



# **COMPREHENSIVE MOTOR VEHICLE INSURANCE**

**Policy and Product Disclosure Statement**

Preparation Date: 1 January 2014

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## INTRODUCTION

### Welcome to PowerTorque Insurance

PowerTorque Insurance offers you a range of reliable, cost-effective plans to help protect your new vehicle.

Our Comprehensive Motor Vehicle Insurance policy ensures that if your vehicle suffers accidental damage, gets stolen or if someone is claiming against you, your claim is handled quickly and efficiently.

To find out more about our insurance and financial products, please call PowerTorque Insurance on 137 800 or visit [powertorqueinsurance.com.au](http://powertorqueinsurance.com.au)

## YOUR PRODUCT DISCLOSURE STATEMENT

This Product Disclosure Statement (PDS) is also your policy document. Together with your policy schedule, it makes up your insurance contract with us.

The PDS provides information about the product we offer, the PowerTorque Insurance Comprehensive Motor Vehicle policy, and it is designed to help you make an informed decision about this product. Please read this document carefully to make sure it provides you with the insurance cover you require. If you do not understand the protection this insurance provides, please contact us. Our contact details are provided at the end of this document.

The information in this PDS was current at the date of preparation. We may need to update some of the information in this PDS from time to time without needing to notify you. You can obtain a copy of any updated information by calling us on 137 800. We will give you a free paper copy of any updates if you request them. If it becomes necessary, we will issue a supplementary or replacement PDS.

This PDS and policy wording is an important document and should be retained by you in a safe and convenient place, along with the policy schedule which comprises the information you have given us and the individual details of your policy, together with any other notices we may give you from time to time.

## PRODUCT DISCLOSURE STATEMENT OVERVIEW

### Important information

For full details of the policy cover, benefits and conditions, you must read the entire policy.

<b>Your privacy</b>	We are committed to protecting the privacy of your personal information as detailed in our privacy policy. (Refer to the section <i>'Your policy information – Your privacy'</i> to find out more)
<b>Duty of disclosure</b>	You must provide honest, correct and complete answers to the specific questions we ask to enable us to decide whether to insure you or pay your claim. (Refer to the section <i>'Your policy information – Duty of disclosure'</i> to find out more)
<b>When we will not pay your claim</b>	You need to be aware of the risks that you are not covered for under this policy. Please carefully read the sections <i>'Comprehensive Insurance cover'</i> and <i>'When we will not pay your claim'</i> .
<b>Making a claim</b>	Please contact us as soon as possible by calling 1300 906 350. (Refer to the section <i>'Making a claim'</i> to find out more)
<b>GST and Input Tax Credits (ITC)</b>	The amounts covered for your vehicle and legal liability include GST, unless expressed otherwise. Any amounts we pay will include GST, but we may reduce the amount by any ITC that you are, will be or would have been entitled to receive. (Refer to the section <i>'How we settle your claim – GST and Input Tax Credits'</i> to find out more)
<b>How we calculate your premium</b>	The amount of your premium will be set out in your policy schedule. It will include any government taxes and charges. You can find further information about how we calculate the costs of your insurance, as well as the excesses and discounts that may apply to your policy, in our Comprehensive Motor Vehicle Insurance Premium, Excess and Claims Guide. This Guide is available on our website at <a href="http://powertorqueinsurance.com.au">powertorqueinsurance.com.au</a> or you can call us on 137 800 if you would like us to post you a free copy.
<b>Renewing your policy</b>	We will write to you before your policy expires and either invite you to renew your policy and pay the premium set out in the notice, or inform you we cannot continue to provide cover. (Refer to the section <i>'Additional Terms and Conditions – Renewing your policy'</i> to find out more)
<b>Paying for your insurance</b>	To be covered by this policy, your premium must be paid on or before the date we require payment. If your premium is paid by instalments, and a monthly instalment remains unpaid for least one month after its original due date, we may cancel cover and refuse to pay any claims made by you. (Refer to the section <i>'Additional Terms and Conditions – Paying for your insurance'</i> to find out more)
<b>Special conditions</b>	We may impose special conditions on your policy that may exclude, restrict or extend cover for a person or a particular situation. Any imposed conditions will be listed on your current policy schedule.
<b>21-day Cooling Off and cancellation at other times</b>	You will receive a full refund if you cancel your policy within 21 days of its purchase date, provided you have not lodged a claim. You may also cancel your policy at other times and we will refund any premium that applies to the unexpired period of your policy, less our processing charges. (Refer to the section <i>'Additional Terms and Conditions – Cancelling your policy'</i> to find out more)
<b>Our Service Commitment to you</b>	We're committed to providing you with the highest standard of service. If you're ever dissatisfied with the outcome of any of your dealings with us, we invite you to use our internal dispute resolution service. If you don't agree with our final internal decision, you can appeal to the Financial Ombudsman Service (FOS), an external independent dispute resolution scheme, of which we are a member. There is no charge to you for either service. (Refer to the section <i>'Our Service Commitment to you'</i> to find out more)

## Features of the policy

The table below summarises the cover and Additional Benefits available.

**This table is a guide only. For a full explanation of the cover available please carefully read each section of this document.**

<b><i>Features and Benefits</i></b>
Agreed value
Cover for accidental loss or damage to your vehicle (including fire and theft)
Cover for accidental loss or damage to other people's property
Glass cover
Keys, locks and barrels
Replacement with new vehicle after a total loss
Legal costs
Rental car following theft
Towing and storage
Re-delivery costs
Trailer, boat and caravan cover
Personal items
Baby capsules and child seats
Emergency repairs
Emergency trip continuation
Taxi fares
Insurance continuity following recoverable claims
Driving instruction cover
Excess-free for recoverable claims
Lifetime Repair Guarantee (including Genuine Parts promise)
Lifetime Rating 1
Temporary cover when changing your vehicle
<b><i>Optional Benefits</i></b>
Voluntary excess
Rental car following accidental damage
Excess-free glass cover

## YOUR POLICY INFORMATION

### Your policy

Your policy consists of:

- this PDS; and
- your most recent policy schedule, comprising the notices we give you from time to time which show the particular details and period of cover of your policy.

We will send you an updated policy schedule whenever you inform us of a change in these details, which may also contain variations to the terms of your policy.

### Our agreement with you

We will insure you and your vehicle against accidental loss or damage (including theft) and legal liability, subject to:

- the options you have selected as detailed in your policy schedule;
- the terms, conditions and limits as detailed in this document;
- the premium being paid;
- you taking all reasonable steps to safeguard your vehicle from loss at all times; and
- the event occurring in Australia during the period of cover.

### Your privacy

As part of your dealings with PowerTorque Insurance we collect personal information (including sensitive information such as health information) about you ('**Your Information**'). Wherever possible we will collect Your Information directly from you. However, there may be occasions when we collect Your Information from someone else.

We value your privacy and will only use Your Information for the purposes for which it was collected, other related purposes notified to you and as permitted or required by law. You may choose not to give us Your Information, but this may affect our ability to provide you with our products or services. We may share Your Information with our related entities and third parties who provide services to us or on our behalf or with other entities for purposes for which it was collected. Some of these entities may be located outside of Australia.

For more details on how we collect, store, use and disclose Your Information please read our privacy policy ('**Policy**') located at [powertorqueinsurance.com.au](http://powertorqueinsurance.com.au) or contact us at [insurance@powertorque.com.au](mailto:insurance@powertorque.com.au) or 137 800 to request a copy of the Policy to be sent to you. We encourage you to obtain a copy of the Policy and read it carefully.

By applying for, using or renewing any of our products or services or providing us with Your Information, you agree to Your Information being collected, held, used and disclosed as set out in the Policy.

The Policy also contains information about how you can access and seek correction of Your Information, make a complaint about a breach of the privacy law and how we will deal with such a complaint.

