or a copy of Our Privacy Policy by contacting Us on 1800 99 99 77. The complete Privacy Policy is also available on Our Website www.avea.com.au

YOUR DUTY OF DISCLOSURE

WHAT YOU MUST TELL US:

Before You enter into a contract of insurance with Us for the first time, You must advise Us of anything that You or a reasonable person in the circumstances could be expected to know, which is relevant to Us insuring You and, if so, on what terms. You must advise Us of any information relating to You and anyone likely to drive the Vehicle, when entering into the contract.

When You renew or change Your Policy, Your duty is to tell Us before the renewal or change every matter known to you which You know, or a reasonable person in the circumstances could be expected to know, is relevant to Our decision whether to insure You and whether any special conditions need to apply to Your policy. These include but are not limited to:

- Motor Vehicle accidents, claims, infringements and/or convictions in the last 5 years; and or
- Any criminal convictions or charges in the last 5 years.

You are not required to disclose anything that diminishes the risk to Us as the insurer, that we know or should know based on Our business, or is common knowledge.

The decision to accept Your Application for insurance was based on a number of factors, such as You must tell Us immediately if any of the following details change;

- Drivers of Your Vehicle
- Change of Address
- Date of Birth of Youngest Driver
- Accessories & Modifications
- The Vehicle itself
- Vehicle Use

If You do not notify Us of all information that You are aware of We may refuse to pay a claim, reduce the amount of Your claim, or cancel Your Policy.

WHEN YOU RECEIVE THE POLICY MAKE SURE THE INFORMATION IS CORRECT

Please check the information You have given Us and notify Us of any changes or corrections. This is an important part of Your Duty of Disclosure.

COST OF THE POLICY

A number of factors are taken into account in setting Our Premiums and these include the type of Vehicle, the age and driving experience of people who will drive the Vehicle, the location where the Vehicle is garaged and the usage of the Vehicle. All of these factors impact on the amount of Premium charged for the Policy.



If You decide to buy Motor Vehicle Insurance from Us, the price will include any compulsory Government charges including Stamp Duty, GST and Fire Service levy, if applicable, as well as any establishment fee.

Also included in the Premium amount is the commission payable to the Authorised Representative who provided the Policy to You (and associated Marketing Agencies). The amount of commission varies between Authorised Representatives, however, the specific details applicable to the purchase are defined in the Financial Services Guide (FSG) that is issued to You by the Authorised Representative.

This commission amount is calculated on the total Premium payable, less any Government or Statutory charges. These charges will be included in the amount payable which is shown on the Policy Schedule and We will refer to this whole amount as the "Premium".

Before We can give You any insurance cover, the Premium for the Policy plus any establishment fee must be paid either by You or by including them in the finance contract and the Financier making the payment to Us. You can choose to pay the Premium either annually or monthly.

PAY BY THE MONTH

You can pay Your Premium by instalments to help spread Your payment over the period of Your insurance cover.

An administration charge will apply to use this facility. If You do choose to pay Your Premium by instalments, Your Premium will be more than if You choose to pay by a single annual payment.

If You are paying by instalments and an instalment is 14 days or more overdue, We may refuse a claim. We may cancel this Policy if the instalment is one month or more overdue. If We cancel Your Policy where an instalment is unpaid, Your Policy will end on the due date of the first unpaid instalment payment.

Where you choose to pay Your Premium by instalments, the first instalment will also include any establishment fee payable.

OTHER COSTS, FEES AND CHARGES

There are other costs, fees and charges that You may have to contribute under Your Policy and these may include the following:

EXCESS

Your excess is the amount that You may be required to pay when You make a claim. Please refer to pages 16, 17 & 18 of this PDS for further details.

CONTRIBUTION / DEPRECIATION

You may be asked to contribute to the cost of repairing tyres, engines, bodywork, paintwork, accessories, batteries, radiators or interior trims if they are affected by wear and tear or rust and corrosion, which are noted exclusions to the Policy. See pages 11, 12, 13 & 14 for further information on Exclusions. How much You will pay depends on how much those items were worn at the time the damage happened.

CANCELLATION FEE

See 'Cancellation by Us' on page 16 of this PDS.



