



QBE Insurance (Australia) Limited

# Heavy Motor Vehicle Insurance

Product disclosure statement and policy wording



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## PART A - PRODUCT DISCLOSURE STATEMENT (PDS)

### Introduction

This booklet is a Product Disclosure Statement (PDS) and is also the Policy Wording. Other documents may comprise the PDS and we will tell you if this is the case in the relevant document.

This booklet has important information to help you understand the insurance and the Policy Wording, which sets out terms and condition of the cover provided. It is up to you to choose the cover you need. Any advice in this booklet is general in nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it is right for you.

We may update the information contained in this PDS when necessary. A paper copy of any updated information is available to you at no cost by calling us. We will issue you with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain or renew this insurance.

Please take the time to read through this booklet and if you have any questions or need more information, please contact your financial services provider.

### WHAT MAKES UP THE POLICY

The Policy is made up of:

- this PDS and
- Policy Wording booklet;
- the Policy application and declarations made to us at the time you take out, vary, extend, renew or reinstate the Policy
- the Policy Schedule we issue to you; and
- any endorsement attached to and forming part of your Policy with us.

It is important that you read all Policy documents including the Policy Wording and satisfy yourself that the insurance meets your needs.

### FEATURES OF THIS POLICY

This Policy provides cover for loss or damage to your vehicle caused by or arising from an event and certain related additional benefits (see Section 1 of the Policy) and cover for your liability to third parties resulting from an event caused by, or arising out of the use of your vehicle and certain related additional benefits (see Section 2 of the Policy). Additional benefits applicable to all sections, such as the automatic addition of newly acquired vehicles, are set out in Section 3 of the Policy.

### HOW MUCH WE INSURE YOU FOR

The sum insured for your vehicle under Section 1 will be shown in the Policy Schedule and calculated in accordance with Section 4 subject to the following provisions:

If the sum insured you select for your vehicle is, at the time of any loss or damage, less than 80% of your vehicle's market value, then the settlement you receive under Section 1 – Loss or damage to your vehicle, will be limited to the proportion that your vehicle's sum insured bears to 80% of its market value.

### Example

Sum insured: \$200,000 Market value: \$300,000

80% of market value: \$240,000

Claim amount: \$50,000

**\$200,000 (sum insured)**

\$240,000 (80% of market value) x \$50,000 (Claim)

= \$41,667 (claim settlement)

Any excess(es) shown in the Policy Schedule shall be applied to the claim after the calculation of the Under Insurance Provision.

You will be responsible for the portion of the claim that we do not pay in addition to the excess that applies.

Where your vehicle is a total loss or a constructive total loss we will pay your vehicle's sum insured or market value, whichever is the lesser.

The amount of cover for third party liability is set out in Section 4 and in the Policy Schedule.

### POLICY EXCESS

You will have to contribute a sum of money which is called an excess to the amount of any claim under this Policy. The applicable excess is shown in the Policy Schedule. Additional excesses are specified in Section 6 of the Policy.

### EXCLUSIONS

The Policy will not provide insurance cover in certain circumstances. Section 5 of the Policy contains the exclusions applicable to this Policy.

### CONDITIONS

There are things that you must do. If you do not do them, we may be able to reduce or avoid our liability under the Policy. These conditions are set out in Section 6 of the Policy. For example, you must notify us in writing with full details as soon as possible after any event which may become the subject of a claim under this Policy.

### GENERAL TERMS

There are some general terms that apply to all of the insuring clauses. These are set out in Section 7 of the Policy Wording. An example of a general term is your right of Policy cancellation.

### HOW MUCH WILL THE POLICY COST

The amount you have to pay for the Policy is made up of the base premium and government taxes and charges. The base premium will vary depending on a number of factors which includes the type and usage of the vehicle, the location of the vehicle, the age, skills and experience of the **Driver** and your claims history.

### COOLING OFF PERIOD

If **you** are not completely satisfied with the Policy **you** may cancel it by notifying us in writing within 21 days of cover commencing. You will receive a refund of the amount you have paid unless something has occurred which may result in a claim being payable under the Policy.

## THE GENERAL INSURANCE CODE OF PRACTICE

QBE Australia is a signatory to the General Insurance Code of Practice.

The Code aims to:

- Commit us to high standards of service
- Promote better, more informed relations between us and you
- Maintain and promote trust and confidence in the general insurance industry
- Provide fair and effective mechanisms for the resolution of complaints and disputes between us and you
- Promote continuous improvement of the general insurance industry through education and training.

## RESOLVING COMPLAINTS & DISPUTES

At QBE we're committed to providing you with quality products and delivering the highest level of service.

We also do everything we can to safeguard your privacy and the confidentiality of your personal information.

### Something not right?

We know sometimes there might be something you're not totally happy about, whether it be about our staff, representatives, products, services or how we've handled your personal information.

### Step 1 – Talk to us

If there's something you'd like to talk to us about, or if you'd like to make a complaint, speak to one of our staff. When you make your complaint please provide as much information as possible. They're ready to help resolve your issue.

You can also contact our Customer Care Unit directly to make your complaint. Our aim is to resolve all complaints within 15 business days.

### Step 2 – Escalate your complaint

If we haven't responded to your complaint within 15 days, or if you're not happy with how we've tried to resolve it, you can ask for your complaint to be escalated for an Internal Dispute Resolution (IDR) review by a Dispute Resolution Specialist.