## Duty of disclosure

Before you enter into or renew this policy, you have a duty to disclose to us every matter that you know, or could reasonably be expected to know, that is relevant to our decision whether to insure you and anyone else to be insured under this policy, and on what terms. This duty applies at inception of the policy, throughout the period of cover and at renewal.

Your answers to our questions must be honest, correct and complete and you have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

You do not need to tell us about anything which:

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

If you should fail to comply with your duty to disclose, we may reduce or deny any claim that you make or cancel your policy. If you act fraudulently, we may refuse to pay your claim and treat your policy as never having existed.

## COMMONLY USED WORDS OR EXPRESSIONS

Some of the words in this policy have specific meanings. These words and their meanings are listed below:

**Accident or accidental** means a mishap (or series of mishaps) that was unintended or unexpected by you or the driver of your vehicle, which involved your vehicle and arose from a single event.

**Agreed value** means the amount for which we agree to insure your vehicle as shown in your most recent policy schedule.

**Business use** means the vehicle is either registered as a business vehicle or used for income earning purposes, but does not include goods carrying or courier use vehicles.

**Courier use** means a vehicle which is under two tonnes carrying capacity and used for business purposes and for the collection or delivery of goods upon no fixed route.

**Defensive driving course** means a paid professional driver education and training course that is:

- solely teaching defensive driving skills and is advertised as such;
- conducted under full-time, direct professional instruction and supervision; and
- offered for sale to members of the public on a continuing basis.

It does not include a track day, racing school or timed event.

**Driver(s)** means any person other than you who is driving or in control of your vehicle with your express consent.

**Excess** means the amount you must pay towards the cost of any claim under your policy.

**Genuine parts** means original equipment manufacturer parts.

**Goods carrying use** means a vehicle which is over two tonnes carrying capacity and used for business purposes and for the collection or delivery of goods upon a fixed route, but does not include courier use vehicles.

**Non-recoverable claim** means a claim where there is no opportunity to recover costs in connection with the accident because:

- we determined the driver of the vehicle contributed to the cause of the accident;
- we determined the accident or loss was not caused by the driver, but the person who caused the accident is unable to be identified;
- the accident or loss was not caused by a person; or
- you cannot provide us with the full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved, as well as the vehicle registration and insurance details of all drivers involved.

**Period of cover** means the current period for which we have agreed to provide you with insurance as set out in your most recent policy schedule.

**Policy schedule** means the most recent policy schedule and/or renewal notice that shows the particular details and period of cover of your policy. This includes any other notices we may give you from time to time.

**PowerTorque Insurance, we, us or our** means Aioi Nissay Dowa Insurance Company Australia Pty Ltd ABN 11 132 524 282 AFSL Number 443540.

**Private use** means the vehicle is used solely for private, domestic and pleasure purposes, including travel to and from work, but excluding business use, courier use and goods carrying use.

**Rental car** means a hired car that has been arranged or pre-approved by us which you are using temporarily following a claim we have accepted under this policy for accidental loss or damage to your vehicle.

**Recoverable claim** means a claim where there is an opportunity to recover costs in connection with the accident because:

- we determined the driver of your vehicle did not contribute to the cause of the accident; and
- you can provide us with the full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved, as well as the vehicle registration and insurance details of all drivers involved.

**Total loss** means, in our opinion, the damage to your vehicle is so extensive that it would not be safe or economical to repair, or it has been stolen and not found within 14 days after the theft has been reported to us.

**We, us, our, or PowerTorque Insurance** means Aioi Nissay Dowa Insurance Company Australia Pty Ltd ABN 11 132 524 282 AFSL Number 443540.

**You or your** means the person or persons named as the insured on the current policy schedule.

**Your vehicle** means the registered vehicle described in the policy schedule including:

- the standard tools and accessories supplied by the manufacturer, providing they are in or attached to your vehicle; and
- any modification or non-standard accessory fixed to your vehicle that you have told us about and we have agreed to cover as described on the current policy schedule.

# COMPREHENSIVE INSURANCE COVER

## The protection we provide

### Agreed value

The PowerTorque Insurance Comprehensive Motor Vehicle policy provides agreed value cover, so you will always have the certainty of knowing the amount for which your vehicle is covered during the period of cover. The agreed value amount will be shown on your policy schedule.

### Cover for accidental loss or damage to your vehicle

We will cover you for accidental loss or damage (including fire and theft) to your vehicle.

At our choice we will:

- a) arrange for the repair of your vehicle;
- b) pay you the fair and reasonable cost of repairing your vehicle; or
- c) declare it a total loss, and either replace your vehicle (refer to the section '*Additional Benefits – Replacement with new vehicle after a total loss*' to find out more) or pay you the agreed value shown on your policy schedule.

### Cover for damage to other people's property

We will cover your legal liability to pay compensation for loss or damage to someone else's property caused by an accident involving:

- your vehicle; and
- a boat, caravan or trailer whilst attached to, or accidentally detached from, your vehicle.

We will also cover the legal liability of:

- any driver of your vehicle, provided that person was not covered by another insurance contract at the time of the accident; and
- passengers who are in, or getting into or out of your vehicle, with your permission.

We will not cover legal liability:

- when the loss or damage occurs to property you own or are responsible for or that belongs to someone who normally lives with you;
- if your vehicle was being used without your permission at the time of the accident;
- which is insurable under a statutory or compulsory insurance or compensation scheme or another policy covering such liability; or
- for any liability you agree to accept without our express written consent, and where such liability would not have existed without your agreement.

The maximum amount we will pay for legal liability arising out of any one motor vehicle accident is \$20 million.

## Additional Benefits

### Glass cover

When your vehicle's windscreen, sunroof glass or window glass is accidentally damaged, we will replace the windscreen, sunroof glass or window glass with parts which are compliant with Australian Design Rule standards.

If you have chosen to purchase the optional 'Excess-free glass cover' benefit you will not be required to pay the basic excess and any voluntary excess which applies to your policy for the first glass cover claim. Refer to the section '*Optional Benefits with Comprehensive cover – Excess-free glass cover option*' to find out more.

### **Keys, locks and barrels**

If any of the keys or devices giving access to your vehicle are stolen, or you believe on reasonable grounds they have been illegally copied, we will pay up to \$1,000 per claim (over and above any basic and voluntary excess that applies to your policy) for the replacement of your vehicle's keys or devices and/or recoding of your vehicle's locks and barrels. You must pay any basic and voluntary excess that applies to your policy.

We will provide this cover if:

- the theft of the keys/devices has been reported to the police, and police investigations conclude they are unlikely to be found;
- the locks and barrels to your vehicle are not damaged;
- the keys/devices were not stolen by a relative, spouse or de facto, invitee, any person ordinarily residing with you or with whom you ordinarily reside, or any other person insured under this policy; and
- you are not covered under any other insurance policy.

### **Replacement with new vehicle after a total loss**

When we declare your vehicle a total loss because of accidental damage or theft and it is within the first two years of its original registration at the time of the accident, we will replace it with a new vehicle provided you:

- purchased this insurance within 12 months of the vehicle's original registration; and
- have insured with us continuously since this policy first commenced.

The new replacement vehicle will be a new vehicle of the same make, model and series, provided such a vehicle is available in Australia (including all on-road costs associated with the new replacement vehicle).

If we decide your vehicle is a total loss and a replacement vehicle is not available we will provide another vehicle in the manufacturer's range up to the original purchase price (inclusive of all on-road costs).

**Any on-road costs we pay in connection with the new vehicle will be less any refund you receive from the registration and Compulsory Third Party insurance for your vehicle. We will require you to provide us with written proof of the refund amount you have received.**

**Where your vehicle is subject to a finance agreement, we will require the financier's written consent before replacing your vehicle.**

**For an example of how we calculate a claim for a new replacement vehicle see Example 1(a) under the 'Claim payment examples' section of this PDS.**

### **Legal costs**

We will pay for all legal costs and expenses which may be reasonably incurred for any claim or action we have defended in your name in relation to this policy, provided we have given our prior approval for these costs.