DISCOUNTS THAT MAY APPLY

When You ask for a Premium quotation the cost of the insurance may include a discount on Your Premium. The discounts that We have available include:

NO CLAIM BONUS DISCOUNT

This discount is designed to reward You for Your good driving history. The discount that We offer is dependent on the number of years You have been licensed without having an at fault claim.

The application of this discount for subsequent periods of insurance may be affected by any claims lodged on Your Policy, including for not at fault accidents where You cannot supply the other drivers details, unless the No Claim Bonus Protection cover option is selected (see page 10 for further detail).

CHOOSING THE TYPE OF COVER

You may need to choose a cover option that suits Your needs. There are three types of cover available:

COMPREHENSIVE COVER (COMP)

If You select this option, this PDS applies in its entirety.

FIRE, THEFT AND THIRD PARTY PROPERTY DAMAGE (FT&TPPD)

If You select this option, the cover provided for in *Loss or Damage to Your Vehicle* is limited to loss or damage to Your Vehicle by fire and theft only.

In the event of a Total Loss due to fire or theft, We will pay You the stated sum insured or the current Market Value, whichever is the lesser.

All other covers detailed in this PDS apply to this option.

THIRD PARTY PROPERTY DAMAGE (TPPD)

If You select this option, the cover provided for in *Loss or Damage to Your Vehicle* does not apply.

All other covers detailed in this PDS apply to this option.

The features and benefits of each of these types of cover are summarised in the table on the following page.

If You choose to purchase this insurance, the cover You select will be shown on Your Policy Schedule.

SUMMARY OF COVERS

The table below summarises the key features and benefits of each type of cover.

This table is a guide only. The detail of the insurance covers, terms, conditions and exclusions are shown in pages 4 to 18 of this PDS.

Key Features & Benefits	Summary of the Features & Benefits	Comp	FT & TPPD	TPPD
Accidental or Malicious Damage	We will pay up to the Agreed Value or current Market Value to repair, reinstate or replace Your Vehicle.	✓	×	×
Agreed Value or Market Value	This is the amount that We agree to insure Your Vehicle for as stated on the Policy Schedule.	✓	✓	×
Emergency Repairs	We will pay up to \$300 for emergency repairs to Your Vehicle following damage to enable You to reach Your destination or place of safety	✓	×	×
Emergency Travel or Accommodation	We will pay up to \$300 for emergency travel or accommodation following damage to Your Vehicle.	✓	×	×
Faultless Basic Excess	You may not have to pay the Basic Excess on a claim if You Were not at fault and You can supply the details of the person at fault. Until such time as the third party admits fault or We agree You were not at fault, You will be required to pay the basic excess.	✓	×	×
Fire / Theft	We will pay up to the Agreed Value or current Market Value to repair, reinstate or replace Your Vehicle.	✓	✓	×
Hire Car following Theft	If Your Vehicle is stolen We will pay the reasonable cost of hiring a similar Vehicle up to \$500.	✓	✓	×
Legal Liability	We will pay up to \$20 million for damage to other people's property caused by Your Vehicle if the driver of Your Vehicle is at fault.	✓	✓	✓
No Claim Bonus Protection (optional)	If You are entitled to a maximum No Claim Bonus You can elect to protect this by the payment of an additional Premium.	✓	×	×
Personal Property	Cover up to \$300 for loss or accidental damage to Personal Property contained in Your Vehicle. Some exclusions apply. See page 7 for excluded items.	✓	×	×

Replacement Vehicle	If the Vehicle becomes a Total Loss within 24 months of original registration then We may replace it with a new Vehicle or, at Our option, pay the sum insured shown in the Policy Schedule.	✓	×	×
Storm / Hail / Flood	We will pay up to the Agreed Value or current Market Value to repair, reinstate or replace Your Vehicle.	✓	×	×
Towing	We will pay the reasonable cost of towing (to remove) Your Vehicle to the nearest place of safety. Up to a maximum of \$400.	✓	✓	×
Trailer	Cover up to \$1,000 for loss or damage to Your trailer or caravan whilst attached to Your Vehicle.	✓	×	×
Windscreen Cover (optional)	By selecting this option You will receive Replacement of one (1) front windscreen claim, free of excess, occurring in any one (1) period of insurance, limited to \$400 in total.	✓	×	×

