



Transcorp[®]
**COMMERCIAL
MOTOR INSURANCE**

**PRODUCT DISCLOSURE
STATEMENT AND
POLICY WORDING**

Contents

Important Information	1	
Definitions	8	
Policy Sections	12	
Section 1	Loss, Damage or Theft	12
Section 2A	Legal Liability	14
Section 2B	Legal Liability – Dangerous Goods	15
Section 3	Accident Recovery Costs	16
Section 4	Theft Recovery Costs	16
Section 5	Legal Costs	16
Section 6	Employer, Principal or Partner Indemnity	16
Section 7	Substitute Vehicle	16
Section 8	Transportation by Sea	16
Section 9	Trailers	17
Section 10	Fire Brigade Charges	17
Section 11	Hire Vehicle	17
Section 12	Vehicle Replacement	17
Section 13	Cross Liability	17
Section 14	Additional Interests	17
Section 15	Acquired Companies	18
Section 16	Automatic Inclusion	18
Section 17	Finance Payout	19
Section 18	Non Owned Trailer in Control	19
Section 19	Load Clean Up Costs	19
Section 20	Driver Repatriation	20
Section 21	Temporary Repairs	20
Section 22	Authorise Own Repairs	20
Section 23	Re-Keying	20
Exclusions	21	
Conditions	25	

(Product Disclosure Statement where applicable)

This document contains Part A and Part B

Part A - IMPORTANT INFORMATION

About The Hollard Insurance Company Pty Ltd

The insurer of this product is The Hollard Insurance Company Pty Ltd (Hollard), ABN 78 090 584 473, AFS Licence No. 241436.

Hollard's Head Office is located at:
Level 24, 259 George Street, Sydney NSW 2000

Transcorp Underwriting Agency Pty Ltd

Transcorp Underwriting Agency Pty Ltd (Transcorp), ABN 30 094 737 970, AFS Licence No. 247121, is an underwriting agency which is authorised by Hollard to issue contracts of insurance and to handle and settle claims on behalf of Hollard. Transcorp does not act as Your agent. If You need information about this insurance, in the first instance contact Transcorp.

Our Head Office is located at:
Level 8, 217 Geroge Street, Brisbane QLD 4000
Phone: (07) 3503 3100
Fax: (07) 3503 3101
Email: enquiries@transcorp.net.au

About this document

This document contains important information to help You decide whether this product meets Your requirements.

Before You decide whether to purchase this product, You should read this document carefully to understand the product's features, benefits, terms and conditions.

You should read:

- * this Important Information Part - it contains information on important matters You need to be aware of before applying for this product,
- * the Definition Section - it tells You what We mean by certain terms in this document;
- * the Policy Sections - these tell You about the relevant covers;
- * the Exclusions - these tell You what We do not cover;
- * the Conditions - these set out certain obligations and rights We both have e.g how to make a claim. If You do not comply We may be able to reduce or refuse to pay a claim;
- * any other documents We provide to You about this product which may change the standard cover.

Important Notice to Retail Clients

The Corporations Act 2001 (Cth) requires that any "retail client" must receive a "Product Disclosure Statement" (PDS) prepared by The Insurer which contains certain information that is designed to assist retail clients in deciding whether to buy the relevant cover.

Only an individual or small business (ie one that employs less than 100 persons if a manufacturing business or less than 20 for any other) can be a retail client.

This policy booklet will act as the Insurer's PDS for that part of the Policy provided to the above persons which covers a "retail type motor vehicle" in respect of loss of, or damage to, the motor vehicle and liability for loss of, or damage to, property caused by or resulting from impact of the motor vehicle with some other thing (Retail Cover).

A "retail type motor vehicle" is one that is designed to: travel by road; and use volatile spirit, steam, gas, oil, electricity or any other non human power as its principal means of propulsion; and carry passengers. It includes a motor cycle. It does not include an omnibus, a tram, or a motor vehicle, the carrying capacity of which exceeds 2 Tonnes. (See Section 761G(5) of the Corporations Act and Regulation 7.1.11 for full details).