### **Towing and storage**

Following accidental loss or damage to your vehicle, if your vehicle cannot be driven safely we will pay what we consider to be the reasonable cost for the protection, removal and towing of your vehicle to the nearest repairer or place of safety authorised by us.

### **Re-delivery costs**

If the accident occurs more than 100 kilometres from your home we will cover what we consider to be the reasonable cost of transporting your vehicle to your home once it has been repaired, or transporting your vehicle to a repairer of our choosing in your local area prior to its repair.

### **Trailer, boat and caravan cover**

We will also pay for accidental loss or damage (including theft) to your registered trailer, boat or caravan, which at the time of the accident:

- was attached to your vehicle; or
- became accidentally detached from your vehicle as a result of the accident.

We will pay the lesser of:

- the cost to repair your trailer, caravan or boat; or
- the combined market value of your trailer, caravan or boat,

up to \$1,000 in total.

We will not pay for any property being carried in or on the trailer, boat or caravan, or for any item that is already insured against loss or damage.

### **Personal items**

We will also pay up to \$500 if personal property belonging to you, your spouse or dependent children is:

- stolen from inside your locked vehicle;
- stolen with your vehicle; or
- damaged as a result of an accident involving your vehicle,

subject to a claim being accepted on the policy for loss or damage to your vehicle.

At our choice we may:

- repair the item;
- pay you the cost of repairing the item; or
- pay you an amount that we believe represents a fair market value for the item at the date of the accident.

We will not pay for items recovered in an undamaged condition.

No cover is provided for cash, cheques, negotiable items, credit cards or jewellery.

We may also require that you provide us with a police report and the relevant receipts and/or invoices relating to the items.

We will not pay for any property that is covered under any other insurance policy.

### **Baby capsules and child seats**

We will also pay up to \$500 to replace baby capsules or child seats fitted to your vehicle which are:

- stolen from inside your locked vehicle;
- stolen with your vehicle, or
- damaged as a result of an accident involving your vehicle,

subject to a claim being accepted on the policy for loss or damage to your vehicle.

We will not pay for items recovered in the condition they were in at the time of being stolen.

### **Emergency repairs**

If we agree to pay your claim, we will reimburse you for up to \$500 in emergency repairs to your vehicle, which may be necessary to enable you to continue using your vehicle safely following an accident.

The emergency repairs to your vehicle can be conducted without any prior agreement between you and us. We will need you to provide us with the receipts and/or invoices for all emergency repairs to your vehicle.

### **Emergency trip continuation**

If your vehicle cannot be safely driven after being stolen and/or damaged in an accident more than 100 kilometres from home we will reimburse the cost of essential:

- transportation for you and your passengers to your home or destination; and
- transportation to collect your vehicle when it has been repaired; or
- temporary accommodation (room rental only) for you and your passengers,

up to \$100 per day in total (to a maximum of \$500 per claim).

This benefit is only payable if we accept a claim under the policy.

Emergency trip continuation costs can be incurred without our prior approval, but we will need you to provide us with receipts and/or invoices relating to these costs.

## **Taxi fares**

Where your vehicle cannot be safely driven following accidental damage or theft less than 100 kilometres from home and you need to arrange a taxi from the scene of an accident, we will reimburse up to \$100 in total for the cost of a taxi fare to your chosen location.

This benefit is only payable if we accept a claim under the policy and have authorised your vehicle repairs.

Receipts for payment of the taxi fares must be produced in support of any claim.

## **Insurance continuity following recoverable claims**

Where you make a recoverable claim we will make special provision to cover your replacement vehicle for the remaining period of cover once we receive your new replacement vehicle details. We will not require you to pay any additional premium for this cover until the first renewal date following the total loss.

## **Driving instruction cover**

### *Learner drivers*

We will provide cover if your vehicle is being driven by or in the charge of a learner driver, so long as:

- they hold a valid learner's licence or learner's permit equivalent for the state or territory in which they live;
- a fully licensed driver who is listed on the policy accompanies the learner driver and is in the vehicle as the instructing passenger in the front seat; and
- the driving lesson is not a paid lesson.

If your vehicle is accidentally damaged while a learner driver is driving they will be treated like a nominated driver and the excess applicable for their age will be payable in the event of a claim.

This cover ceases once a learner driver gains their probationary licence and they will then need to be nominated as a driver on the most recent policy schedule, otherwise the undisclosed driver excess will also be payable in the event of a claim.

### *Defensive driving courses*

We will cover damage to your vehicle as a result of an accident that happens while you are participating in a defensive driving course.

## **Rental car following theft**

If your vehicle is stolen and the theft has been reported to the Police, we will either arrange and pay for the cost of a rental car for you for up to 21 days, or alternatively we will authorise you to arrange a rental car.

Where we authorise you to arrange a rental car (inclusive of insurance) we will reimburse you for the cost of a rental car for up to 21 days to a maximum of \$60 per day.

If your vehicle is found undamaged following theft within the 21-day period and the rental car cost is:

- less than any excess you have paid, we will refund the balance; or
- more than any excess you have paid, we will pay the balance.

We will provide this rental car benefit:

- for a maximum period of 21 days;
- until the date your vehicle has been found undamaged and is able to be driven;
- until the date your vehicle has been found and any damage to it is repaired; or
- until the date that we settle your claim,

whichever happens first.

**Please refer to the 'Additional Terms and Conditions – Our standard conditions for rental cars' section of this PDS for our standard conditions (including insurance cover for the rental car) which apply to all rental car benefits in this policy.**

## OPTIONAL BENEFITS WITH COMPREHENSIVE COVER

You can add the following optional benefits to this policy by paying an additional premium when you commence or renew your policy.

These optional benefits only apply if you choose them and will be shown on your policy schedule.

### **Rental car following accidental damage**

If your vehicle is accidentally damaged and you have chosen the 'rental car option' and it is shown on your policy schedule, this benefit provides you with the convenience of a rental car while your vehicle is being repaired or if deemed a total loss under the terms of this policy.

We will either arrange and pay the daily hire rate for a rental car for you for up to 10 days, or alternatively we will authorise you to arrange a rental car.

Where we authorise you to arrange a rental car (inclusive of insurance) we will reimburse you for the cost of a rental car for up to 10 days to a maximum of \$60 per day.

We will provide this rental car benefit:

- for a maximum period of 10 days;
- until your vehicle has been repaired and is able to be driven; or
- the date we settle your claim if your vehicle is a total loss,

whichever happens first.

**Please refer to the 'Additional Terms and Conditions – Our standard conditions for rental cars' section of this PDS for our standard conditions (including insurance cover for the rental car) which apply to all rental car benefits in this policy.**

### **Excess-free glass cover option**

If you select this option and it is shown on your policy schedule we will replace your vehicle's windscreen, sunroof glass or window glass if accidentally damaged, with parts which are compliant with Australian Design Rule standards.

You will not be required to pay the basic excess and any voluntary excess that applies to your policy for the first glass cover claim where glass breakage is the only damage sustained to your vehicle.

Where you are claiming on a second or subsequent occasion in any 12-month period for glass cover damage, you will need to pay the basic excess and any voluntary excess that applies to your policy.