LOSS OR DAMAGE TO YOUR VEHICLE

COVER PROVIDED

Subject to the terms, conditions and exclusions detailed in this PDS, if Your Vehicle is:

DAMAGED OR STOLEN

We will, at Our own option:

- repair, reinstate or replace; or
- pay You the cost of repairing Your Vehicle; or
- indemnify You up to the Agreed Value as stated on Your Policy Schedule; or
- indemnify You up to the Market Value of Your Vehicle where this is the type of Policy shown on Your current Policy Schedule. This amount cannot exceed the Purchase Price of the Vehicle, including accessories.

In the event that a Total Loss claim settlement is made, cover under this Policy will terminate and Premium will not be refunded.

In the event that You have elected to Pay by the Month, all unpaid instalments will be deducted from the Total Loss claim Settlement.

ADDITIONAL BENEFITS

EMERGENCY TRAVEL/ ACCOMMODATION

We will pay up to \$300 for emergency travel and/or overnight accommodation in the event of the Vehicle not being restored to a roadworthy and safe condition by Essential Repairs following an accident or theft.

ESSENTIAL REPAIRS

If Your Vehicle suffers damage as a result of an accident or by theft, We will pay up to a maximum of \$300 for the cost of essential repairs to restore it to a roadworthy and safe condition in order that it may be driven on to the intended destination or to Your place of residence or employment.



HIRE CAR FOLLOWING THEFT

If Your current Vehicle is stolen We will pay the reasonable cost of hiring a similar type of Vehicle (excluding running costs, insurance or other costs that You may be liable for under the hire car or rental agreement) until the Vehicle has been found and repaired or We have replaced or indemnified You to the value of the cost of Replacement. This benefit is limited to \$500.

IDENTITY THEFT

WHAT IS IDENTITY THEFT?

Identity theft is a type of fraud which involves stealing money or gaining other benefits by pretending to be someone else. Having Your identity stolen can be both financially and emotionally devastating.

Identity theft can occur in many ways, from someone using Your credit card details illegally to make purchases, to having Your entire identity assumed by another person to open bank accounts, take out loans, and conducting illegal business under Your name.

WHEN ARE YOU AN IDENTITY THEFT VICTIM?

- When there are entries in Your personal credit file held by any credit bureau that You have not instigated or authorised.
- When Your credit card details or other personal details have been used by a third party to obtain goods or services, or cash without Your knowledge or Your authority.
- When Your personal details and personal credit information held by a credit bureau have been accessed without Your knowledge or Your authority

WHAT COVER IS PROVIDED UNDER THIS IDENTITY THEFT ADDITIONAL BENEFIT?

AVEA in conjunction with IDENTITHEFT (Aust) Pty Ltd (ACN 155 671 211) provides the following additional benefit under this policy:

- 1 If You are the victim of an identity theft which affects Your credit status, AVEA will notify all major credit bureaux on Your behalf that there are inaccurate entries on Your personal credit file.
- 2 AVEA will indemnify You for any amount that You remain personally liable for to Your bank or credit card provider for any credit card fraud where Your personal details have been stolen and used to obtain credit.
- 3 AVEA will (if requested by You) notify any third parties such as utility providers, merchants, and financial institutions that You may have been the victim of an identity theft and that there may be errors or disputed entries on Your account with those entities
- 4 This additional benefit applies for 12 months after the commencement of this policy. Any claim under this identity theft additional benefit must be received by AVEA within 15 months from the commencement of this policy.

HOW DO I CLAIM UNDER THIS IDENTITY THEFT ADDITIONAL BENEFIT

- 1 You must have made a complaint to the police about the identity theft
- 2 You must complete an identity theft claim form (available from AVEA's website www.avea.com.au) which includes a limited power of attorney authorising AVEA to act on Your behalf
- 3 The claim form and a copy of the police incident report should be sent by mail, fax or email to AVEA

MAXIMUM AMOUNT PAYABLE UNDER THIS IDENTITY THEFT ADDITIONAL BENEFIT: \$ 1000 (IRRESPECTIVE OF THE NUMBER OF POLICIES YOU HAVE WITH US).