Complaints Procedure

If You have a complaint please write to Us stating what You disagree with and why.

We will then either resolve or attempt to resolve Your complaint immediately.

If the complaint is unresolved, and You are a retail client, We will refer the matter to Our system of Internal Dispute Resolution. If the complaint then remains unresolved, the matter may be referred to an independent alternate dispute resolution body, "Insurance Ombudsman Service" provided it falls within their jurisdiction.

You can contact the scheme at:

Insurance Ombudsman Service, PO Box 561, Collins Street West, Melbourne VIC 8007 or by telephoning 1300 780 808.

Email: ios@insuranceombudsman.com.au

Web Site: www.insuranceombudsman.com.au

Applying for Cover

When You apply for this insurance You will need to complete a Proposal. We will use the information supplied on the Proposal to decide the terms of cover We will offer to provide.

Our Agreement with You

Where We agree to provide cover, We do so on the terms contained in this document, the Proposal and any other Schedule or endorsements to the Policy, including the most recent Schedule that We issue to You subject to You paying the required Premium.

The Schedule will contain important information relevant to Your cover including the Period of Insurance, the Premium, details of Your Vehicle(s), the Excess(es) that will apply and whether any standard terms have been varied by way of endorsement.

All of these make up Your Policy with Us. You will need to keep these documents in a safe place together with receipts and other evidence of ownership and value of items We cover.

Renewal

Before the Policy expires We will send You a renewal offer which states whether We will renew Your Policy and if so, on what terms.

Summary of Cover

The Policy cover can be tailored to meet Your requirements.

The Policy Sections 1 to 23 will only apply where they are noted as applying in the Schedule. (see each Section for full details)

By way of summary only (this summary does not form part of Our contract), You may choose comprehensive cover (ie loss, damage or theft to Your Vehicle and Legal Liability cover) or Legal Liability cover.

The principal covers summarised are:

- **Section 1 - Loss, Damage or Theft** - this provides You with cover for Your certain loss (including theft) or damage to Your Vehicle caused by an Accident which occurs during the Period of Insurance up to the amount We have agreed upon. We provide a Market Value cover only limited always to the Sum Insured if that is less than the Market Value (See definitions for an explanation of what this means).

We will only pay up to the amount set out on the Schedule for "Policy Section 1 Limit Any One Accident" under this Section 1 for cumulative losses arising from one Accident.

- **Section 2A - Legal Liability Cover** - this provides You with cover for certain legal liability for loss or damage to someone else's property or death or bodily injury as a result of an Accident arising out of certain events such as the use of Your Vehicle. The Accident must occur during the Period of Insurance and We provide cover up to the amount set out on the Schedule for "Policy Section 2A Legal Liability" in total for any or all claims arising directly or indirectly from any one Accident.
- **Additional benefits** - a number of additional covers apply depending on whether You have comprehensive or Legal Liability cover only (see Policy Sections 2B-23, for details).

We only provide cover up to the amount(s) and limits specified in the Policy and subject to its other terms, conditions and exclusions. All amounts insured include GST.

Refer to each Policy Section for details of the basis on which We settle any valid claim. An average provision applies (See Section 1 for details).

You need to make sure that You are happy with the extent of cover provided by this product. If not, You may not get the cover You require.

If You do not adequately insure yourself, You may have to bear the uninsured proportion of any loss or liability yourself.

Excess

An Excess is the part of a claim You must contribute and is payable for each and every claim covered by the Policy. The Basic Excess is shown in the Schedule and You may have to pay additional Excesses.

All Excesses are cumulative, except Age Excess and Inexperienced Operators Excess which will not apply to claims for breakage of glass of Your Vehicle if that breakage is the only damage for which a claim is made (see Condition 8 for details).

Exclusions/Conditions/Our Cancellation rights

We may also refuse to pay or reduce the amount We pay under a claim in certain circumstances. In particular:

- where an exclusion applies;
- if You do not comply with the terms and conditions of the Policy;
- if You do not comply with Your duty of disclosure or duty of utmost good faith, or make a misrepresentation; or
- if You make a fraudulent claim.