**For exclusions that impact on cover, please refer to the 'When we will not pay your claim' section of this PDS. These exclusions are in addition to any limitations described under the 'Comprehensive Insurance cover' section of this PDS.**

**For examples of how we pay a claim for accidental loss or damage to your vehicle, please see Examples 1(a), 1(b) and 1(c) under the 'Claim payment examples' section of this PDS.**

## WHEN WE WILL NOT PAY YOUR CLAIM

### 1. General exclusions

*To make a claim under this policy you must provide us with honest, correct and complete information in a timely manner. Your failure to do this may result in us reducing or denying any claim you make.*

*In addition we will not pay any claim caused by or arising out of:*

- a) any **war, act of terrorism**, hostilities or warlike activities, invasion, act of foreign enemy (whether war is declared or not), rebellion, civil war, revolution, insurrection, military or usurped power;
- b) environmental, biological, chemical, radioactive or nuclear pollution, **contamination or explosion**;
- c) **depreciation**, wear and tear, rust or corrosion;
- d) mechanical, structural, electrical, or electronic **breakdown** or malfunction, or damage resultant from any software virus or computer chip failure;
- e) **damage to tyres** caused by brake application, punctures, bursting, or cuts, except where damage is as a result of an accident;
- f) any **loss**, whether financial or otherwise, because you cannot use your vehicle, except for the cover provided under 'Additional Benefits – Rental car following theft', or 'Optional Benefits with Comprehensive cover – Rental car following accidental damage' sections;
- g) any **reduced value** of your vehicle after your vehicle has been damaged and repaired in accordance with this policy;
- h) your failure to take all reasonable steps to **safeguard your vehicle** from loss at all times;
- i) **lawful seizure** or taking possession of your vehicle by any person or organisation lawfully entitled to do so;
- j) the lack of **availability of parts or accessories** from within Australia necessitating special fabrication, air freighting costs or importation not normally included in the current manufacturer's Australian price list. Where parts or accessories are not readily available our claims cost will be limited to the current Australian price list of the nearest equivalent part;
- k) costs incurred due to an **unreasonable delay** in you notifying us of a claim, or of a demand upon you that may lead to a claim, fines, penalties or liquidated damages;
- l) you or any other person driving your vehicle with your consent **admitting liability** or entering a contract, warranty or agreement, unless such liability would have existed if you had not entered into such contract, warranty or agreement;
- m) **intentional loss or damage** caused by you or a person acting with your express or implied consent;
- n) any costs associated with repairing any **existing damage** your vehicle had prior to an incident which resulted in a claim;
- o) any costs associated with repairing **faulty workmanship** or incomplete repairs previously carried out on your vehicle prior to an incident which resulted in a claim, except in circumstances where you are claiming under terms described in our Lifetime Repair Guarantee;
- p) contamination from natural, **organic or corrosive** substances (e.g. damage from tree sap or bird excrement);
- q) the use of **contaminated fuel** (except where the fuel was purchased through a licensed and authorised fuel distributor); or
- r) you or any other person continuing to drive your vehicle in a **damaged state**.

## 2. Vehicle exclusions

***We will not pay your claim if, at the time of any accidental loss, damage or liability which results in a claim, your vehicle or trailer, caravan or boat attached to your vehicle was:***

- a) in an **unsafe or unroadworthy** condition, or was carrying passengers or a load (including towing) in excess of that recommended by the vehicle manufacturer, and this contributed to the loss or damage;
- b) being hired out or **used for fare or reward** (including driving school instruction), other than under a private pooling arrangement or where such reward is only a travelling allowance paid by your employer and your vehicle is not used for business use;
- c) altered by **modifications** from the original manufacturer's specifications, unless you have told us of those modifications and we have agreed in writing to cover them;
- d) being used or prepared for use in any form of **motor sport or contest**, experiments, tests, trials or demonstration purposes;
- e) in the custody of a motor dealer or prospective purchaser for the **purpose of sale or consignment**;
- f) being used for any **unlawful purpose**, including the carrying of hazardous or inflammable goods in excess of that permitted by government regulation, unless you can prove that such use was without your knowledge or consent.

## 3. Driver exclusions

***We will not pay your claim if your vehicle (including a rental car) or trailer, caravan or boat attached to your vehicle was:***

- a) being driven by you, or any driver, who was **not licensed** to drive your vehicle, unless you can prove that your vehicle was being driven without your knowledge or consent;
- b) being driven by or last under the control of you, or any other driver with your consent:
  - i. whilst under the influence of **alcohol or illicit drugs**;
  - ii. who had a **blood alcohol level** in excess of the limit permitted by law in the state or territory where the loss or damage occurred; or
  - iii. who refused to take a test to determine the level of **alcohol or drugs**; or
- c) being driven by you, or any driver (with your permission), after receiving advice from a medical practitioner not to drive, or whilst under the influence of **prescribed medications** that impair the ability to drive.

## MAKING A CLAIM

### What to do in the event of a claim

We understand that being involved in an accident or having your vehicle stolen can be a very stressful time. Our team of claims consultants is here to give you a helping hand when you need it most. To assist in making the claims process as easy as possible for you, the following checklist will help to ensure that you have done everything you need to do, so that your claim can be assessed quickly and efficiently.

**For assistance contact PowerTorque Insurance (as soon as possible) on 1300 906 350 and we'll help you every step of the way.**

#### *At the accident scene:*

<b>Step 1</b>	<b>Try to prevent further loss or damage</b> – do everything you reasonably can to secure or recover your property and to minimise any risk of further loss, damage or liability.
<b>Step 2</b>	<b>Report the accident or loss to the authorities</b> – call the Police immediately when required to do so by law or when your vehicle is stolen or maliciously damaged.  Keep a record of the incident or report number, as well as the name of the Police officer and station and date reported. We will need a copy of the Police report to process your claim.
<b>Step 3</b>	<b>Collect the details of all drivers, passengers, vehicles and witnesses</b> – make sure you obtain the following information to assist us with lodging your claim: <ul style="list-style-type: none"><li>• registration numbers of all vehicles involved;</li><li>• insurance company details of all drivers involved;</li><li>• full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved; and</li><li>• photos of the damage sustained to all vehicles (where safe to do so) using your mobile phone or camera.</li></ul>
<b>Step 4</b>	<b>Contact us on 1300 906 350</b> – an experienced consultant will let you know what to do at the accident scene, take down all the details so there are no forms to fill in, and explain the claims process.

### Your responsibilities when you claim on your policy

Let us know as soon as possible when you discover that an incident likely to result in a claim has occurred, or if someone is holding you responsible for an accident or damage. We can help you and let you know what you should do.

#### **You must never, without our consent:**

- arrange or authorise any vehicle repairs, unless we have given our express written consent (except for emergency repairs as otherwise authorised in this policy);
- admit liability or guilt;
- make a promise or offer to settle or partly settle the matter or defend the matter; or
- assign your rights under this policy to a third party.

#### **We will require you to:**

- attend to all our reasonable requests of you to assist us in the management of your claim;
- provide us with honest, correct and complete information in response to all our requests so that we can properly assess your claim; and
- immediately refer any communication from other parties to us so that we can respond on your behalf.

## WHAT YOU MUST PAY IN THE EVENT OF A CLAIM

### Unpaid premiums following a total loss claim

If we decide your vehicle is a total loss, and your premium is paid by instalments or you have not paid the full premium due for the period of cover in which the claim occurred, you will be required to pay the balance of any unpaid premium owing for the period of cover where you make a non-recoverable claim.

Where you make a recoverable claim, you will not be required to pay any unpaid premium for the remaining period of cover in which the claim occurred.

When you make a recoverable claim following a total loss and receive a new replacement vehicle, we will make special provision to cover your new replacement vehicle until the end of the period of cover. We will not require you to pay any additional premium for this cover until the first renewal date following the total loss. Refer to the section '*How we settle your claim – If your vehicle is a total loss*' to find out more.

### Excess

An excess is the first amount you may have to pay toward the cost of a claim before we provide any benefits under this policy. The amount and types of excesses applicable to your policy are shown on your policy schedule. They are also described in our Comprehensive Motor Vehicle Insurance Premium, Excess and Claims Guide. Refer to the section '*Product Disclosure Statement Overview – Important information – How we calculate your premium*' for how to access the Guide.