The Identity Theft Benefit applies on policy inception and may be purchased as an option for an additional fee upon policy renewal.



NO CLAIM BONUS PROTECTION (OPTIONAL)

If You are entitled to a maximum No Claim Bonus of 60%, and if You have selected this cover and it is stated on the Policy Schedule, You will maintain Your maximum No Claim Bonus in the event You have one at fault claim during any one Period Of Insurance.

PERSONAL PROPERTY

We will pay up to \$300 for loss from the Vehicle or accidental damage while contained in the Vehicle, to personal property (excluding cash, cheque, credit cards or negotiable securities, all tools of the trade, business equipment and mobile electronic devices such as mobile phones and hand held GPS) belonging to You or Your direct family, supported by proof of ownership.

REPLACEMENT OF A NEW VEHICLE

If within 24 months of original registration the Vehicle becomes a Total Loss, We may, at Our option:

Replace it with a new Vehicle of the same make, model and series, subject to availability;

OR

Pay the sum insured shown on the Policy Schedule.

The following conditions apply to this benefit:

- The Replacement Vehicle must be locally available within 3 months of Your Vehicle being declared a Total Loss;
- If Your Vehicle is under finance You must supply Your Financier's written consent to have the Vehicle replaced under the current contract;
- If the Replacement Vehicle is not available, We will, at Our option, pay the sum insured as stated in the Policy Schedule or Renewal Certificate;
- The Vehicle must have been comprehensively insured with Us by You from the date of original registration.

If We replace Your Vehicle We will pay the Stamp Duty on the Replacement Vehicle.

TOWING COSTS:

If Your Vehicle suffers damage as a result of an accident or by theft, We will pay the reasonable cost of its removal (excluding storage costs) to the nearest repairer or place of safety or the reasonable cost associated with the return of the Vehicle to You after it has been recovered following a theft up to a maximum of \$400.

TRAILER COVER

We will pay up to \$1000 if Your trailer or caravan suffers accidental damage and/or theft while it is attached to Your Vehicle. The contents and fixtures of Your trailer are not covered under the Policy.

TRANSFER VEHICLE COVER

If You sell the Vehicle and replace it with another Vehicle of similar type, We will extend cover to You as provided by Your Policy, limited to the Purchase Price and provided You advise Us of the new Vehicle details within 14 days and pay to Us any additional Premium which We may require.

TRANSIT COVER

We will pay for loss of or damage to Your Vehicle while it is being transported by road, rail, ship or air between any places in Australia, or being loaded or unloaded. We will also pay Your contribution for general average and shipping charges where maritime conditions apply.



WINDSCREEN COVER (OPTIONAL)

If You select this cover it will be shown on the Policy Schedule. We will pay for one (1) front windscreen claim, free of excess, occurring in any one (1) Period of Insurance, limited to \$400 in total.

THIRD PARTY LEGAL LIABILITY

COVER PROVIDED

Subject to the terms, conditions and exclusions detailed in this PDS, We will cover Your Legal Liability for accidental damage to someone else's property as a result of the Use of Your Vehicle, limited, however, to a maximum of \$20,000,000 total for all claims arising out of any one event.

ADDITIONAL BENEFITS

EMPLOYER

We will cover Your employer if Your Vehicle is used by You on behalf of Your employer, principal or partner, providing that they are not entitled to indemnity under any other Policy of Insurance and the purpose for which You are using the Vehicle is not listed in Exclusions on Page 11, 12, 13 &14.

LAW COSTS

We will pay the costs of defending any legal proceedings commenced against You as a result of events covered, provided the costs have been incurred with Our written consent.

SUBSTITUTE VEHICLE

We will cover You if You are using a Vehicle other than Your insured Vehicle provided Your Vehicle cannot be used because it is undergoing repair or service. We will not pay if the Vehicle is subject to hire agreement or any damage to the substitute Vehicle itself.

TRAILER COVER

We will cover You for accidental damage to someone else's property through or in connection with a trailer or caravan while attached to Your Vehicle or in conjunction with goods falling from Your Vehicle, trailer or caravan.