We also may cancel the Policy in certain circumstances permitted by law e.g if You fail to comply with a condition or breach Your duty of disclosure.

Premium Calculation

The cover provided is subject to Your payment or agreement to pay the Premium We require by the agreed time. In order to calculate the Premium various factors are considered, including the:

- type of Vehicle(s);
- value of Vehicle(s);
- type of cover requested;
- age of regular drivers;
- location and operating radius of the Vehicle(s);
- claims history from prior years;
- risk management procedures undertaken by Your business.

Your Premium also includes amounts payable in respect of compulsory government charges (including Stamp Duty, Fire Services Levy and GST).

When You apply for this insurance, You will be advised of the total amount payable. If You choose to effect cover, the amounts due will be clearly set out in the Schedule.

The Duty of Disclosure

Before You enter into Your Policy with Us, You have a duty under the Insurance Contracts Act 1984 (Cth) to disclose to Us anything that You could reasonably be expected to know is relevant to Our decision whether to accept the risk of insurance and if so, on what terms.

You have the same duty to disclose those matters to Us before You renew, extend, vary or reinstate Your Policy.

Any statement made by one insured person to Us in relation to Your Policy is treated as a statement by all persons. It is essential that You understand Your duty of disclosure to Us which is set out in Your proposal form.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by Us;
- that is of common knowledge;
- that We know or, in the ordinary course of business, ought to know; and
- as to which compliance with Your duty is waived by Us.

If You fail to comply with the duty of disclosure, We may reduce Our liability under Your Policy in respect of a claim or may cancel Your Policy.

If the non-disclosure is fraudulent, We may treat Your Policy as if it never existed and pay nothing.

Cooling Off Period

You may cancel the Policy by notifying Us in writing within 14 days of the fifth business day after cover commences. You are entitled to a refund of the amount You have paid for the Policy (less an amount representing a pro rata proportion of the premium for time on risk, reasonable administrative costs related to the acquisition and cancellation of that cover and any government taxes or duties that We cannot recover) unless something has occurred for which a claim may become payable under the Policy. If We have provided a refund and You make a claim, We may deduct any refund from any claim payment.

Your Cancellation Rights

Even after the cooling off period ends, You still have cancellation rights (see Condition 7).

Confirming Transactions

You may contact Us, in writing or by phone, to confirm any transaction under the Policy if You or Your agent do not already have the required Policy confirmation details.

How to Make a Claim

In the event of an incident occurring which requires You to make a claim against the Policy, You or Your agent must notify Us immediately. You must also give Us full details of the circumstances of the Accident in writing on Our claim form as soon as possible, but no later than 14 days after the Accident. (Please refer to Condition 3 "Claims" for details).

GST

Any claim settlements, up to the total of all amounts insured, will be based on GST inclusive costs (up to the relevant Sum Insured). All Excess amounts are GST inclusive. However, if You are or would be entitled to claim any input tax credits for the repair or replacement of Your Vehicle, We will reduce any claim under Your Policy by the amount of such input tax credits. This reduction applies even though You might elect not to acquire any replacement Vehicle at all, You acquire a replacement Vehicle privately from a vendor who is not registered for GST, or for whatever reason You do not claim the input tax credit to which You are entitled.

Privacy

We are bound by the Privacy Act 1988 when We collect and handle Your personal information.

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling.

We disclose personal information to insurers, reinsurers, insurance intermediaries, insurance reference bureaus, credit reference agencies, Our and Your advisers and those involved in the claims handling process, for the purposes of assisting Us and them in providing relevant services and products, and for the purposes of litigation. We limit the use and disclosure of any personal information provided by Us to them to the specific purpose for which We supplied it. By providing personal information to Us or Our agent, You consent to Us making these disclosures.

Without this information, We may not be able to provide You with the services You require.

When You give Us personal information about other individuals, We rely on You to have made or make them aware that You will or may provide their information to Us and the types of third parties We may provide it to, the relevant purposes We and the third parties will use it for, and how they can access it. If You have not done or will not do either of these things, You must tell Us before You provide the relevant information.

If You would like to find out more please contact Us.

