



FINANCE GAP INSURANCE

Policy and Product Disclosure Statement

Preparation Date: 1 January 2014

CONTENTS

INTRODUCTION.....	3
Be prepared with PowerTorque Insurance.....	3
Product Disclosure Statement	3
PRODUCT DISCLOSURE STATEMENT OVERVIEW	4
Important information.....	4
Features and Benefits.....	6
YOUR POLICY INFORMATION.....	6
Eligibility	6
Your policy	6
Our agreement with you	6
Your privacy	7
Your promise to us.....	7
COMMONLY USED WORDS OR EXPRESSIONS	8
WHAT IS COVERED	9
Levels of cover.....	9
What we will pay.....	9
Additional Benefits.....	10
WHAT IS NOT COVERED	11
MAKING A CLAIM	11
What to do in the event of a claim	11
HOW WE PAY YOUR CLAIM	12
Outstanding loan balance.....	12
Extra costs.....	12
GST and Input Tax Credits.....	12
ADDITIONAL TERMS AND CONDITIONS.....	13
Paying for your insurance	13
Cancelling your policy	13
When your policy ends.....	13
OUR SERVICE COMMITMENT TO YOU.....	14
General Insurance Code of Practice.....	14
How to tell us when you are not satisfied, for any reason	14
Financial Claims Scheme.....	15
CLAIM PAYMENT EXAMPLES	16
CONTACT DETAILS.....	18

INTRODUCTION

Be prepared with PowerTorque Insurance

PowerTorque Insurance is here to provide reliable, cost-effective financial protection for your vehicle.

If you've financed your vehicle and it is written off as a result of an accident or theft, our Finance Gap Insurance policy will provide for the payment of your outstanding loan balance, up to the level of cover chosen. It also provides for financial support that can help you purchase a replacement vehicle.

So if your vehicle is declared a total loss by your comprehensive insurer while under finance, please call us immediately. We'll process your claim quickly and conveniently to get you back on the road sooner.

To find out more about our insurance and financial products, please call PowerTorque Insurance on 137 800 or visit powertorqueinsurance.com.au

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 Finance Gap policy, and 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 update some of the information in the 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 or visiting powertorqueinsurance.com.au 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 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.

Eligibility	To be eligible to apply for this insurance you must have a finance contract on your vehicle and comprehensive motor vehicle insurance covering the vehicle. (Refer to the section <i>'Your policy information – Eligibility'</i> to find out more)
Your privacy	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)
Your promise to us	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 – Your promise to us'</i> to find out more)
What is not covered	You need to be aware of the risks that you are not covered for under this policy. Please carefully read the section <i>'What is not covered'</i> .
Making a claim	Please contact us as soon as possible by calling 1300 906 350. (Refer to the section <i>'Making a claim – What to do in the event of a claim'</i> to find out more)
GST and Input Tax Credits (ITC)	The amounts covered under this policy 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 pay your claim – GST and Input Tax Credits'</i> to find out more)
Paying for your insurance	To be covered by this policy, your premium must be paid on or before the date we require payment. You can pay us the premium up front or it may be paid by including it as part of your finance contract. (Refer to the section <i>'Additional Terms and Conditions – Paying for your insurance'</i> to find out more)
21-day Cooling Off and cancellation at other times	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)
How we calculate your premium	<p>The amount of your premium will be set out in your policy schedule. We calculate your premium by taking into account a variety of factors including the following:</p> <ul style="list-style-type: none"> • Key pricing factors for the cover option selected • Any policy discounts • Payments we make to our Intermediaries • Government taxes and charges, where applicable. <p>Pricing factors Your premium is based on a number of pricing factors including the key factors set out in the table below. This table also shows the impact these factors may have on your premium.</p> <p>Please note that the factors identified below are significant factors only and we may take other factors into account to provide an indication of the possibility of a claim being made and the cost of claims. The way in which different factors impact your premium may change from time to time.</p>