The Dispute Resolution Specialist will provide QBE's final decision within 15 business days of your complaint being escalated, unless they've requested and you've agreed to give us more time.

### Step 3 – Still not resolved?

If you're not happy with the final decision, or if we've taken more than 45 days to respond to you from the date you first made your complaint, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an ASIC approved external dispute resolution body.

AFCA resolves insurance disputes between consumers and insurers, at no cost to you. QBE is bound by AFCA decisions - but you're not. You can contact AFCA directly and they'll advise you if your dispute falls within their Rules.

#### *Disputes not covered by the AFCA Rules*

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

#### *Privacy complaints*

If you're not satisfied with our final decision and it relates to your privacy or how we've handled your personal information, you can contact the Office of the Australian Information Commissioner (OAIC).

## CONTACTING QBE'S CCU, AFCA OR THE OAIC

### How to contact QBE Customer Care

|       |  |
|-------|--|
| Phone | 1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays).<br><br>Calls from mobiles, public telephones or hotel rooms may attract additional charges.   |
| Email | <ul style="list-style-type: none"> <li>• <a href="mailto:complaints@qbe.com">complaints@qbe.com</a>, to make a complaint.</li> <li>• <a href="mailto:privacy@qbe.com">privacy@qbe.com</a>, to contact us about privacy or your personal information.</li> <li>• <a href="mailto:customercare@qbe.com">customercare@qbe.com</a>, to give feedback or pay a compliment.</li> </ul> |
| Post  | Customer Care,<br>GPO Box 219, Parramatta NSW 2124   |

### How to contact AFCA

|        |   |
|--------|---|
| Phone  | 1800 931 678 (free call)  |
| Email  | <a href="mailto:info@afca.org.au">info@afca.org.au</a>                      |
| Online | <a href="http://www.afca.org.au">www.afca.org.au</a>                        |
| Post   | Australian Financial Complaints Authority,<br>GPO Box 3, Melbourne VIC 3001 |

### How to contact the OAIC

|        |  |
|--------|--|
| Phone  | 1300 363 992<br><br>Calls from mobiles, public telephones or hotel rooms may attract additional charges. |
| Email  | <a href="mailto:enquiries@oaic.gov.au">enquiries@oaic.gov.au</a>   |
| Online | <a href="http://www.oaic.gov.au">www.oaic.gov.au</a>   |

## FINANCIAL CLAIMS SCHEME

Your Policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information may be obtained from the Australian Prudential Regulation Authority (APRA).

| How to contact APRA |  |
|---------------------|--|
| Phone               | 1300 558 849<br>Calls from mobiles, public telephones or hotel rooms may attract additional charges. |
| Online              | <a href="http://www.fcs.gov.au">www.fcs.gov.au</a>   |

## PRIVACY STATEMENT

We'll collect personal information when you deal with us, our agents, other companies in the QBE group or suppliers acting on our behalf. We use your personal information so we can do business with you, which includes issuing and administering our products and services and processing claims. Sometimes we might send your personal information overseas. The locations we send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom we collect personal information, as well as where we store it and the full list of ways we could use it. To get a free copy of it please visit [qbe.com.au/privacy](http://qbe.com.au/privacy) or contact QBE Customer Care.

It's up to you to decide whether to give us your personal information, but without it we might not be able to do business with you, including not paying your claim.

## PART B - HEAVY MOTOR VEHICLE POLICY WORDING

### DEFINITIONS

Definitions are words that have a specific meaning and such words are in bold print in the Policy Wording. The following definitions apply to your Policy:

#### **Accident, Accidental**

Means an unintended, unforeseen, unlooked-for happening or mishap, which is not expected nor designed by you and which causes Personal Injury and/or damage to, or loss of, your vehicle and/or damage to, or loss of property belonging to you and/or others.

#### **Act of terrorism**

Means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of, or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with, political, religious, ideological 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.

#### **Dangerous goods**

Means any of the following classes of dangerous goods as defined in the Australian Dangerous Goods Code:

Class 1 - explosive substances

Class 2 - gases

Class 3 - flammable liquids or substances Class 4 - flammable solids or substances Class 5 - oxidising agents or organic peroxides Class 6.1 - toxic substances

Class 8 - corrosive liquids or substances Class 9 - miscellaneous dangerous goods

#### **Driver**

Means the insured or any person who is authorised by the insured to be driving, using or in charge of the insured's vehicle or substitute vehicle.

#### **Event**

Means an accident, fire or theft which is covered under this Policy.

#### **Excess**

Means the amount that you must contribute to each claim as shown in the Policy Schedule.

#### **Excluded goods**

Means explosive substances (see Dangerous goods Class 1), toxic substances (see Dangerous goods Class 6.1), radioactive substances, asbestos or related products, poly-chlorinated biphenyls (PCBs) dioxins and cancer producing or inducing substances.

#### **Hazardous goods**

See Dangerous goods

#### **Insured**

Means the party or parties named as the insured in the Policy Schedule.

#### **Limit of liability**

Means the maximum amount that we will pay under Section 2 and is shown in your Policy Schedule.

**Loading or unloading**

Means the single action in which the weight of goods (or the particular portion of a consignment of goods) is transferred onto or from the vehicle.

**Market value**

Means the market value of your vehicle immediately prior to the loss or damage, based upon the age and condition of your vehicle excluding GST.

**Payload**

Means the maximum load that the vehicle is designed to carry.

**Period of insurance**

Means the period of insurance stated in the Policy Schedule.