Updating Our Product Disclosure Statement

Other documents may form part of Our PDS. If they do, We will tell You in the relevant document.

We may update the information contained in Our PDS when necessary and in accordance with the law. A paper copy of any updated information is available to You at no cost by calling Us or visiting Our office.

We will issue You with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or an omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain this product.

DEFINITIONS

The following definitions apply to Your Policy, except where inconsistent with a section or We specify otherwise.

"Accident" means an event that You did not intend or expect to happen.

"Age Excess" means the amount that You have to pay towards the cost of any claim under Your Policy if the person driving Your Vehicle at the time of the Accident is in the age bracket stated on the Schedule for "Age Excess". The amount of this Excess is set out on the Schedule and varies according to the driver's age.

"Aggregate Excess" means the amount that You have agreed to pay towards the cost of all claims covered by Your Policy, including any legal or assessment costs or expenses of handling such claims or any third party expenses for which You become liable under such claims, up to the amount shown on the Schedule as Aggregate Excess, after payment by You of all other Excesses applicable to any such claims.

"Cargo Transit or Carriers Liability contract of insurance" means a policy of insurance You have which specifically provides to You legal liability cover to clean up and/or remove any goods that have fallen from Your Vehicle which is insured with Us.

"Combined Unit" means Your Vehicle and any insured trailer(s) attached to Your Vehicle, including, in relation to any trailer(s):

- a. their standard equipment, provided it is attached to, in or on the trailer(s);
- b. standard tools or similar substitutes for them, provided they are in or on the trailer(s);
- c. accessories, provided they are attached to the trailer(s);
- d. signwriting and artwork on the trailer(s).

BUT does not include any other contents of the trailer(s) which are not built in.

"Dangerous Goods" means goods which are classified as "Dangerous Goods" under the Australian Code for the Transport of Dangerous Goods by Road and Rail or under any guidelines, notification, code or statute intended to replace or modify that Code, including Dioxins or Polychlorinated Biphenyl (PCB) or Radioactive Substances.

"Excess" and **"Basic Excess"** means the amount set out on the Schedule or in Your Policy that You have to pay towards the cost of any claim under Your Policy.

"Inexperienced Operators Excess" means the amount, set out on the Schedule for "Inexperienced Operators Excess", that You have to pay towards the cost of any claim under Your Policy if the person driving Your Vehicle at the time of an Accident has not been continuously licensed in Australia to drive Your Vehicle for the period of 2 years immediately preceding the Accident.

"Market Value" is the price determined by Us as being the amount of money it would cost to buy a Vehicle of the same year, make, model and condition as Your Vehicle immediately prior to the time of its loss or damage, but no more than the relevant Sum Insured. We take into account improvements, age, wear and tear.

"Motor Vehicle" or **"Vehicle"** means:

- a mechanically-propelled Vehicle designed for use on land only, but not a Vehicle designed to run on rails; or
- a trailer (provided that the number of trailers does not exceed the number permitted by law); or
- a non-motorised machine or implement.

"Outside Radius Excess" means the amount set out on the Schedule for "Outside Radius Excess" that You have to pay towards the cost of any claim under Your Policy, if at the time of an Accident, Your Vehicle is located more than the distance nominated on the Schedule as "Radius", from the location nominated on Your Proposal or subsequent endorsement request as the "Depot Address/es from which Your vehicles operate". The postcode of this Depot is shown on the Schedule under the heading "Base". This distance is measured in a straight line from the Accident location to the nominated depot.

"Period of Insurance" means the time between the dates on the Schedule shown as "Insured from" and "to" subject to the Expiry Time as shown below.

This Policy expires at 4.00pm Local Standard Time (**LST**) of Our office issuing this Policy, on the date shown on the Schedule as the "to" date. This time is the "Expiry Time".

"Policy" means the agreement between You and Us which consists of the following (they should all be read together as if they are one):

- this Policy wording;
- the Schedule issued by Us; and
- any variations or changes to the above which occur either before or during the Period of Insurance with Our written consent.