EXCLUSIONS

These exclusions apply to all options of cover provided and detailed in this PDS.

BEING USED FOR HIRE

We will not pay if Your Vehicle is let on hire or is being used for carrying passengers for hire or reward. This includes taxis and rental cars. This does not apply to private pooling arrangements.

COURIER VEHICLES

We will not pay if the Vehicle is used as a courier or delivery Vehicle, including fast food delivery.

DRIVING UNDER THE INFLUENCE OF DRUGS/ALCOHOL OR REFUSING A TEST

We will not pay for loss, damage or Legal Liability caused or incurred while You are:

- A. driving under the influence of alcohol or drugs of any kind; or
 - B. in connection with the relevant accident, subsequently convicted of or issued with an infringement notice for;
 - (i) Driving under the influence of alcohol and/or drugs;
- OR**



(ii) driving whilst the percentage of alcohol in Your blood exceeds that permitted by the law of any State or Territory;

OR

(iii) Refusing to provide or allow the taking of a sample of breath, blood or urine for preliminary testing or for analysis as required by the law of any State or Territory for the purpose of ascertaining the percentage of alcohol and/or drugs in Your blood.

However, in the case of someone other than You driving or being in charge of Your Vehicle, Your cover under this Policy will not be prejudiced if You prove that You did not know that he/she was affected in the manner described in sub-paragraphs (i) or (ii) (iii) of this exclusion. If We agree to pay Your claim for Your Vehicle, the driver will have no liability cover and We will seek recovery from the driver.

DUE CARE

You must at all times take reasonable steps to:

- A. ensure the safety and protection of the Vehicle; and
- B. secure and lock Your Vehicle whenever it is unoccupied.

We will not pay if damage, loss or Legal Liability occurs when You leave Your Vehicle unattended and unlocked in a public place.

We will not pay any claim where Your Vehicle is stolen and/or damaged as a result of Your keys being in or on the Vehicle at the time of the loss. This includes leaving the keys in or on Your Vehicle when parked on private property.

FOR SALE

We will not pay if the Vehicle is in the possession of a licensed motor vehicle dealer holding or using Your Vehicle in order to sell it.

FRAUD

We will not pay for loss or damage intentionally caused by You or a person acting with Your express or implied consent.

ILLEGAL PURPOSE

We will not pay if Your Vehicle is used for unlawful purposes by You or by any person with Your express or implied consent.

LEAVING THE SCENE OF AN ACCIDENT

We will not pay if the driver of Your Vehicle leaves the scene of an accident before giving their details to the other driver involved in the accident, or reporting to the Police within 12 hours of the accident.

In the case of a single Vehicle incident You must obtain a police report number within 12 hours, unless You are under medical supervision and unable to report the incident. In this case You must report the incident as soon as the medical supervisor permits.

MODIFICATION

We will not pay if Your Vehicle has been modified from manufacturer's specifications without Our written consent. There is no insurance cover for any modification, including Non-standard accessories, unless shown on the Policy Schedule.



NUCLEAR WASTE/MATERIAL

We will not pay if the loss or damage is caused by the use, existence or escape of any nuclear fuel, nuclear material or waste.

OVERLOADED VEHICLE/HAZARDOUS GOODS

We will not pay if Your Vehicle, trailer or caravan is loaded above the legal limits or in an illegal way or is being used to carry hazardous or inflammable goods in quantities above that used for normal domestic purposes.

SEIZURE OF VEHICLE

We will not pay if loss or damage is caused to Your Vehicle as a result of legal seizure.

TERRORISM

We will not pay for loss or damage directly or indirectly caused by any act of terrorism, which is the threat or use of force by any person or group of people which is done for political, religious, ideological or similar purposes to influence any government and/or put any section of the public in fear.

TERRITORY LIMITS

We will not pay for loss, damage or Legal Liability caused or incurred outside Australia except where Your Vehicle is in transit by sea or air between places within Australia.

TESTS AND EVENTS

We will not pay if Your Vehicle is being used in or tested in preparation for racing, pace making, reliability or similar trials, rally, speed, hill climbing or similar tests, experiments or demonstrations in connection with the motor trade.