**Personal Injury**

Means death, bodily injury, sickness, disease, shock, fright, mental injury or mental anguish

**Policy application**

Means the form completed by you as the application for insurance that includes a full description and details of

the items insured under this Policy.

**Policy Schedule**

Means the certificate of insurance attached to this Policy or any future renewal certificate which forms part of this Policy and shows your Policy number together with the important details of your cover.

**Substitute vehicle**

A vehicle used by you as a substitute vehicle while your vehicle is being serviced, repaired or is not driveable.

**Sum insured**

Means the amount specified in the Policy Schedule as the sum insured value excluding GST.

**Territorial limits**

Means anywhere in the Commonwealth of Australia including when being transported by vessel between ports within its territorial waters.

**Total loss or a constructive total loss**

Means your vehicle is stolen and not returned within a reasonable time as determined by us or damaged beyond economical repair as determined by us.

**Tool of Trade**

Means any vehicle which has attached as an integral part of such vehicle any equipment for mechanical digging, scraping, grading, slashing, mowing, drilling, lifting or leveling, whilst such equipment is being used for the purpose for which it was designed.

**Unit**

See Your vehicle

**We, us, our**

QBE Insurance (Australia) Limited ABN 78 003 191 035, AFS Licence No. 239545.

**You, your**

Means the party or parties named as the insured in the Policy Schedule.

**Your vehicle**

Means the motor vehicle(s) and/or trailer(s) described in the Policy Schedule or any endorsement issued by us.

When a prime mover, this will include its bull bar, driving lights, built-in communication devices (as identified), standard tools and attached accessories.

When a rigid body truck, this will include its bull bar, driving lights, built-in communication devices, gates, tarps, dogs, chains, binders, ring feeder or Bartlett Ball (as identified), standard tools and attached accessories.

When a trailer, this will include gates, tarps, dogs, chains, binders, ring feeder (as identified), standard tools and attached accessories.

Attached accessories include radios, telephones, compact disc (CD) and digital video disc (DVD) players, and standard accessories or standard appliances as supplied by the vehicle manufacturer whilst attached to or within **your vehicle**.

**THE AGREEMENT**

Subject to the terms, conditions and exclusions in this Policy and provided:

- (a) you have paid us the premium; and
- (b) you have suffered loss, damage or liability caused by an event insured against; and
- (c) the event occurs within the territorial limits; and
- (d) during the period of insurance

then we will indemnify you against loss, damage and liability up to the corresponding sums insured or limits of liability stated in the Policy Schedule and Policy Wording.

## SECTION 1 - LOSS OR DAMAGE TO YOUR VEHICLE

Subject to the terms, conditions and exclusions in this Policy we provide the following cover:

### COVER

We will cover you for your costs incurred arising from loss of, or damage to, your vehicle that is caused by or arises from an event that happens during the period of insurance. Our liability to you or others under this Policy shall be in accordance with the Basis of Settlement set out in Section 4 - Amounts Payable.

### COVER FOR OTHERS

Your Policy includes the interests of any party who has an insurable interest in any vehicle insured by this Policy by way of mortgage, lease, hire purchase or any other encumbrance over an insured vehicle.

### ADDITIONAL BENEFITS - SECTION 1

In addition to the cover provided above, we also provide the following additional benefits under Section 1:

#### 1. Finance protection (total loss) if:

- (a) your vehicle is damaged and we do not consider it economical to repair; and
- (b) your vehicle is the subject of a lease, hire purchase agreement or other similar agreements or arrangements; and
- (c) the terms of the agreement require that you make a payment (the termination payment) to the other party to the agreement in order to terminate that agreement; and
- (d) the amount of the termination payment is greater than the amount we will pay you in respect of your vehicle, calculated in accordance with the Basis of Settlement;

then we will pay you or any other party whom you direct us to pay, the difference between the amount of the termination payment and the amount we will pay to you in respect of your vehicle calculated in accordance with the Basis of Settlement.

Provided that the maximum amount we will pay under this Additional Benefit is:

- (a) 20% of market value; or
- (b) 20% of your vehicle's sum insured whichever is the lesser.

This Finance Protection clause will not apply where loss or damage is caused directly or indirectly by theft and/or fire, other than fire as a result of impact damage.

#### 2. Removal and protection

If your vehicle suffers loss or damage that is recoverable under Section 1 of the Policy, we will pay for the reasonable cost of protection and removal of your vehicle to the nearest repairer or place of safety or to any other place approved by us.

Removal and protection expenses do not extend to the load being transported.

#### 3. Employees' personal property

If your vehicle suffers loss or damage that is recoverable under Section 1, we will also pay for any personal property of your employees that is lost or damaged in the event, up to a maximum of \$1,500 per event.

Provided that we will not pay for cash, negotiable instruments, jewellery or furs belonging to your employees.

#### 4. Return of vehicle

If your vehicle has been stolen and recovered or damaged and repaired we will pay for the reasonable costs incurred by you in returning your vehicle to its normal place of garaging, up to a maximum amount of \$5,000. This sub limit applies per Unit, per event.

#### 5. Cost of repatriating driver

We will pay the reasonable cost, up to \$3,000, for returning your Driver (and offsider(s) if applicable) to the point of departure or, at your option, the Driver's original destination, following an event provided:

- (a) there is a valid claim under Section 1 of the Policy; and
- (b) the loss occurred outside a radius of 100 kilometres from the point of departure.