"Premium" means the amount You must pay Us for Your Policy, plus any applicable Stamp Duty, Fire Services Levy (FSL), Goods and Services Tax (GST), Fees and any other government charges. The Premium charged is based on Your risk profile (eg where Your Vehicles are kept, claims experience and type of property being insured etc). We will tell You the Premium that needs to be paid when You apply for cover. The Premium and charges etc will also be set out in Your Schedule.

"Proposal" means the proposal form You complete and submit to Us, requesting this insurance.

"Schedule" means the current policy Schedule issued by Us which shows Your Policy number and other details of Your cover.

"Sum Insured" means the relevant amount set out on the Schedule or in this Policy Wording as the maximum amount You are insured for. The Sum Insured is inclusive of GST, less the amount of Your entitlement to an input tax credit in respect of the particular Vehicle.

"Tipping Excess" means the amount set out on the Schedule for "Tipping Excess". This is the amount You have to pay towards the cost of any claim under Your Policy if at the time of an Accident, Your Vehicle is a tip truck or tip trailer (or coupled with a tip trailer ie a Combined Unit) and the tipping hoist is partially or fully extended. If Your Vehicle was a Combined Unit at the time of the Accident and the claim is solely for legal liability under Policy Section 2A or 2B the Basic Excess applicable shall be that which is applicable to the prime mover forming part of the Combined Unit, if the prime mover is insured with Us.

"Total Loss Claims" means Your Vehicle is a Total Loss if it is damaged and We consider that the cost of repairing it is uneconomical.

Your Vehicle is also a Total Loss if it is stolen and:

1. We consider that all reasonable lines of enquiry to locate it have been exhausted; or
2. Your Vehicle is not recovered within 180 days of Your reporting the theft to Us.

"Unapproved Driver Excess" means the amount set out in the Schedule for "Unapproved Driver Excess" that You have to pay towards the cost of any claim under Your Policy, except where:

- We have notified You in writing that the Unapproved Driver Excess will not apply, either at all or for a limited period, in respect of the person who was driving Your Vehicle at the time of the Accident;
- the Accident occurred within 30 days of the date when the Policy first commenced (excluding any renewal, reinstatement, replacement or variation); or
- the Accident occurred within 7 days of the date when the person who was driving Your Vehicle at the time of the Accident was first employed or engaged by You as a driver or as a person who might drive one or more of Your Vehicles, unless:
We have declined to declare the Unapproved Driver Excess will not apply to that person prior to their first being employed or engaged by You, or
that person is less than 25 years of age at the time of the accident.

"We", "Us" or "Our" means The Hollard Insurance Company Pty Ltd ABN 78 090 584 473 of Level 24, 259 George Street, Sydney NSW 2000 who is The Insurer (Hollard). Transcorp Underwriting Agency Pty Ltd ABN 30 094 737 970 (Transcorp) is authorised by Hollard to arrange and enter into the Policy and handle and settle claims under the Policy, as Hollard's agent. Transcorp does not act for You.

"You", "Your" means the insured (or any one of them) named in the Schedule. A company that finances Your Vehicle isn't an insured under Your policy.

Under Sections 2A, 2B and 5, the words "You" and "Your" apply to each party comprising "You" and "Your" in the same manner as if that party were the only party comprising "You" and "Your". This does not mean We pay more than the specified limit in relation to any and all claims made by any party arising out of the one Accident.

"Your Vehicle" means the Motor Vehicle(s) described in the Schedule, including:

- its standard equipment, provided it is attached to, in or on the Motor Vehicle and/or trailer(s);
- standard tools or similar substitutes for them, provided they are in or on the Motor Vehicle and/or trailer(s);
- its accessories, provided they are attached to the Motor Vehicle and/or trailer(s);
- tarpaulins, gates, chains, dogs and binders, provided they are in or on the Motor Vehicle and/or trailer(s);
- signwriting and artwork on the Motor Vehicle and/or trailer(s).

BUT does not include:

- any speed surveillance detection device, whether built in or not;
- any other contents of the Motor Vehicle which are not built in, including but not limited to mobile phones, cassettes, compact discs, glasses, money and any other personal items.