### Types of excess

There are six types of excess, which are listed in the following table. The excess payable for any claim will be the total of all applicable excesses added together, depending on the circumstances of the claim.

#### Basic excess

The basic excess is the standard excess which applies to each claim you make on your policy and varies depending on the state or territory in which you normally reside at the time of a claim.

#### Age excess

The age excess applies if the driver is **under 25 years old** at the time of an accident and is payable in addition to other excesses (except the licence excess) when we accept your claim.

#### Licence excess

The licence excess is imposed in situations **where the age excess does not apply**, and will be applied where, at the time of an accident, the driver:

- has held an Australian driver's licence for less than two years; or
- is the holder of an overseas, probationary or provisional licence or learner's permit.

The licence excess is payable in addition to other excesses (except the age excess) when we accept your claim.

#### Special excess

The special excess applies where your particular circumstances impact the risk covered by your policy and may be imposed, for example:

- where you have modified your vehicle, or added non-standard accessories to your vehicle which may increase the cost of repairs following a claim; or
- because of the driving, criminal or insurance history of you or any regular driver listed on your policy schedule.

The special excess is payable in addition to other excesses when we accept your claim.

#### Voluntary excess

The voluntary excess is an optional excess that you may choose to reduce the amount of premium you pay to us. You can select from our range of excess options. This excess is payable in addition to other excesses when we accept your claim.

#### Undisclosed driver excess

The undisclosed driver excess applies to any claim where, at the time of an accident, the driver of your vehicle was **under 25 years of age and was not nominated as a driver** on the most recent policy schedule or renewal notice. The undisclosed driver excess is payable in addition to other excesses when we accept your claim.

## Will you have to pay any excess?

An excess will apply when you make a claim under your policy where:

- you make a non-recoverable claim; or
- you make a glass cover damage claim under this policy and have not chosen the 'Excess-free glass cover option'. Refer to the '*Optional Benefits with Comprehensive cover – Excess-free glass cover option*' section for details.

The basis on which we determine whether or not you will have to pay an excess is described in more detail in the following table.

<i>What happened?</i>	<i>Can you name the responsible person/s?</i>	<i>Will any excess apply?</i>
An accident or event where we have determined <b>you were responsible</b> for the loss or damage	Not applicable as we have determined you to be responsible.	<b>Yes</b> – because we won't have the opportunity to recover costs in connection with the accident.  Note: Basic excess will apply. Also age, licence, voluntary and undisclosed driver excesses (if applicable).
An accident or event where we have determined <b>you were NOT responsible</b> for the loss or damage	<b>Yes</b> – you can provide us with the full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved, as well as the vehicle registration and insurance details of all drivers involved.	<b>No</b> – because there is an opportunity to recover costs in connection with the accident.  Note: Excess-free for recoverable claims.
	<b>No</b> – you cannot provide us with the full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved, as well as the vehicle registration and insurance details of all drivers involved.	<b>Yes</b> – because we won't have the opportunity to recover costs in connection with the accident.  Note: Basic excess will apply. Also age, licence, voluntary and undisclosed driver excesses (if applicable).
Loss or damage to your vehicle caused: <ul style="list-style-type: none"> <li>• by theft or attempted theft;</li> <li>• by an animal or a weather event such as flood, hail or storm;</li> <li>• by fire;</li> <li>• maliciously; or</li> <li>• while it was parked</li> </ul>	<b>Yes</b> – you can provide us with the full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved, as well as the vehicle registration and insurance details of all drivers involved, and we have determined that you were not responsible for the loss or damage.	<b>No</b> – because there is an opportunity to recover costs in connection with the accident.  Note: For theft or vandalism claims, you need to give us a police report showing the name and address of the offender who has been charged or convicted.
	<b>No</b> – you cannot provide us with the full names, current residential addresses and phone numbers of all drivers, passengers and witnesses involved, as well as the vehicle registration and insurance details of all drivers involved, and we have determined that you were responsible for the loss or damage.	<b>Yes</b> – because we won't have the opportunity to recover costs in connection with the accident.  Note: The basic excess will apply and the voluntary excess (if applicable). However age, licence and undisclosed driver excess will not apply.

<i>What happened?</i>	<i>Can you name the responsible person/s?</i>	<i>Will any excess apply?</i>
Glass cover claims (where glass breakage is the only damage sustained to your vehicle)	Not applicable.	<b>Yes</b> – For glass cover only claims, unless you have selected the 'Excess-free glass cover option' you will need to pay the basic excess and any voluntary excess as we won't have the opportunity to recover costs in connection with the accident. (Refer to the section ' <i>Optional Benefits with Comprehensive cover – Excess-free glass cover option</i> ' to find out more).

### How we calculate your excess

The amount and types of excesses that apply to your policy are shown on your policy schedule. For further details on excesses, including amounts applicable by state, please refer to our Comprehensive Motor Vehicle Insurance Premium, Excess and Claims Guide. Refer to the section '*Product Disclosure Statement Overview – Important information – How we calculate your premium*' for how to access the Guide.

### When to pay your excess

When you make a claim we may require you to pay your excess(es) before we agree to make any payment or provide any benefits under the policy. If you do need to pay an excess, we will advise you whether this amount is to be:

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

## HOW WE SETTLE YOUR CLAIM

### If your vehicle has been damaged

**Call PowerTorque Insurance (as soon as possible) on 1300 906 350.**

When we agree to pay your claim for accidental damage to your vehicle (including fire and theft) and decide your vehicle can be repaired, we will choose to either:

- arrange for the repair of your vehicle; or
- pay you the fair and reasonable cost of repairing your vehicle.

### Repairing your vehicle

Once we accept your claim and decide your vehicle can be repaired, we will look after everything for you and ensure that the repair work performed returns your vehicle to its pre-accident condition. To provide you with further peace of mind, any authorised repairs performed will be covered by our Lifetime Repair Guarantee. Refer to the section '*If your vehicle has been damaged – The PowerTorque Insurance Lifetime Repair Guarantee*' to find out more.

For your convenience we will choose the repairer, authorise the repairs and manage the entire quote and repair process for you. We may obtain two independent competitive quotations from repairers we have chosen (where available) and select the most complete and competitive quote. If you wish you can choose a repairer to provide one of the quotes.

If we consider your repairer's quote to not be competitive and/or complete, or we do not believe that the repairs to your vehicle would be completed to a satisfactory standard, we reserve the right to authorise repairs to be carried out by a repairer nominated by us.

Our Lifetime Repair Guarantee only applies to repairs authorised by us.

We will need to inspect your vehicle before repairs commence or when any further damage is found. If your vehicle can be driven we will arrange a time for you to bring your vehicle to the repairer.

We will only pay for repairs we have authorised, except for emergency repairs up to \$500 necessary to allow you to continue using your vehicle safely following an accident.

### **The PowerTorque Insurance Lifetime Repair Guarantee**

The quality of workmanship and materials on all repairs authorised by us will be guaranteed for the life of your vehicle, even if you no longer own it.

When we authorise repairs to your vehicle and it is within the **first three years** of its original registration at the time of the accident we will always use new genuine parts, sourced through the manufacturer's Australian distribution channel in the repair of your vehicle, except for the replacement of windscreens, sunroofs and window glass where Australian Design Rule compliant parts may be used.

In all other cases, your vehicle will be repaired using genuine parts or parts consistent with the age or condition of your vehicle, except for the replacement of windscreens, sunroofs and window glass where Australian Design Rule compliant parts may be used.

Where replacement parts are required for the repair of your vehicle and are no longer available, we will pay you what it would have cost to repair your vehicle with those parts had they been available.

If there is any concern about the quality of the repairs completed by a repairer we have authorised, please promptly contact us rather than the repairer.

We will arrange for unsatisfactory repairs to be inspected and for the necessary rectification to be carried out. You must not authorise rectification work without our authority (with the exception of emergency repairs carried out under the policy provisions).