UNLICENSED DRIVERS

We will not pay if damage, loss or Legal Liability is caused while Your Vehicle is being driven (with Your consent) by any person who is not licensed to drive, unless such person holds a Learners Permit and is accompanied by an appropriately qualified supervisor.

UNREGISTERED VEHICLES

We will not pay a claim if the Vehicle was unregistered at the time of an accident.

UNROADWORTHY CONDITION

We will not pay if the Vehicle was being used in an unroadworthy or unsafe condition and You knew or ought reasonably to have known of such condition.

UNTRUTHFUL STATEMENTS

We will not pay if statements made in connection with a claim are not truthful.

WAR

We will not pay if the loss or damage is caused by war, foreign hostilities, civil war, rebellion, revolution, insurrection, military or usurped power, riots, labour disturbances or looting, sacking and/or pillage.

SPECIFIC EXCLUSIONS TO COVER

These exclusions are specific to Loss or Damage to Your Vehicle cover;

LOSS OF USE

We will not pay for loss suffered because You cannot use Your Vehicle, or hire or rental car charges incurred as a result of accidental damage.



MAXIMUM PAYMENT

We will not pay more than the sum insured stated in the current Policy Schedule.

OLD DAMAGE

We will not pay for the costs of repairs to old (pre-existing) damage or repairing faulty workmanship or incomplete repairs which were carried out prior to a loss or accident resulting in a claim under the Policy.

REPLACEMENT PARTS

If any part or accessory necessary for repair of Your Vehicle is not available in Australia, the most We will pay in relation to any such part will be the lesser of:

- the manufacturer's most recent Australian price list; or
- the list price of the closest equivalent part available in Australia; or
- The actual cost of having a new part made in Australia.

SAFEGUARD OF VEHICLE

We will not pay for loss or further damage to Your Vehicle, following a loss or accident, unless all reasonable steps were taken to protect Your Vehicle.

STORAGE COSTS

We will not pay for any Storage Costs associated with Your Vehicle, unless approved by Us.

TYRES

We will not pay for damage to tyres or wheel rims caused by braking, road puncture, cuts or bursting.

WEAR, TEAR AND BREAKDOWN

We will not pay for depreciation, wear and tear, rust or corrosion, structural, mechanical or electrical breakdown or failure. In the event that structural, mechanical or electrical breakdown results in an accident or loss, We will not pay for the cost of repairs to the components that failed and caused the accident or loss.

If you were aware of the potential failure that subsequently caused the accident or loss You will not be covered by this Policy for any loss in its entirety.

UNAUTHORISED REPAIRS

We will not pay for repairs to Your Vehicle authorised by You without Our consent. In such an event You may be liable for any additional costs over and above the cost that We would have incurred in the repair of Your Vehicle.

These exclusions are specific to Third Party Legal Liability cover;

ADMITTING LIABILITY

We will not pay for any undertaking, admission or agreement as to liability made by You or on Your behalf without Our written authority.

PROPERTY IN TRUST

We will not pay for damage to property belonging to or in the custody of You or any person entitled to cover as described under *Third Party Legal Liability*, or belonging to any person who ordinarily resides with You or with whom You ordinarily reside.

PUNITIVE DAMAGES

We will not pay for penalties, fines, punitive, exemplary or aggravated damages.

HOW TO MAKE A CLAIM

As soon as possible after an incident occurs, please refer to the following procedures if You are intending to make a claim under Your Policy;

- Take all reasonable steps to prevent or minimise further loss, damage or liability;
- Notify Us and the Police immediately if Your Vehicle is stolen or maliciously or intentionally damaged;
- Complete and submit a claim form for Our consideration within 30 days of the incident, with full particulars of the incident including details of any party who may be responsible. Claim forms can be obtained by calling 1800 99 99 77 or visiting www.avea.com.au. **Please note:** Should You not lodge Your claim within 30 days and this diminishes Our opportunity to accurately assess or investigate Your claim or leads in any way to us incurring additional costs, we will reduce Your claim by that amount.
- Provide Us with all additional information and help which We may reasonably require to process Your claim, for example obtaining Your driving history, criminal history or Police Report when requested;
- Assist Us to recover in Your name any amount paid by Us to You from the person who caused You to suffer the loss or damage;
- Provide Us with an opportunity to inspect any loss or damage before You have repairs carried out;
- Assist with any investigation of the circumstances of any claim;
- Not admit, deny or negotiate any claim with any person without Our prior consent or approval; and
- Pay the excess(es) applicable to whom, when and how, as We advise You.