It also includes any other substitute, replacement and acquired companies vehicles covered by this Policy.

Part B - POLICY SECTIONS - (The following Sections 1 to 18 only apply where noted on the Schedule)

Section 1 - Loss, Damage or Theft

Your Cover

Subject to the other terms, conditions and exclusions of Your Policy, We will pay for loss of (including theft) or damage to Your Vehicle caused by an Accident which occurs during the Period of Insurance.

Basis of Claim Settlement

A. We will at Our option:

- (a) repair, reinstate or replace Your Vehicle to a condition substantially the same as, but not better than, its condition immediately before the Accident; or
- (b) pay the amount of the loss, damage or theft to You,

Provided that the amount We pay will not exceed the Market Value at the time of the Accident, less the amount of Your entitlement to an input tax credit in respect of the Market Value, or its Sum Insured, whichever is the lesser amount. However, the most We will pay for any one Combined Unit is the amount shown on the Schedule as the Policy Section 1 Limit of Cover any one Combined Unit.

B. However, at Your option:

- (a) when Your Vehicle is a sedan, wagon, utility, panel van or truck with a carrying capacity up to 2 tonnes and it becomes a Total Loss within the first 12 months of commencement of its original registration, We will replace it with a new Vehicle of the same make and model (subject to one being available locally) with similar accessories and tools. We will also pay the on road costs.
- (b) when Your Vehicle is a prime mover, articulated trailer or rigid body truck with a carrying capacity over 2 tonnes, and it becomes a Total Loss within the first 2 years of commencement of its original registration, We will replace it with a new Vehicle of the same make and model (subject to one being available locally) with similar accessories and tools. We will not pay any on road costs for this benefit.

C. For any claim under this Section 1 We pay no more than the Sum Insured.

D. We will not pay more than the amount set out on the Schedule for "Policy Section 1 Limit Any One Accident" under Section 1 for any claim or claims involving loss of (including theft) or damage to more than one insured Motor Vehicle arising out of one Accident. That Sum Insured represents the aggregate of all loss of or damage to all Motor Vehicles involved in the Accident.

Total Loss Claims - including Average

If after 90 days of Your reporting a theft to Us We have not declared Your Vehicle to be a Total Loss and You write to Us asking why, We shall give You, within 5 business days of receipt of Your enquiry, a written statement setting out Our grounds for considering that there is still some prospect of Your Vehicle being located within 180 days of Your reporting the theft to Us.

Where Your Vehicle is a Total Loss:

- (a) cover under Your Policy for the Vehicle ends and You are not entitled to any return Premium in respect of the Vehicle;
- (b) We may elect to take ownership of the Vehicle by giving You written notice. Where We give such notice:
 - (i) We immediately acquire an equitable interest in the Vehicle to the full extent of Your interest in the Vehicle (including any interest that may be attributable to any applicable Excess);
 - (ii) You shall take all necessary steps, at Your cost, to immediately transfer the legal title to the Vehicle to Us or to Our nominee and, at Our cost, to promptly give possession of the Vehicle to Us or to Our nominee;
 - (iii) We shall sell the remains of the Vehicle and deal with the proceeds of the sale as follows:
 - (A) if the Vehicle's Sum Insured is less than 80% of its Market Value, We shall retain such proportion of the proceeds of the sale as the Vehicle's Sum Insured bears to its Market Value, and We shall account to You for the balance;
 - (B) if the Vehicle's Sum Insured is 80% or more of its Market Value but less than 100% of its Market Value, We shall account to You for:
 - all the proceeds of the sale; or
 - the amount by which the Market Value exceeds the Sum Insured,whichever is less, and We shall retain the balance;
 - (C) if the Vehicle's Sum Insured is 100% or more of its Market Value, We shall retain all the proceeds of sale; and
 - (iv) if You fail to comply with the requirement in (ii) above, We may reduce the amount of Our claim payment in respect of the Vehicle by the amount of any prejudice suffered by Us as a result (for example, the amount by which Our share of the proceeds of the sale of the Vehicle decreases);
- (c) if any other interested party named in the Schedule has an interest in the Vehicle, We may pay the claim payment and Your share of the proceeds of the sale of the Vehicle to that party to the extent of its interest in the Vehicle, and pay any balance to You, and that will be full discharge of Our liability in regard to the loss.