### **Contribution to repairs**

Should the repairs being performed leave your vehicle in a better condition than it was prior to the incident resulting in a claim, we may ask you to contribute to the repair costs.

### **If your vehicle is a total loss**

If we decide that the damage to your vehicle is so extensive that it would not be safe or economical to repair, or it has been stolen and not found within 14 days after the theft has been reported to us, we will declare your vehicle a total loss.

Once we accept your claim and decide your vehicle is a total loss, at our option we will:

- replace it with a new vehicle if you qualify for this benefit (refer to the section '*Additional Benefits – Replacement with new vehicle after a total loss*' to find out more);
- pay you the agreed value shown on your policy schedule; or
- pay the financier what they are entitled to (if your vehicle is subject to a finance agreement) and pay you any difference between the agreed value and the financed amount.

We will retain your damaged vehicle, including any options and accessories and keep the proceeds of any salvage value. We will also retain any unexpired portion of the registration and Compulsory Third Party (CTP) insurance.

**What else happens when we make a total loss settlement?**

	<i>Non-recoverable claims</i>	<i>Recoverable claims</i>
<b>Total loss payment</b>	We deduct any unpaid premium from our payment.	You will not need to pay us any unpaid premium for the unused portion of the premium.  <i>(Refer to the section 'What you must pay in the event of a claim – Unpaid premiums following a total loss claim' to find out more)</i>
	We pay the agreed value shown on your policy schedule and your policy will come to an end.	Where your total loss payment is used to purchase a replacement vehicle we will cover this vehicle for the remaining period of cover under this policy.  <i>(Refer to the sections 'Additional Benefits – Insurance continuity for recoverable claims' and 'What you must pay in the event of a claim – Unpaid premiums following a total loss claim' to find out more)</i>
	There is no refund of any premium for the unexpired period of cover, because our total loss payment meets all our obligations to you in full.	You will not be required to pay an additional premium where we cover any replacement vehicle for the remaining period of cover.  <i>(Refer to the sections 'Additional Benefits – Insurance continuity for recoverable claims' and 'What you must pay in the event of a claim – Unpaid premiums following a total loss claim' to find out more)</i>
	Where a credit provider has a financial interest in your vehicle in relation to your finance contract, we will pay them what they are entitled to under the finance contract, and pay you any balance.	
<b>New vehicle replacement</b>	You will first need to pay us any unpaid premium owing.	You will not need to pay us any unpaid premium for the unused portion of the premium.  <i>(Refer to the sections 'Additional Benefits – Insurance continuity for recoverable claims' and 'What you must pay in the event of a claim – Unpaid premiums following a total loss claim' to find out more)</i>
	When we replace your vehicle your policy will come to an end.	We will cover your replacement vehicle for the remaining period of cover under this policy.  <i>(Refer to the sections 'Additional Benefits – Insurance continuity for recoverable claims' and 'What you must pay in the event of a claim – Unpaid premiums following a total loss claim' to find out more)</i>
	There is no refund of any portion of the premium as our replacement of your vehicle meets all our obligations in full.	Where we cover your replacement vehicle under this policy you will not need to pay any additional premium for this cover until the first renewal date following the total loss.  <i>(Refer to the sections 'Additional Benefits – Insurance continuity for recoverable claims' and 'What you must pay in the event of a claim – Unpaid premiums following a total loss claim' to find out more)</i>
	Where your vehicle is subject to a finance agreement, we will require the financier's written consent before replacing your vehicle.	

## Claim recovery

If you make a recoverable claim on this policy we reserve the right to take action to recover any money paid by us. When we do this, we may need to take such action in your name, and therefore you must cooperate with us and give us any information and assistance we may require through to the completion of the claim. We will meet all reasonable expenses associated with our action.

## GST and Input Tax Credits

If you are registered for GST, you are required to tell us your entitlement to any Input Tax Credits (ITC) on the premium you pay to us. If you do not tell us your entitlement, or if the information you give us is incorrect, we will not be liable for any resulting fines, penalties or charges you incur. When we calculate the amount of any payment we make for a claim, we may reduce the amount by any ITC that you are, will be or would have been entitled to receive.

**For example: where you are entitled to an ITC on your premium and have a total loss accident, we agree to pay you the agreed value of your vehicle calculated at \$21,920. We will reduce this amount by the ITC, which is equal to 1/11th of \$21,920 (or \$1,993). Your payment is then equal to \$21,920 – \$1,993 or \$19,927.**

## If your vehicle has been stolen

**Report the theft immediately to the Police and to PowerTorque Insurance on 1300 906 350.**

- If your vehicle is found damaged within 14 days from when you reported the theft to us and it can be repaired, we will arrange the repair as set out under the section '*How we settle your claim – If your vehicle has been damaged*' to find out more.
- If your vehicle has not been found within 14 days, or is found damaged and cannot be repaired, we will declare it a total loss if we have accepted your claim. Refer to the section '*How we settle your claim – If your vehicle is a total loss*' to find out more.

## Third Party Property damage claims

**Call PowerTorque Insurance (as soon as possible) on 1300 906 350.**

When the use of your vehicle results in damage to someone else's property we will cover your legal liability to pay compensation for any loss or damage caused. The use of a boat, caravan or trailer attached to your vehicle is also covered. Refer to the sections '*The protection we provide – Cover for damage to other people's property*' and '*Additional Benefits – Trailer, boat and caravan cover*' to find out more.

**For examples of how we pay a claim if your vehicle is a total loss see Examples 1(a) and 1(b) under the '*Claim payment examples*' section of this PDS.**

## ADDITIONAL TERMS AND CONDITIONS

### Our standard conditions for rental cars

#### The following conditions apply to all rental car benefits in this policy.

The rental car must be arranged by us or pre-approved by us and will only be made available after you have lodged your claim with us, and you have paid any applicable excess(es).

When we arrange a rental car, it will be covered by this policy during the authorised hire period. If the rental car is damaged or stolen during the hire period you will need to lodge a new claim under this policy and you must pay any excess(es) that apply.

When you arrange a rental car, you will need to provide us with a copy of the rental car and insurance agreement (as this policy does not cover a rental car arranged by you) and receipts for the rental charges being claimed in order to receive reimbursement.

If the rental car is damaged or stolen during the hire period, you will be responsible for the balance of any excess amount over and above the applicable excess(es) payable under this policy.

The cost of fuel and any other costs associated with the rental car or any additional hire costs will be your responsibility. You must meet the rental conditions which apply, including driver age restrictions, daily kilometre allowances, vehicle return and pick-up locations and the deposit of any bonds.

#### The rental car must be returned within one business day of:

- our advising your vehicle has been repaired and is able to be driven;
- our advising your vehicle has been found undamaged and is able to be driven;
- the 21-day 'Rental car following theft' benefit expiry; or
- the date we settle your claim.

Should you fail to return the rental car within the applicable time period above, you will be liable for the daily rental car cost after this date.

#### We will not pay for:

- rental car costs incurred as a result of a delay by you in having your vehicle repaired;
- any costs incurred due to a delay by a repairer you choose in carrying out repairs; or
- any costs incurred in hiring the car if your claim with us is declined by us or withdrawn by you.

### Lifetime Rating 1

We will recognise your good driving record by awarding you our Lifetime Rating 1 status. This means that while you are comprehensively and continuously insured with us, your Lifetime Rating 1 status will not be reduced, regardless of how many claims you make.

If you are eligible for our Lifetime Rating 1 status it will be shown on your policy schedule.

### Renewing your policy

Before the expiry of your insurance cover we will write to you at your last known address that we have on record and set out the terms on which we offer renewal, or advise you that we are unable to continue the cover.

It is important you check that the information set out in the renewal notice is correct, and advise us immediately of any changes to your information or details. If the information you provide to us is not honest, correct and complete, we may reduce or deny any claim you make, cancel your policy or treat your policy as if it never existed.