GST

We will reduce any payment by the amount equal to Your input tax credit entitlement. This applies to any amount We pay, including where We advise that an amount will include GST.

Any payment We make in settlement of Your claim will be considered to have been made in full even when the amount is reduced as stated above.

WHAT YOU MUST PAY IN THE EVENT OF A CLAIM

You must pay the full annual Premium (this includes any remaining instalments that are payable in the current Period of Insurance) before We make any payments in relation to a claim on this Policy.

In the event of a Total Loss We will deduct all unpaid instalments (if any) from the remaining Period of Insurance from the amount We pay You.

REFUND OF REGISTRATION

We will be entitled to deduct the amount of any refund You receive from the registration and Compulsory Third Party (CTP) Insurance if applicable from Your settlement.

REPAIRER

We will only cover repairs authorised to a licensed Repairer and We have the right to nominate the repairer to be used.

SALVAGE

In the event of a Total Loss and We have agreed to pay the market or Agreed Value for Your Vehicle the:

- Salvage of Your Vehicle will become Our property and
- We will keep the proceeds of any salvage sale.

SUBROGATION RIGHTS

We will be entitled to take over and conduct in Your name and the name of any other person, the defence or settlement of any claim. We will also be entitled to prosecute to the extent of the law for Our own benefit and in Your name, a claim for any indemnity or damages. We shall further have full discretion in the conduct of these proceedings or in the settlement of any claim.

CANCELLATION

CANCELLATION BY YOU

If You wish to cancel the Policy, You can do so at any time by providing Us with notice in writing.

We will deduct from the Premium You paid an amount that covers;

- i.) The Period You have been insured for, and
- ii.) A cancellation fee of 15% of the Premium.

We will not charge a cancellation fee if You cancel the Policy during the cooling off period or if We cancel the Policy for any reason during that period.

If Your Vehicle is the subject of a finance agreement, the written approval of the lender must be obtained prior to consideration of a request to cancel this Policy.

CANCELLATION BY US

We may cancel this Policy if You:

- Made a misrepresentation to Us before entering into this Policy;
- Fail to comply with the duty of disclosure or the duty of utmost good faith;
- Fail to comply with a provision of the Policy;
- Make a fraudulent claim under this or any other insurance Policy;
- If You are paying Your Premium by monthly instalments and an instalment remains unpaid for a period of one month past its due date.

If We cancel Your Policy, We will give written notice to You personally or by post to Your last known address. Such notice will be effective from 4pm on the seventh day after the day it is given to You, unless it specifies a later date. You may be entitled to a refund for the remaining period of cover, which is calculated as stated in cancellation by you.

Where the Premium has been financed, You authorise Us to pay any refund direct to the Financier unless the Financier otherwise authorises the refund to be paid direct to You.

EXCESS

The excess is what You must pay in the event of a claim.

There are four types of excesses:

- i) Basic excess;
- ii) Age or Inexperienced Driver excess;
- iii) Imposed excess; and
- iv) International Licence Holder excess.



The excess You pay is the total of these excesses added together.

In the event of a claim which We determine is not Your fault, and You can identify the at fault party, You will not be required to pay the basic excess.

All other excesses will still apply. In the event We recover any monies from the at fault party, We will pay You all monies received by Us up to a maximum of the excesses You paid.

BASIC EXCESS

The basic excess is as follows:

A. The amount applicable to the state where the Vehicle is garaged:

NSW	\$600	QLD	\$500	VIC	\$600
ACT	\$600	SA	\$400	WA	\$400
NT	\$400	TAS	\$400		

OR

B. If the Vehicle is driven by a person under 30 years of age at the time of the accident giving rise to a claim, and that driver is not declared or nominated on the proposed form, then the Basic Excess will be \$1500;

OR

C. As advised in writing to You.

AGE OR INEXPERIENCED DRIVER EXCESS

The age or inexperienced driver excess is based on the age or experience of the driver of Your Vehicle at the time of an accident, whether it is being driven or in their care, custody or control.