#### 6. Hire vehicle following theft

We will reimburse you for the hiring of a substitute vehicle following the theft of your vehicle up to a period of 14 days or up to recovery of your vehicle, whichever comes first. We will not pay more than \$3,000 under this additional benefit.

#### 7. Signwriting

When we repair your vehicle, we will pay up to \$10,000 towards the reinstatement costs of signwriting and artwork that was in existence on your vehicle at the time of the loss or damage.

#### 8. Expediting expenses

If loss or damage to your vehicle occurs that is recoverable under Section 1 of the Policy, we will pay up to \$3,000 for temporary repair costs incurred by you, or to expedite permanent repairs of the damage to your vehicle including, but not limited to, the costs of overtime and express shipping.

#### 9. Tyre Replacement

If we agree to pay a claim and any tyre cannot be used as a direct result of the damage sustained from a loss covered under this policy, we will pay for the new replacement cost of a similar make and specification. This benefit is applicable provided that the condition of the damaged tyres remaining tread conforms with legal requirements at the time of damage and it was not a recapped or retread tyre.

## SECTION 2 - THIRD PARTY LIABILITY COVER FOR REGISTERED VEHICLES ONLY

Subject to the terms, conditions and exclusions in this Policy, we will pay the amount which you are held legally liable to pay as compensation for:

- (a) loss of or damage to third party property; or
- (b) **Personal Injury**; or
- (c) costs incurred as a result of fire, explosion, goods falling, leaking or spilling, in or on, or from your vehicle; or

caused by:

- (a) you; or
- (b) any person legally licenced to drive, or be in charge of your vehicle, with your permission; or
- (c) any person in or on, or getting in or on, or getting out of, or off your vehicle with your permission;

and resulting from an event occurring during the period of insurance and caused by or arising out of the use of your vehicle or the operation of Loading or Unloading your vehicle.

In the event of the death of any person entitled to indemnity under this section, the legal representative of such person shall be covered by the Policy.

### ADDITIONAL BENEFITS - SECTION 2

The following Additional Benefits are inclusive of the limits of liability for Section 2, unless otherwise stated.

#### 1. Legal Costs and authorised expenses

When an event is covered under this section, we will pay, included in the limit of liability, all legal costs and expenses incurred by you, with our written consent, in settlement or defence of claims for compensation arising out of that event.

Provided that if the limit of liability shown in the Policy Schedule is less than the total paid, or payable, to settle or dispose of all claims that arise out of the one event, then we will only pay a proportion of the legal costs and expenses. Our proportion will be that proportion that the limit of liability represents to the total amount paid, or payable, to settle or dispose of all claims that arise out of the one event.

#### 2. Employer or principal

We will pay the amount which your employer or principal may be held legally liable to pay as compensation, resulting from an event occurring during the period of insurance, involving your vehicle and caused by you, or arising out of the temporary use of your vehicle by your employer or principal, in connection with your employer's or principal's business.

#### 3. Substitute vehicle

We will pay for your legal liability as described in Section 2 arising from a vehicle being used by you as a substitute vehicle while your vehicle is being serviced, repaired or is not driveable.

We provide you with this cover only if:

- (a) the substitute vehicle is not already insured under another insurance policy; and
- (b) the substitute vehicle is not owned by you and you have the owner's permission to drive the vehicle.

#### 4. Removal of debris - Load

We will pay for reasonable costs necessarily incurred for the clean-up and removal of your vehicle's non-hazardous debris or load arising from an event or resulting from goods falling from your vehicle, up to a maximum of \$25,000 per event or any higher amount shown in the Policy Schedule.

This Additional Benefit will only provide cover for any amount in excess of that which is insured under any carriers load insurance that may be in force.

#### 5. General average

We will pay amounts for which you are held legally responsible to contribute in respect of your vehicle, for expenses and salvage costs incurred by a ship owner, provided:

- (i) general average principles apply under maritime law; and
- (ii) the ship is sailing between places within the Commonwealth of Australia.

#### 6. Cross liability

Where you are comprised of more than one legal entity, the word 'You' shall be considered as applying to each entity as if that entity were the only entity named as you. We waive all rights of subrogation or action which we may have acquired against any such entities. The limits of liability stated elsewhere in this Policy are not affected or increased as a consequence of this condition.



## SECTION 3 - ADDITIONAL BENEFITS APPLICABLE TO ALL SECTIONS

The following additional benefits apply to all sections of this Policy.

### 1. Automatic addition of newly acquired vehicles

We will provide interim cover for a maximum 21 consecutive days, for any additional or replacement vehicle purchased, leased or hired by you (and for which you are legally liable) during the period of insurance provided that:

- (a) the vehicle is of a similar kind, use and carrying capacity to those currently insured under the Policy; and
- (b) the limit of cover which applies under Section 1 does not exceed:
  - (i) \$50,000 or the market value whichever is the lesser for vehicles under 2 tonnes carrying capacity; or
  - (ii) \$300,000 or the market value whichever is the lesser for all other vehicles; and
- (c) during the interim cover, you will advise details of these vehicles to enable us to provide terms of cover; and
- (d) the excess shall be the same as other similar vehicles currently insured by the Policy.

### 2. Errors and omissions

This insurance shall not be prejudiced by the unintentional or inadvertent omission, error, incorrect valuation or incorrect description in respect to your vehicle given by you, provided notice is given to us as soon as practicable upon discovery of such error, omission, incorrect valuation or incorrect description, and you pay any additional premium required.

It is a condition of this additional benefit that it shall not override any other terms, conditions or exclusions of the policy.