If you accept our offer and renew your policy, provided we receive your premium by the due date, cover will commence from the 'period of cover start date' on your most recent renewal notice. If we do not receive your premium by the due date, cover will cease on this date.

**When we offer to renew your policy we may require an additional premium:**

- if you make a claim in the period between the point in time we calculated the renewal premium and the expiry of your policy; or
- if you tell us about changes to your policy details in that period and we tell you they will increase your renewal premium.

If the additional premium is not paid, we may reduce the period of cover to match the reduced amount you have already paid.

**Paying for your insurance**

You can pay your premium annually in one lump sum or by monthly direct debit instalments. The notices we issue at the commencement of your insurance, and at each renewal of your policy, show the payment options available to you. The due date for payment will be set out on your current policy schedule.

When you tell us about a change to your policy details (e.g. adding a new regular driver) this may alter our risk and therefore affect the premium you need to pay. If the changes reduce your premium and a refund is payable, we will credit your credit card or bank account for the amount owing to you, less any applicable administration fee. If any changes increase your premium you will need to pay us any additional premium required within 14 days.

If you do not pay the premium in full, or any additional premium required, we may reduce your period of cover proportionate to the premium you have already paid.

**Paying annually**

Where you have chosen to pay your premium annually you must pay your premium by the due date to be covered by this policy.

If we do not receive full payment of the premium by the due date, cover will cease on this date because the policy is no longer current.

**Paying by monthly instalments**

The total premium we charge is higher when you pay in instalments than when you pay one lump sum annually.

When paying by instalments you must provide us with an authority to use the account nominated for your direct debit payments. It is also your responsibility to ensure that sufficient funds are in the nominated account to meet each instalment.

If our scheduled attempt to collect your monthly instalment is unsuccessful we will advise you in writing. Where an instalment remains unpaid for at least one month after its original due date, we may cancel your policy without giving you prior notice of the cancellation and will no longer be responsible for honouring any claims made on this policy which occur after the cancellation date.

**Cancelling your policy****21-day Cooling Off period**

You can cancel this policy within 21 days of its purchase date and you will receive a full refund, provided you have not lodged a claim. To cancel your policy please call PowerTorque Insurance on 1300 906 350 or email or write to us. Our contact details are provided at the end of this document.

## **Cancellation after 21 days**

### **By you**

You may also cancel this policy at any time after 21 days of its commencement date by requesting us to do so. If you have paid an annual premium, we will refund the balance of your premium in respect of any unexpired period of cover, less a processing charge to cover our reasonable administrative and transaction costs. If we have paid a total loss claim or replaced your vehicle under the current period of cover of this policy you will not be entitled to any refund.

If you are paying your premium by monthly instalments, we will reduce the period of cover to reflect the amount of premium paid. No refund of premium will apply in these circumstances.

### **By us**

We can only cancel your policy by giving you written notice in accordance with legislative requirements. If we do this, we will refund the balance of premium in respect of any unexpired period of cover, less a processing charge to cover our reasonable administrative and transaction costs. If we have paid a total loss claim under this policy you will not be entitled to any refund.

**Unless otherwise stated, the processing charge amount is equal to \$50 inclusive of GST. For example, if a policy with an annual premium of \$540 is cancelled with 146 days remaining, the refund applicable is equal to:  $\$540 \times (146/365) - \$50 = \$166$ .**

## **Changing your vehicle**

### **You replace your vehicle with another vehicle**

If you permanently replace your existing vehicle with another vehicle valued at \$150,000 or less and sell or otherwise dispose of your existing vehicle, we will provide temporary cover for the replacement vehicle from the time of its purchase to a maximum of 14 days. Cover will continue on the replacement vehicle provided:

- you give us full details of the replacement vehicle within 14 days of buying it;
- we agree to cover your replacement vehicle and you accept any modified terms and conditions; and
- you pay any extra premium we may request.

Cover ends for your existing vehicle and begins for the replacement vehicle at the time you take delivery of the replacement vehicle.

If we agree to insure your replacement vehicle and you pay us any additional premium we require, we will send you a new policy schedule.

### **You temporarily retain your existing vehicle when you purchase a replacement vehicle**

If you do not dispose of your existing vehicle when you purchase a replacement vehicle, subject to complying with the previous terms in this section, we will provide cover for both the existing vehicle described on the policy schedule and the replacement vehicle for up to 14 days from the date of purchase of the replacement vehicle.

The temporary cover applying to the replacement vehicle will be the same as the cover applying to your existing vehicle, except that the cover will only be:

- for a maximum period of 14 days from the date of purchase; and
- the agreed value will be the lesser of the purchase price of the replacement vehicle or \$150,000.

### **You require permanent cover for both your existing and replacement vehicles**

If you intend to retain both your existing vehicle described on the policy schedule and the replacement vehicle beyond the 14 day temporary cover period you will need to:

- take out an additional policy for the replacement vehicle;
- agree to any modified terms and conditions; and
- pay any extra premium we may request.

## OUR SERVICE COMMITMENT TO YOU

### General Insurance Code of Practice

PowerTorque Insurance proudly supports, and complies with the General Insurance Code of Practice ('Code'). The Code has been developed to exceed the standards set out in regulation and to reflect changing community expectations and attitudes towards insurance.

#### It has been designed to create:

- an informed relationship between insurers and customers;
- public confidence in the general insurance industry;
- rapid resolution of complaints and disputes; and
- even higher standards of customer service.

A copy of the Code can be obtained from the Insurance Council of Australia (ICA) or by visiting [codeofpractice.com.au](http://codeofpractice.com.au)

### How to tell us when you are not satisfied, for any reason

We're committed to providing you with the highest standard of service. However occasionally there may be some aspect of our service, the cover provided under your policy or a decision we have made that you wish to query or draw to our attention.

If you are unhappy with the outcome of any dealings with us we will do our best to work with you to resolve it using the following process:

#### Step 1. Talk to us first

In the first instance we encourage you to discuss the matter with the staff member who provided your initial service by calling 1300 906 350. Most times they will be able to resolve the matter to your satisfaction. If the staff member is unable to resolve your concern, they will refer you to their manager or senior staff member (who can also be contacted on the above number). If you are not satisfied with their response, you can proceed to Step 2 – Request a review.

#### Step 2. Request a review

If your concern remains unresolved by the manager or senior staff member, they will refer the matter to our Internal Dispute Resolution Department (IDR). Our IDR has the full authority to act independently in dealing with your dispute and will ensure your concern is referred to the appropriate person and receives prompt attention.

The designated IDR specialist will respond to you within five business days of you notifying us of your concern. You will be contacted with our final decision within 15 business days.

If you remain unsatisfied with the decision from our IDR specialist, you can proceed to Step 3 – Seek an external review of your dispute.

#### Step 3. Seek an external review of your dispute

If you have followed Steps 1 and 2 above and we have still failed to satisfactorily deal with your concern or we have taken more than 15 days to respond, you can appeal to the Financial Ombudsman Service (FOS).

The FOS is an independent, external dispute resolution scheme and there is no charge for this service.

## How to contact the Financial Ombudsman Service

The Financial Ombudsman Service can be contacted by:

**Phone:** 1300 780 808  
**Fax:** (03) 9613 6399  
**Mail:** Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001  
**Email:** [info@fos.org.au](mailto:info@fos.org.au)  
**Web:** [fos.org.au](http://fos.org.au)

### Are any decisions binding on you?

We will stand by any decision made as part of our complaints process in an attempt to satisfy your concern.

However you do not have to accept any decision made by us or the FOS and alternatively may wish to seek your own advice on this matter elsewhere.