How we calculate your premium (continued)	Key pricing factors	Premium impact
	The cover option you choose	The premium is highest for the cover option that provides the highest benefits and is lower for cover options which have lesser benefits.
	The value of your vehicle and changes in the value of your vehicle	The premium we charge will take into consideration the characteristics of the range of different vehicles we insure. Characteristics such as vehicle condition, performance, safety and usage can vary and change over time. These factors in turn impact on the number and cost of claims and therefore the premium we charge.
	Your finance contract amount and term, and the regular payments made on your finance contract	The characteristics of the range of different finance contracts we cover and the amounts by which these contracts change over time will impact on the amount and frequency of claims and therefore the premium we charge.
	The frequency with which claims arise	The likelihood of claims occurring and therefore the level of risk we are accepting may increase or reduce the cost of your insurance.
	Discounts From time to time we may offer Finance Gap Insurance discounts that will reduce your premium. If we do, we will tell you when and how those discounts apply to your premium. Any discounts that you qualify for will be included in the total premium payable by you.	
	Payments we make to our Intermediaries We will pay commissions and fees to our Intermediaries out of your premium. These amounts will affect the amount of your premium.	
	Government charges Your premium includes any compulsory government charges, taxes and levies imposed by the applicable state and territory governments (e.g. stamp duty and GST). These amounts will be set out separately on your policy schedule as part of the total premium. This is a single premium non-renewable policy which provides insurance for the period of cover shown on your policy schedule.	
Our Service Commitment to you	<p>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.</p> <p>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.</p> <p>There is no charge to you for either service.</p> <p>(Refer to the section 'Our Service Commitment to you' to find out more)</p>	

Features and Benefits

The table below summarises the cover provided, depending on the cover option you have selected.

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

Cover	Option 1	Option 2	Option 3	Option 4
Pays any outstanding loan balance following a total loss claim being paid on your motor vehicle	Up to \$30,000	Up to \$15,000	Up to \$10,000	Up to \$10,000
Pays extra costs associated with your purchase of a replacement vehicle following a total loss	Up to \$4,000	Up to \$4,000	Up to \$2,000	Up to \$1,000
Additional Benefit				
Pays finance establishment fees up to \$750 when your replacement vehicle is financed with PowerTorque Finance	✓	✓	✓	✓

YOUR POLICY INFORMATION

Eligibility

You may only apply for Finance Gap Insurance at the commencement date of your finance contract. To be eligible for cover and entitled to claim benefits, you must have a finance contract on your vehicle, and your vehicle must be covered by a comprehensive motor vehicle insurance policy.

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 current status 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 for any outstanding loan balance and for extra costs, following a total loss payment by your comprehensive motor vehicle insurance, subject to:

- the type of cover option you have selected as detailed in your policy schedule;
- the terms, conditions and limits as detailed in this document;
- the premium being paid;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 powertorque.com.au or contact us at insurance@powertorque.com.au or 137 800 to request a copy of the Policy 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.

Your promise to us

When we agree to insure you, or vary your policy, or pay your claim, our decision relies on the accuracy of the information you give us. You must provide honest, correct and complete answers to the questions we ask you.

It is important that you tell us immediately of any changes that have occurred since your policy started, and if any of the information shown on your policy schedule or any other notices you may receive from us from time to time is incorrect or incomplete, or requires updating.

If the information you provide 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.

COMMONLY USED WORDS OR EXPRESSIONS

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

Comprehensive motor vehicle insurance means the insurance policy which provides cover for your vehicle against accidental loss or damage (including theft and legal liability), at the time the total loss occurs.

Excess means the amount you must pay towards the cost of your claim for the total loss under your comprehensive motor vehicle insurance.

Extra costs means an amount we pay you for the following costs you necessarily and reasonably incur that are not recoverable from another party, nor included in the total loss payment, up to the limit of the cover option you have selected and which is shown on your policy schedule:

- any excess paid by you under your comprehensive motor vehicle insurance as a result of the event causing the total loss;
- dealer delivery charges for the replacement vehicle;
- the first 12 months registration, comprehensive motor vehicle insurance, and Compulsory Third Party insurance for the replacement vehicle;
- stamp duty payable in connection with your purchase of a replacement vehicle; and
- up to seven days car hire limited to a maximum of \$60 per day, whilst you are without a vehicle following the total loss, but only if the car hire has been arranged or approved by us.

Finance contract means the finance contract arranged between you and the financier for the purchase or lease of the vehicle, as shown on the policy schedule.

Financier means the company or institution that has agreed to provide you with finance for the purchase or lease of your vehicle, as shown on the policy schedule.