### 3. Police, Fire Brigade and other authorities

This Policy extends to cover you up to a limit of \$10,000 per event for all costs levied by the following authorities and as a result of an event involving your vehicle:

- (a) Police
- (b) Fire brigade
- (c) Any other authority

This additional benefit will not cover any clean-up and removal costs levied by any authority if we have already agreed to pay you the clean-up and removal costs under additional benefit Section 2 - Removal of debris – Load.

### 4. Waiver of recourse – Public authorities

We agree to waive any subrogation rights, remedies or relief that we may ordinarily be entitled to rely upon in the case of municipal, government, or similar statutory authorities where you have waived those rights in your contract with such parties.

### 5. Acquired companies

This Policy extends to include motor vehicles in which you have an insurable interest in that arises following your purchase, acquisition or formation of any company, subsidiary or firm during the period of insurance provided that:

- (a) you declare to us the details of all such motor vehicles within thirty (30) days of the attachment of your insurable interest and agree to pay any additional premium that may be required; and

- (b) the limit of cover which applies under Section 1 does not exceed:
  - (i) \$50,000 or the market value whichever is the lesser for vehicles under 2 tonnes carrying capacity; or
  - (ii) \$300,000 or the market value whichever is the lesser for all other vehicles; and
- (c) the excess shall be the same as other similar vehicles currently insured by the Policy.

It is a condition that this additional benefit shall only operate to the extent that such motor vehicles are not otherwise insured.

## SECTION 4 - AMOUNTS PAYABLE

### BASIS OF SETTLEMENT - SECTION 1

For claims under Section 1 - Cover for loss or damage to your vehicle, the following basis of settlement applies:

- (a) At our option, we will repair, reinstate or replace your vehicle or pay you the amount of the loss or damage, provided the payment does not exceed the lesser of its market value at the time of loss or damage or the sum insured for your vehicle stated in the Policy Schedule.
- (b) If your vehicle becomes a total loss or a constructive total loss within twenty four (24) months of the inception date of its original registration, we agree to replace your vehicle with a new vehicle (excluding on road costs which include Stamp Duty, Dealer delivery costs, Registrations costs, CTP Insurance and other insurance costs), where an equal model is available. For the purposes of this section we will only pay up to your vehicle's sum insured stated in the Policy Schedule.
- (c) If you choose not to replace your vehicle or if replacement with an equal model is not possible then settlement will be either your vehicle's market value at the time of loss or damage or its sum insured stated in the Policy Schedule, whichever is the lesser.
- (d) When we make a total loss or a constructive total loss settlement, the cover provided in this Policy for your vehicle immediately stops.

If it is necessary to repair your vehicle to a better condition than it was in before the loss or damage, then we may ask you to contribute the additional amount to repair it to the better condition.

Notwithstanding anything mentioned in paragraph a), b) and c) above, the maximum amount we will be liable to pay for any claim or series of claims for loss or damage to your vehicle under Section 1 of this Policy that is caused by or arises out of one event shall be \$10,000,000 in the aggregate.

### UNDER INSURANCE (AVERAGE PROVISION) - SECTION 1

If the sum insured you select for your vehicle is, at the time of any loss or damage, less than 80% of your vehicle's market value, then the settlement you receive under Section 1 – Cover for loss or damage to your vehicle will be limited to the proportion that your vehicle's sum insured bears to 80% of its market value.

#### Example

Sum insured: \$200,000 Market value: \$300,000

80% of market value: \$240,000

Claim amount: \$50,000

#### **\$200,000 (sum insured)**

\$240,000 (80% of market value) x \$50,000 (Claim)

= \$41,667 (claim settlement)

Any excess/(es) shown in the Policy Schedule shall be applied to the claim after the calculation of the Under Insurance Provision.

You will be responsible for the portion of the claim that we do not pay in addition to the excess that applies.

Where your vehicle is a total loss or a constructive total loss we will pay your vehicle's sum insured or market value, whichever is the lesser.

### LIMIT OF LIABILITY - SECTION 2

Our total liability under this Section 2 is the amount shown as the limit of liability in the Policy Schedule, for all claims arising from the one event or series of events resulting from the one original cause.

### LIMIT OF LIABILITY - SECTION 2 FOR HAZARDOUS OR DANGEROUS GOODS

If your vehicle is being used for, or is attached to, or is towing a vehicle used for the transport of Hazardous or dangerous goods, unless otherwise shown in the Policy Schedule, our total liability under Section 2 is limited to \$1,000,000. This limit includes all costs and expenses, including clean up costs, for all claims arising from the one event, or series of events resulting from the one original cause.

## SECTION 5 - EXCLUSIONS

### EXCLUSIONS APPLICABLE TO ALL SECTIONS

We will not pay:

1. if your vehicle is driven by you or any other person who is not licenced to drive such a vehicle under all relevant laws, by-laws and regulations and whom you knew, or ought reasonably to have known, was not so licenced to do so by law.
2. when your vehicle is being driven by, or is in the charge of, any person:
  - (a) under the influence of alcohol, or drugs; or
  - (b) who is driving while the percentage of alcohol in the blood is at a level prohibited by the law of the state or territory in which the Driver was driving or in charge of your vehicle; or
  - (c) who refuses 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 the state or territory in which the Driver was driving or in charge of your vehicle.

We will pay if you prove that you did not know, and could not reasonably have known, that the person driving or in charge of your vehicle, was so affected.