### Financial Claims Scheme

This policy may be a 'protected policy' for the purposes of the Federal Government's Financial Claims Scheme (FCS). For more information about the FCS, please refer to our Comprehensive Motor Vehicle Insurance Premium, Excess and Claims Guide. Refer to the '*Product Disclosure Statement Overview – Important information – How we settle your claim*' section of this PDS for how to access the Guide.

## CLAIM PAYMENT EXAMPLES

The following are examples of how we pay a claim under this policy and are not terms or conditions of the policy wording. They are examples only and individual claim settlement will depend upon the facts and circumstances of each case.

Please note that the excess amounts provided are for illustration purposes only and your applicable excesses are stated in your policy schedule. Terms and conditions apply in regard to individual claims payments. Please read this Policy and Product Disclosure Statement (PDS) for full details of what we cover, as well as what policy limits and exclusions apply.

You can find further details on excesses, including amounts applicable by state in our Comprehensive Motor Vehicle Insurance Premium, Excess and Claims Guide. Refer to the *'Product Disclosure Statement Overview – Important information – How we settle your claim'* section of this PDS for how to access the Guide.

### Comprehensive cover claim settlements

#### 1(a) Total loss claim following accidental damage

**A total loss non-recoverable claim where the other driver is making a demand against you (including a claim for towing).**

You have a Comprehensive Insurance policy for your vehicle. You have an agreed value of \$30,000. The basic excess shown on your policy schedule is \$700.

Your vehicle is damaged in an accident when being driven by your 21 year old son who holds a full Australian driver's licence and is noted as an additional driver on your policy.

At the time of the accident your vehicle was within the first two years of its original registration and you use it for private use only. The trailer attached to the vehicle is also damaged. Your vehicle is towed from the scene of the accident.

We decide that both your vehicle and your trailer are a total loss and we agree to replace your vehicle with a new vehicle of the same make, model and series.

The owner of the other vehicle claims that your son was responsible for the accident and brings a court claim against your son. The damage to the other vehicle and the legal costs of the other driver are assessed by a court at \$15,500. The legal costs to defend your son's legal liability in court are \$5,000.

**We replace your vehicle with a new vehicle of the same make, model and series (provided such a vehicle is available in Australia), and pay for the on-road costs, including the cost of the first year's registration and CTP Insurance, if applicable.**

<b><i>We will also pay</i></b>	<b><i>Amount</i></b>
Market value of your trailer (we will pay this to you)	<b>\$800</b>
<b>PLUS</b>	
Towing costs (we will pay the towing company)	<b>\$400</b>
<b>PLUS</b>	
Damage to the other vehicle, plus their legal costs (we will pay this to the owner of the other vehicle)	<b>\$15,500</b>
<b>PLUS</b>	
Your legal costs (we will pay this to our lawyers)	<b>\$5,000</b>

<b><i>You must pay us</i></b>	<b><i>Amount</i></b>
<b>Your excess (\$1,500 – made up as follows)</b>	
Your basic excess (as shown on your policy schedule)	<b>\$700</b>
<b>PLUS</b>	
Age excess (as shown on your policy schedule)	<b>\$800</b>
<b>Total excess</b>	<b>\$1,500</b>

**In Example 1(a) our payment is based on the following policy provisions – refer to the relevant section of this PDS for details:**

- 1) Cover for damage to other people's property (refer to the section *'The protection we provide – Cover for damage to other people's property'*)
- 2) Replacement with new vehicle after a total loss (refer to the section *'Additional Benefits – Replacement with new vehicle after a total loss'*)
- 3) Trailer, boat and caravan cover (refer to the section *'Additional Benefits – Trailer, boat and caravan cover'*)
- 4) Legal costs (refer to the section *'Additional Benefits – Legal costs'*)
- 5) Towing and storage (refer to the section *'Additional Benefits – Towing and storage'*)
- 6) Excess (refer to the section *'What you must pay in the event of a claim – Excess'*)
- 7) You do not have an ITC entitlement on the item being claimed (refer to the section *'How we settle your claim – GST and Input Tax Credits'*)

## 1(b) Total loss claim following theft

### A total loss non-recoverable claim following theft (including claims for personal items, and rental car following theft).

You have agreed value Comprehensive Insurance cover for your vehicle of \$22,000. The basic excess shown on your policy schedule is \$700.

Your vehicle is stolen and found a week later in a damaged state. You had a digital camera worth \$300 which was stolen with your vehicle.

**We decide that your vehicle is a total loss and agree to pay you \$300 for the loss of the personal item. You have a hire car until your vehicle is found.**

**This is a non-recoverable claim as we were unable to identify the offender, so you will need to pay us the basic excess.**

<b>We will pay</b>	
Agreed value of your vehicle (we will pay this to you)	<b>\$22,000</b>
<b>PLUS</b>	
Rental car costs (we will pay this to you or the hire car company)	<b>\$420</b> (\$60 a day for seven days)
<b>PLUS</b>	
Personal items (we will pay this to you)	<b>\$300</b>
<b>LESS</b>	
Your basic excess (as shown on your policy schedule)	<b>\$700</b>
<b>Total payment to you</b>	<b>\$22,020</b>

**In Example 1(b) our payment is based on the following policy provisions – refer to the relevant section of this PDS for details:**

- 1) Cover for accidental loss or damage to your vehicle (refer to the section *The protection we provide – Cover for accidental loss or damage to your vehicle*) and Total loss settlement (refer to the section *How we settle your claim – If your vehicle is a total loss*)
- 2) Rental car (refer to the section *Additional Benefits – Rental car following theft*)
- 3) Personal items (refer to the section *Additional Benefits – Personal items*)
- 4) Excess (refer to the section *What you must pay in the event of a claim – Excess*)
- 5) You do not have an ITC entitlement on the item being claimed (refer to the section *How we settle your claim – GST and Input Tax Credits*)

### 1(c) Accidental damage claim where the vehicle can be repaired

**A recoverable claim for accidental damage to your vehicle that can be repaired (including a claim for rental car following an accident).**

You have a Comprehensive Insurance policy for your vehicle. The basic excess shown on your policy schedule is \$700.

Your vehicle is damaged in an accident with another vehicle and is towed to the repairer. This is a recoverable claim so there is no requirement to pay any excess. We decide to repair the vehicle. You need a rental car for seven days while your vehicle is being repaired.

<b>We will pay</b>	<b>Amount</b>
Cost to repair your vehicle (we will pay this to the repairer)	<b>\$4,800</b>
<b>PLUS</b>	
Rental car costs (we will pay this to you or the hire car company)	<b>\$420</b> (\$60 a day for seven days)
<b>PLUS</b>	
Towing costs (we will pay the towing company)	<b>\$600</b>
<b>LESS</b>	
Excess payable	<b>\$0</b>

**In Example 1(c) our payment is based on the following policy provisions – refer to the relevant section of this PDS for details:**

- 1) Cover for accidental loss or damage to your vehicle (refer to the section *'The protection we provide – Cover for accidental loss or damage to your vehicle'*) and Repairing your vehicle (refer to the section *'How we settle your claim – If your vehicle has been damaged'*)
- 2) Rental car (refer to the section *'Additional Benefits – Rental car following accidental damage'*)
- 3) Towing and storage (refer to the section *'Additional Benefits – Towing and storage'*)
- 4) Excess (refer to the section *'What you must pay in the event of a claim – Excess'*)
- 5) You do not have an ITC entitlement on the item being claimed (refer to the section *'How we settle your claim – GST and Input Tax Credits'*)

## CONTACT DETAILS

For information regarding your policy or to make a claim:

**Phone:** 1300 906 350

**Fax:** (03) 9867 3640

**Mail:** PowerTorque Insurance  
PO Box 7212  
Melbourne VIC 8004

**Email:** [info@powertorqueinsurance.com.au](mailto:info@powertorqueinsurance.com.au)

**Web:** [powertorqueinsurance.com.au](http://powertorqueinsurance.com.au)

To enquire about additional insurance needs call us on 137 800.