Outstanding loan balance means the difference between:

- the amount owing on your finance contract as at the date of the event that caused the total loss of your vehicle; and
- the agreed or market value of your vehicle (whichever is applicable) determined in the total loss calculation under your comprehensive motor vehicle insurance policy.

In calculating this difference the following amounts (where applicable) are excluded:

- the amount of any excess or unpaid premium (including the balance of monthly payments due for the current period of insurance);
- any arrears or deferred payments, or amounts that have become due and payable and have not been paid, or associated penalty costs under your finance contract;
- any monies that are refundable or can be rebated from items that were financed under the finance contract;
- any additional costs, fees, charges or penalties for the early discharge or finalisation of the finance contract; and
- any increase in the amount owing under the finance contract due to a variation in the contract which has not previously been advised to us, and which we have not confirmed as being covered by this policy.

For example, at the time you have an accident the amount owing on your finance contract is \$26,000. Your comprehensive motor vehicle insurer determines that your vehicle is a total loss and pays you an agreed value of \$20,000. As there are no other deductions from the total loss payout, your outstanding loan balance will be: \$26,000 – \$20,000 = \$6,000.

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 that shows the particular details and current status of your policy. This includes any other notices we may give you from time to time.

PowerTorque Finance is a division of Toyota Finance Australia Limited ABN 48 002 435 181, Australian Credit Licence 392536.

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

Total loss means your vehicle has been stolen and not found, or in the opinion of your comprehensive motor vehicle insurer the vehicle is unable to be repaired economically following an accident.

Total loss payment means the amount agreed to be paid under your comprehensive motor vehicle insurance following a total loss.

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 financed under the finance contract described on the policy schedule including:

- its standard tools, modifications and accessories as supplied by the manufacturer, providing they are in or attached to your vehicle;and
- any accessories and modifications described on the comprehensive motor vehicle insurance policy schedule current at the time of the total loss occurring, provided they are fixed to your vehicle.

WHAT IS COVERED

Levels of cover

Depending on your needs, you may choose one of four cover options available. The following table shows the maximum amounts we will pay for each cover option, subject to the policy terms and conditions.

Cover option	Outstanding loan balance	Extra costs
1	Up to \$30,000	Up to \$4,000
2	Up to \$15,000	Up to \$4,000
3	Up to \$10,000	Up to \$2,000
4	Up to \$10,000	Up to \$1,000

What we will pay

Provided we have agreed to insure you and you have paid the premium, we will insure you for the cover you have selected and which is shown on your policy schedule, subject to the terms and conditions of this policy.

In the event that your vehicle is stolen and not recovered, or damaged beyond repair, and your comprehensive motor vehicle insurer agrees to pay your claim as a total loss under your comprehensive motor vehicle insurance, we will pay:

- any outstanding loan balance that may occur;and
- extra costs, up to the maximum amounts of the cover option that you have selected and which is shown on your policy schedule, in accordance with the above table.

Outstanding loan balance

We will pay (to your financier) the outstanding loan balance remaining after a total loss claim has been paid on your vehicle, up to the limit of cover chosen as shown on your policy schedule.

No finance gap benefit

Where the total loss payment is greater than the amount owing on your finance contract and there is no outstanding loan balance to be paid, we will still pay any extra costs associated with replacing your vehicle, up to the limit of the cover option selected as shown on your policy schedule.

Extra costs

In addition to paying the outstanding loan balance we will also pay the following extra costs associated with replacing your vehicle which are incurred by you and not recoverable from another party, nor included in the total loss payment. The maximum amount we will pay in relation to extra costs will depend on the cover option you have selected, as shown on your policy schedule.

The extra costs you can claim for are:

- any excess paid by you under your comprehensive motor vehicle insurance as a result of the event causing the total loss;
- dealer delivery charges for the replacement vehicle;
- the first 12 months registration, comprehensive motor vehicle insurance, and Compulsory Third Party insurance for the replacement vehicle;
- stamp duty payable in connection with your purchase of a replacement vehicle; and
- up to seven days car hire limited to a maximum of \$60 per day, whilst you are without a vehicle following the total loss, but only if the car hire has been arranged or approved by us.

If your vehicle has been replaced by your comprehensive motor vehicle insurer, and we have agreed to continue your policy to cover the replacement vehicle under the Additional Benefits section, a claim for extra costs will not be accepted.