3. (i) if your vehicle is used to carry a greater number of passengers or convey or tow or carry a Payload in excess of that for which your vehicle was constructed.
  - (ii) If your vehicles' crane was lifting, lowering, carrying or suspending a load in excess of that which it what constructed or licensed for.

We will however pay if you prove that the loss, damage or liability was not caused or contributed to by such greater load.

4. if your vehicle is used in an unsafe or un-roadworthy condition, unless such condition could not reasonably be detected by you. We will pay if you prove the loss, damage or liability was not caused or contributed to by the unsafe or un-roadworthy condition of your vehicle.
5. if any loss, damage or liability was caused by, arose out of, or was connected with any fraudulent or illegal act, or willful or malicious act or misconduct committed by you or by anyone acting on your behalf with your consent.
6. if the loss, damage or liability is directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
7. if your vehicle is used in connection with the motor trade, experiments, tests, trials, and demonstration or driven on any road, track or area which is closed for use to the general public.
8. if your vehicle is used for conveyance of passengers for hire, fare or reward.
9. if your vehicle is used in, participates in, or is being tested or prepared for any motor sport.
10. If your vehicle is being used as a locomotive and rolling stock (not including road going vehicles with 'wind down' rail wheels that may traverse railway lines).
11. any loss, damage or liability incurred if your vehicle does not run solely on terra firma.

12. any loss, damage or liability incurred whilst your vehicle is underground, however this limitation shall not apply to your vehicle while travelling through road tunnels or while parked or engaged in loading or unloading goods in a below ground parking facility or loading dock.
13. any loss, damage or liability intentionally caused by you or a person acting with your express or implied consent.
14. any loss, damage or liability incurred whilst your vehicle is subject to any agreement of hire or is leased or let by you to any other party.
15. any loss, damage or liability caused by or arising out of any nuclear energy risks being operations employing the process of nuclear fission or fusion or handling of radio-active material which operations include but are not limited to:
  - (a) the use of nuclear reactors such as atomic piles, particle, particle accelerators or generators or similar devices, or
  - (b) the use handling or transportation of radioactive materials, or
  - (c) the use handling or transportation of any weapon of war or explosive device employing nuclear fission or fusion.

This exclusion shall not apply to insurances of occupational risks arising from radioisotopes or radium or radium compounds when used away from the place where such are made or produced and when used exclusively incidental to ordinary industrial, educational, medical or research pursuits

16. for any loss damage liability or expense you assume by express agreement, unless such liability would have attached in the absence of that express agreement.
17. any loss, damage or liability incurred if your vehicle is outside the territorial limits.
18. any loss, damage, liability or expense caused by:
  - (a) vibration from you using your vehicle; or
  - (b) the weight of your vehicle or its load exceeding any lawful requirements.
19. any loss, damage or liability caused from the use of a fuel system in your vehicle which does not comply with the relevant Australian standard OR loss, damage or liability caused from the use of incorrect fuel.
20. We shall not be liable to indemnify you for any claim directly or indirectly out of or caused by, or through, or in connection with or resulting directly from, in consequence of or in any way involving the manufacture, mining, processing, distribution, transportation, testing, remediation, removal, storage, disposal, sale, use of or exposure to asbestos or silica or materials or products containing asbestos or silica.
21. We will not pay any claim if any fraudulent means or devices have been used by you, or anyone acting on your behalf, to obtain a benefit under this Policy.
22. for loss or liability arising from the use of a tool of trade other than whilst in transit or whilst being used for transport or haulage.
23. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
  - (a) any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss; and/or
  - (b) any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

24. any fines, penalties, aggravated exemplary or punitive damages or liquidated damages.

### **Sanctions limitations and exclusions clause**

You are not insured under any section of this Policy where a claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America, or any local autonomous sanctions.

## **EXCLUSIONS APPLICABLE ONLY TO SECTION 1**

### **1. LOSS OR DAMAGE TO YOUR VEHICLE**

We will not pay for:

1. loss incurred by you as a consequence of an inability to use your vehicle following an event.
2. damage to the tyres of your vehicle by application of brakes or by road punctures, cuts or bursts.
3. theft of or from your vehicle following an event if reasonable steps to protect or safeguard your vehicle have not been taken by you.
4. loss resulting from or occasioned by an insured named in the Policy Schedule stealing, converting, absconding with or otherwise misappropriating your vehicle.
5. wear and tear, mechanical structural or electrical breakdown or failure, rust or other forms of corrosion.
6. depreciation or any other loss of value to your vehicle.
7. loss or damage occasioned by lawful seizure or by any person lawfully repossessing or attempting to lawfully repossess your vehicle where your vehicle is used as security for a debt.
8. fixing faulty repairs, unless they were repairs done under this Policy and we agreed to them and they were carried out in relation to a claim.
9. Loss or damage to any agitator, barrel, bowl or tanker trailer or pump and their fittings caused by the hardening or setting of concrete or bitumen, unless you, your driver or any other covered persons have taken all reasonable steps to remove the concrete or bitumen from the vehicle.

## EXCLUSIONS APPLICABLE ONLY TO SECTION 2

### 1. THIRD PARTY LIABILITY

We will not pay for claims arising from:

1. any liability when your vehicle is being used for the cartage of excluded goods.
2. loss or damage to goods or property entrusted to you or your employees for storage and or transportation.