Any Driver licenced less than two years	\$900 OR
Drivers under 21 years of age	\$900
Drivers 21-24 years of age	\$600
Drivers 25-29 years of age	\$350

IMPOSED EXCESS

An imposed excess may be applied based on the type of Vehicle and its Modifications and accessories, and/or the driving record and accident or insurance history of those who drive the Vehicle.

The imposed excess is payable on every claim accepted by Us, including where a faultless excess is applied.

You will be advised in writing if an imposed excess is to apply.

INTERNATIONAL LICENCE HOLDER EXCESS

If the driver of Your Vehicle at the time of an accident is authorised to drive by way of a Driver's Licence not issued by a State or Territory of Australia an excess of \$1000 applies.

WHEN SOME EXCESSES WILL NOT APPLY

There are a number of circumstances where You will not have to pay various excesses, these being:

A. Faultless excess (only applies to the Basic excess)

This Policy has a Faultless Excess clause, which means that You may not have to pay the Basic Excess, on a claim if You were not at fault and You can supply the details of the person at fault.



We will apply the Faultless Excess clause towards a claim provided:

- i) We are satisfied that the accident which gave rise to the claim was caused solely by the negligence of the driver of the other Vehicle, or they admit liability to Us;

AND

- ii) You can supply the name and address of that driver as well as the registration number of the Vehicle;

AND

- iii) The amount of the claim exceeds Your excess and is not a claim for windscreen damage.

We will make a determination of negligence after We obtain the relevant facts. Our determination will be binding upon You for the purposes of this benefit.

B. Windscreen claims

If You select this cover it will be shown on the Policy Schedule. We will pay for one (1) front windscreen claim, free of excess, occurring in any one (1) period of insurance, limited to \$400 in total.

DISPUTE RESOLUTION

We have an internal procedure for dispute resolution so that if at any time Our products or services have not satisfied Your expectations You can contact Us. If You have a complaint, please give Us every opportunity to try to resolve Your complaint.

Step 1 Contact the Operations Manager

If You are not satisfied with Our initial response Your complaint will be referred for review by the Operations Manager who would respond to You within fifteen business days.

Step 2 Contact Our Compliance Manager

If the complaint is still not resolved to Your satisfaction, You can ask the Compliance Manager to refer Your dispute to Our Internal Dispute Resolution (IDR) Committee for review. The IDR Committee members are independent and have the authority to review the decision. The IDR Committee will inform You of the final decision within fifteen business days.

If Your concern still remains unresolved to Your satisfaction, You can seek an external review of the decision by contacting the Financial Ombudsman Service (FOS) within two years of Us informing You of Our final decision.

You can contact the FOS:

- by phone on 1300 780 808
- by writing to GPO Box 3, Melbourne VIC 3001
- by Fax on (03) 9613 6399
- by Email at info@fos.org.au
- by logging on to the Web at www.fos.org.au

FOS is without cost to You and the decision of the FOS is binding on Us.

CODE OF PRACTICE

The Insurance Council of Australia (ICA) has developed a voluntary General Insurance Code of Practice to which We are a signatory. This Code aims to raise the standards of practice and service within the general insurance industry and it includes, but is not limited to, the following:



- We will only ask for, and take into account, relevant information when selling insurance;
- Our representatives will act in an honest, fair, efficient and transparent manner;
- We will respond to routine requests for information within 10 business days; and
- We will keep You informed of the progress of Your claim.

To obtain a copy of the code visit www.codeofpractice.com.au or call (02) 9253 5100.

MOTOR VEHICLE POLICY

This PDS, together with Your current Policy Schedule and any other endorsements or notices We may give You, set out the terms and conditions of the insurance cover and form the basis of the contract of insurance (Motor Vehicle Policy) with You.

Upon payment of the establishment fee and Premium applicable to the cover level selected by You, the cover provided by the Motor Vehicle Policy will be activated from the date of issue shown on the Policy Schedule.