Additional Benefits

Finance establishment fees

We will also pay the finance establishment fees that you may incur, up to a maximum of \$750, when you finance the purchase of a replacement motor vehicle through PowerTorque Finance within 90 days of the total loss payment. The payment will be made directly to you after you provide us with the relevant documentation confirming your new finance contract.

This benefit will only be provided if you finance your replacement motor vehicle through PowerTorque Finance.

Replacement vehicles

In the event your vehicle is replaced by your comprehensive motor vehicle insurer and your financier has agreed to the change of vehicle under your finance contract and has not altered the terms and conditions of the finance contract, this policy will continue to cover the replacement vehicle shown on your policy schedule.

However, if you lodge a claim for extra costs associated with the replacement vehicle, this policy will come to an end. Refer also to the section '*Additional Terms and Conditions – When your policy ends*' for other events which bring the policy to an end.

For examples of how we pay claims, refer to the '*Claim payment examples*' section of this PDS.

WHAT IS NOT COVERED

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 you are not covered under this policy for:

- 1) any benefit where a total loss payment has not been paid in full by your comprehensive motor vehicle insurance;
- 2) any arrears or deferred payments, or amounts that have become due and payable and have not been paid, or associated penalty costs under your finance contract;
- 3) any monies that are refundable or can be rebated from items that were financed under the finance contract;
- 4) any additional costs, fees, charges or penalties for the early discharge or finalisation of the finance contract;
- 5) any increase in the amount owing under the finance contract due to a variation in the contract which has not previously been advised to us, and which we have not confirmed as being covered by this policy;
- 6) any loss as a result of war, act of terrorism, hostilities, warlike activities, invasion, act of foreign enemy (whether war is declared or not), rebellion, civil war, revolution, insurrection, military or usurped power;
- 7) any loss as a result of biological, chemical, radioactive, nuclear pollution, contamination or explosion;
- 8) engaging in a criminal act; or
- 9) using your vehicle:
 - i) for hire, fare or reward, or as a taxi, rental, loan or driving school vehicle;
 - ii) motor sports, emergency or law enforcement;
 - iii) fast food delivery or towing for income; or
 - iv) transport of hazardous or inflammable goods.

For examples of how we pay claims, refer to the 'Claim payment examples' section of this PDS.

MAKING A CLAIM

What to do in the event of a claim

- Contact PowerTorque Insurance as soon as possible on 1300 906 350. When you contact us a claims officer will be appointed to assist you through the claims process.
- Provide us with honest, correct and complete information in response to all our requests, including relevant details of your motor vehicle insurance claims settlement and finance contract, so that we can properly assess your claim.
- You must provide us with the written details of the finalisation of your claim from your comprehensive motor vehicle insurer and the financier of your vehicle. We may also require you to authorise your comprehensive motor vehicle insurer and your financier to release details to us to enable us to verify the amount you may be entitled to under this policy.
- Provide us with any relevant receipts or invoices relating to your claim for extra costs. Refer to the section '*How we pay your claim – Extra costs*' on the next page to find out more.

HOW WE PAY YOUR CLAIM

Outstanding loan balance

Any outstanding loan balance payment will be made directly to your financier.

Extra costs

We will reimburse you for extra costs:

- that you incur, up to the maximum amount of the cover option you have selected and which is shown on your policy schedule, subject to you providing us with the relevant receipts; or
- for an amount of \$1,000 if you do not wish to, or are unable to, provide the relevant receipts when requested to do so, in full and final payment.

We will not reimburse you for extra costs that are used in any way which relates to any property mortgaged to the financier.

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 examples of how we pay claims, refer to the *'Claim payment examples'* section of this PDS.

ADDITIONAL TERMS AND CONDITIONS

Paying for your insurance

We will tell you when your payment is due. Your premium must be paid on or before the due date for cover to be provided by this policy.

Cancelling your policy

21-day Cooling Off period

If you cancel your policy within 21 days of its purchase date 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 in writing.

By us

We can only cancel your policy by giving you written notice in accordance with legislative requirements.

During the period of cover the level of protection we provide will vary in line with changes in both the value of your vehicle and your outstanding loan balance.

Accordingly, any premium refund will be calculated to reflect the period of cover we have provided and the changes in risk during this period.