For the purposes of this Exclusion 2 only, property or vehicles belonging to employees or visitors whilst contained within:

- (a) your car park; or
  - (b) your premises; or
  - (c) premises leased or rented by you are not deemed to be in your custody or control.
3. **Personal injury** to any person caused by, arising out of or sustained in the course of, the employment of such person by you, or any other liability imposed on you by:
- (a) any workers compensation or accident compensation legislation; or
  - (b) the provision of any industrial award, agreement or determination or any contract of employment or workplace agreement.

### 4. Personal injury:

- (a) to you or any person in charge of your vehicle; or
- (b) to any member of your family or to any person ordinarily residing with you or with whom you ordinarily reside; or
- (c) to any employee, agent, contractor, or sub-contractor employed or engaged by any person entitled to indemnity under this Policy.

### 5. Personal injury:

- (a) caused by or arising in connection with the use of a Northern Territory registered vehicle.
- (b) caused by or arising in connection with the use of a New South Wales or Queensland registered trailer attached to your vehicle or having become accidentally detached at the time of event resulting in personal injury.

### 6. Personal injury:

- (a) to the extent that you or any person using your vehicle with your consent is entitled to indemnity, whether wholly or partially, under any compulsory statutory insurance scheme or accident compensation scheme; or
- (b) to the extent that you or any person using your vehicle with your consent would have been entitled to compensation under such a scheme were it not for the failure to:
  - (i) insure or register your vehicle; or
  - (ii) to lodge a claim in accordance with its requirements; or
  - (iii) comply with any of its terms and conditions.

7. any pollution other than as provided for in Limit of liability - Section 2– Hazardous or dangerous goods

8. any liability arising out of the use of your vehicle on or near the areas of airfields set aside for 'Aircraft operators'. Aircraft operations includes but is not limited to taxiing, taking off, landing, parking, re-fuelling, loading and unloading of passengers and/or goods.

9. any liability caused by, arising from or in any way connected with the use of your vehicle if it is unregistered at the time of the event giving rise to the claim.

## SECTION 6 - CONDITIONS

If you do not comply with the conditions of this Policy we may be entitled to cancel your Policy or refuse to pay your claim or reduce the amount of the claim payment.

### PREMIUM

You must pay your premium as per the requirements set out in the Policy Schedule.

### CLAIMS PROCEDURES

**You** and any person entitled to cover under this Policy must:

1. notify us in writing with full details as soon as possible after any event which may become the subject of a claim under this Policy.
2. immediately send us any communication received from other parties in relation to any event which may become the subject of a claim under this Policy.
3. tell us without delay on becoming aware of any impending prosecution in relation to any event which may become the subject of a claim under the Policy.
4. provide all information and cooperation which we may require, including signing any statutory declaration or any data from any electronic recording device or other documents.
5. not admit guilt or liability or negotiate any claim without our written consent.
6. allow us full discretion in the conduct, defence and settlement of any claim.
7. subject to the Insurance Contracts Act 1984, help us to recover any money paid by us from any person whom you may be able to hold liable. We will have the right to take any action in your name.
8. not authorise repairs other than expediting expenses to your vehicle without our written consent. We will however pay for any expediting expenses covered by Additional benefits – Section 1 (8).
9. notify the police as soon as possible after you have become aware of the theft or malicious damage to your vehicle.
10. be honest and open in your dealings with us.

### EXCESS

You will have to contribute a sum of money which is called an excess to the amount of any claim under this Policy. The applicable excess and any additional excesses are shown on the Policy Schedule. The following additional excesses may apply:

#### Age excess

You will have to contribute \$5,000 or any other amount shown in the Policy Schedule, in addition to the standard

Excess if at the time of an event, your vehicle is in the charge of any Driver under 23 years of age.

#### Tipping excess

If your vehicle is a rigid body tipper, a tipping trailer or a trailer designed with hydraulics to self load and unload shipping containers or other goods and loss or damage occurs whilst the hoist, ram or stabilizing leg is partially or fully extended then the excess payable will be increased by 100% if an event occurs that gives rise to a claim.

#### Inexperience excess for Heavy Vehicles

For heavy vehicles with a gross vehicle mass of 12,000 kilograms or greater.

Where a rigid body or articulated body motor vehicle with a gross vehicle mass or gross combination mass of 12,000 kilograms or greater, is at the time of an incident, being driven by or is in the charge of a person with less than two (2) years driving experience in Australia in the relevant class of license, an additional excess of \$ 5,000 will apply.

### SALVAGE

If we declare your vehicle to be a total loss or a constructive total loss and pay you its market value or its sum insured, you must allow us to take possession of your damaged vehicle. If we choose not to take possession of your damaged vehicle, you cannot abandon your responsibilities for the vehicle.

We shall sell the remains of the vehicle and deal with the proceeds of the sale as follows:

- (a) if the vehicle's sum insured is less than 80% of its market value, we shall retain such proportion of the proceeds of the sale as the vehicle's sum insured bears to its market value, and we shall account to you for the balance;
- (b) if the vehicle's sum insured is 80% or more of its market value but less than 100% of its market value, we shall account to you for:
  - (i) all proceeds of the sale; or
  - (ii) the amount by which the market value exceeds the vehicle's sum insured whichever is less, and we shall retain the balance;
- (c) if the vehicle's sum insured is 100% or more of its market value, we shall retain all the proceeds of the sale.
- (d) If you choose to purchase your unrepaired vehicle(s), we will determine the salvage value of the unrepaired vehicle, and deduct this amount from your settlement amount, or you must pay the salvage value to us before we release the unrepaired vehicle to you.