When your policy ends

This policy will end at the earliest of the following:

- the expiry of the period of cover shown on your policy schedule;
- the effective date of your policy being cancelled;
- the date upon which your finance contract is paid out in full, discharged, refinanced or terminated;
- the date upon which your vehicle is no longer covered by comprehensive motor vehicle insurance;
- the payment of a claim by us under this policy; or
- the seventh anniversary of the commencement date.

You are not entitled to any premium refund if the policy ends due to the period of cover expiring or a claim being paid.

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

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 a 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
Web: 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). The FCS is administered by the Australian Prudential Regulation Authority (APRA). We are authorised by APRA.

In the unlikely event of an insurer authorised by APRA, such as us, becoming insolvent, the Federal Treasurer may make a declaration that the FCS applies to that insurer. If the FCS applies, as a policyholder, you may be entitled to have valid claims paid under the FCS. Access to the FCS is subject to eligibility criteria.

Information about the scheme can be obtained from the APRA website at apra.gov.au and the APRA hotline on 1300 558 849.

CLAIM PAYMENT EXAMPLES

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

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.

1. Cover option 2

A claim where we pay your outstanding loan balance and extra costs (including a claim for finance establishment fees).

You have cover under option 2. Your vehicle is involved in an accident and is declared a total loss by your comprehensive motor vehicle insurer.

The balance owing to your financier is \$41,300. Your comprehensive motor vehicle insurer pays you the agreed value of \$34,600 for your vehicle, leaving an outstanding loan balance of \$6,700. You are also required to pay an excess of \$600 to your comprehensive motor vehicle insurer.

You replace your vehicle with a new one financed through PowerTorque Finance, with a finance establishment fee of \$500. The on-road costs amount to \$3,400 (including dealer delivery fee of \$1,350, stamp duty of \$1,500, registration fee of \$270 and Compulsory Third Party insurance of \$280).

We will pay your financier	Amount
Outstanding loan balance (up to \$15,000)	\$6,700
Total payment to your financier	\$6,700

We will pay you (Extra costs up to \$4,000)	Amount
Finance establishment fees (up to \$750)	\$500
Extra costs	
Policy excess	\$500
On road costs	\$3,500
Total extra costs (we pay up to \$4,000)	\$4,000
Total payment to you	\$4,500

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

- 1) Outstanding loan balance (refer to the section *'What we will pay – Outstanding loan balance'*) and How we pay your claim (refer to the section *'How we pay your claim – Outstanding loan balance'*)
- 2) Extra costs (refer to the section *'What we will pay – Extra costs'*) and How we pay your claim (refer to the section *'How we pay your claim – Extra costs'*)
- 3) Additional Benefits: Finance establishment fees (refer to the section *'What is covered – Additional Benefits'*)
- 4) You do not have an ITC entitlement on the item being claimed (refer to the section *'How we pay your claim – GST and Input Tax Credits'*)

2. Cover option 4

A claim where we pay your outstanding loan balance and extra costs (including a claim for hire car costs).

You have cover under option 4. Your vehicle is involved in an accident and is declared a total loss by your comprehensive motor vehicle insurer.

The balance owing to your financier is \$15,000. Your comprehensive motor vehicle insurer pays you an agreed value of \$12,000 for your vehicle. This leaves an outstanding loan balance of \$3,000 as there are no other deductions from the total loss payment. You also incur hire car costs of \$55 a day for six days. You are required to pay an excess of \$600 to your comprehensive motor vehicle insurer.

We will pay your financier	Amount
Outstanding loan balance (up to \$10,000)	\$3,000
Total payment to your financier	\$3,000

We will pay you (Extra costs up to \$1,000)	
Policy excess	\$600
Car hire (6 x \$55 per day)	\$330
Total payment to you	\$930

In Example 2 our payment is based on the following policy provisions – refer to the relevant section of this PDS for details:

- 1) Outstanding loan balance (refer to the section '*What we will pay – Outstanding loan balance*') and How we pay your claim (refer to the section '*How we pay your claim – Outstanding loan balance*')
- 2) Extra costs (refer to the section '*What we will pay – Extra costs*') and How we pay your claim (refer to the section '*How we pay your claim – Extra costs*')
- 3) You do not have an ITC entitlement on the item being claimed (refer to the section '*How we pay 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

Email: info@powertorqueinsurance.com.au

Mail: PowerTorque Insurance
PO Box 7212
Melbourne VIC 8004

Web: powertorqueinsurance.com.au

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