Any additional benefits covered by this policy will cease upon settlement of your claim.

### OTHER INSURANCE

If you are entitled to indemnity under any other insurance policy, you must advise us of the particulars of that other insurance policy when making a claim.

### REASONABLE CARE

You and any person acting on your behalf must exercise care and take reasonable precautions to prevent loss damage, liability or events occurring from the use of your vehicle, and to comply with all statutory obligations and by-laws or regulations imposed by any public authority, for the safety of your vehicle and for the carriage of goods and merchandise.

### CHANGE OF RISK

You must notify us in writing of all changes materially affecting the facts or circumstance existing at the commencement of this Policy, or at any subsequent renewal date, as soon as such change comes to your notice. Any additional premium as a result of the change must be paid by you.

### CHANGE OF OWNERSHIP

If you sell or otherwise dispose of your vehicle then insurance cover for that vehicle will end at the time of such sale or disposal. We will refund your premium for the unused portion of the Policy.

## SECTION 7 - GENERAL TERMS LAW AND JURISDICTION

This insurance is subject to New South Wales law and to the jurisdiction of the courts of New South Wales and any courts of appeal.

### CANCELLATION

1. You may cancel this Policy at any time by notifying us in writing.
2. We may cancel this Policy by notifying you in accordance with the *Insurance Contracts Act 1984 (Cth)*

Notice of cancellation has the effect of cancelling this Policy at 4.00pm on the 3rd business day, after the day on which the notice was sent to you, or as otherwise required under the *Insurance Contracts Act 1984*.

3. After cancellation by you, we will be entitled to retain:
  - (a) the pro rata premium for the period during which the Policy has been in force; and
  - (b) 10% of that pro rata premium as a cancellation fee; and
  - (c) any tax or duty paid or owing for which we are unable to obtain a refund.
4. After cancellation by us, you will be entitled to a refund on a pro rata basis in relation to the unexpired period of insurance.
5. If we have paid a claim for total loss or a constructive total loss no refund of premium will be given.

### Taxation Implications

If you're a business you must tell us if you're registered, or are required to be registered, for GST. When you do this, we need you to give us:

- Your ABN
- The percentage of any input tax credit you will claim, or will be entitled to claim, on your premium.

When we pay a claim, your GST status will determine the amount we pay you. Your claim settlement amount will be adjusted to allow for any ITC entitlement.

Unless we say otherwise, all amounts in your Policy are inclusive of GST. There may be other taxation implications affecting you, depending upon your own circumstances. We recommend you seek professional advice.

## SECTION 8 - ENDORSEMENTS

The following endorsements only apply if they are shown in your Policy Schedule.

### AGGREGATE EXCESS

The aggregate excess is shown in your Policy Schedule and represents the amount which you must first bear in respect of all claims arising from events which occur during the period of insurance. Any Policy excess, age excess, tipping trailer excess or any other excess that appears in the Policy Schedule will first be applied to each claim made under the Policy. After the applicable Policy excess, age excess, tipping trailer excess or any other excess is applied to each claim made under the Policy, any remaining amount under any claim will be applied to erode the aggregate excess if approved by us.

Once the aggregate excess for the Policy has been fully eroded, any further claims will be paid by us subject to any applicable Policy excess, age excess, tipping trailer excess or any other applicable excess and subject to the terms and conditions of the Policy.

Any assessment costs incurred during the period of insurance are to be paid by you until such time as the aggregate excess has been fully eroded.

If the fleet size or values vary during the period of insurance then the aggregate excess will be adjusted proportionately.

### CLAIMS EXPERIENCE DISCOUNT

Should you renew this Policy for a further twelve (12) months we will refund after ninety (90) days of the renewal date, an amount as calculated by the following formula for the previous year, should a refund result:

The percentage shown on the Policy Schedule as (a) of the final Premium paid less incurred claims less the percentage shown on the Policy Schedule as (b) of such surplus, if any, to a maximum percentage of the premium shown on the Policy Schedule as (c)

Final premium paid means premium paid for the period of insurance After adjustment due to changes in fleet size or to a total asset value.

Incurred claims means losses paid during the period of insurance plus reserves for outstanding losses.

The refund is subject to all losses occurring during the period of Insurance having been notified by you to us.

### WINDSCREEN OR WINDOW GLASS EXCESS FREE

applicable to comprehensive cover only

If you sustain a loss to a windscreen or window glass only, no excess will apply if your vehicle is a sedan, station wagon, panel van, utility or 4WD with a gross vehicle mass less than 3,500 kilograms

### ON-HOOK LIABILITY

Exclusion 2 (Property in Custody or Control) in Section 5 – Exclusions Applicable Only to Section 2 is amended to the extent that Policy cover is extended to cover liability for loss or damage to any motor vehicle or item of mobile plant/machinery in your physical control while it is being lifted or towed by your vehicle's hook or forks or similar device.

## TRAILER IN YOUR CONTROL

Where it is noted in the Policy Schedule that you have a trailer of another person or corporation in your physical or legal control, we will pay the amount for which you may be held legally liable to pay as compensation for loss or damage caused to the trailer – provided the trailer is not leased, hired or rented by you. The maximum we will pay in respect of loss of or damage to such trailer is limited to the market value or its sum insured shown against the Policy Schedule, or on the current renewal Policy Schedule, or endorsement Policy Schedule, whichever is the less.

### Other optional endorsements available

- Dry Hire
- Comprehensive non owned trailers
- Annual Adjustment
- Trade Plate