Average - Partial Loss Claims

If You make a claim for damage to Your Vehicle and:

- (a) the Sum Insured for Your Vehicle is less than 80% of the Market Value of the Vehicle at the time of a claim for loss or damage; and
- (b) the claim is for an amount greater than 5% of the Vehicle's Sum Insured,

We will reduce Your claim so We only pay the proportion of the loss or damage that the Sum Insured bears to 80% of Your Vehicle's Market Value at the time of the loss or damage, calculated as follows;

The Sum Insured;

Divided by 80% of the Market Value;

Multiplied by the amount of the loss;

Equals the amount We will pay, less any applicable Excesses.

You will have to pay any other portion of the claim in addition to the applicable Excesses.

Section 2A - Legal Liability

Subject to the terms, conditions and exclusions of Your Policy, We will pay any amount which You are held legally liable to pay, as a result of an Accident occurring during the Period of Insurance, for damages in respect of:

- (a) loss of or damage to property; and
- (b) death or bodily injury,

if caused:

- (1) by You using Your Vehicle;
- (2) by goods falling from Your Vehicle; or
- (3) by and during the operation of loading or unloading Your Vehicle excluding the collection or delivery of the load to or from Your Vehicle beyond the limits of any road.

The most We will pay under this cover is the amount set out on the Schedule for "Policy Section 2A Legal Liability" in total for any or all claims arising directly or indirectly from any one Accident.

We will not pay:

- (i) for any liability that You or any other person are required by law to protect yourself, them or others from (such as a statutory or compulsory insurance policy, insurance or scheme or fund, eg liability covered by motor vehicle third party insurance or workers compensation insurance), whether or not such protection has been arranged;
- (ii) if You are entitled to be compensated for death or bodily injury by any statutory compulsory insurance or accident compensation scheme or, as a result of the death or bodily injury, the beneficiaries of that party (or any other third parties) are entitled to be either wholly or partially compensated by any compulsory insurance or accident compensation scheme;
- (iii) for any liability to any person employed by You (this includes any person under a contract of service or apprenticeship with You or who is Your worker or who is deemed as such under workers compensation legislation) or the beneficiaries of such persons;

- (iv) for any liability arising directly from any industrial award or agreement or determination;
- (v) if Your legal liability is caused by the emission of exhaust fumes or by the application or attempted application of any material applied or intended for application to land or vegetation;
- (vi) if the property damaged is owned by You or in Your physical or legal control or custody (including when carried in, on or by Your Vehicle). Vehicles belonging to Your employees or visitors in or in the immediate vicinity of a car park owned or operated by You are not in Your physical or legal control or custody;
- (vii) for any claims arising directly or indirectly out of death or bodily injury, to any person employed by You at the time of the Accident (this includes any person under a contract of service or apprenticeship with You), including claims for loss of consortium;
- (viii) for any claims arising directly or indirectly out of death or bodily injury if Your Vehicle is registered in the Northern Territory of Australia;
- (ix) if Your legal liability is caused by the transport or storage of Dangerous Goods unless You prove that the legal liability was not caused or contributed to by the Dangerous Goods or their inherent dangerous nature;
- (x) for any claims arising directly or indirectly out of death or bodily injury by a Queensland or New South Wales registered trailer while that trailer is being towed by a Motor Vehicle or running out of control having become accidentally detached from the Motor Vehicle at the time the death or bodily injury occurs.

Section 2B - Legal Liability - Dangerous Goods

In this Section 2B only, the meaning of Dangerous Goods excludes Dioxins and Polychlorinated Biphenyl (PCB) and Radioactive Substances.

We will also cover You, subject to the same terms as set out in Section 2A (except where specified otherwise in this section), for Your legal liability:

- (a) if it is caused by the transport or storage of Dangerous Goods; and
- (b) for costs incurred by or on behalf of a public authority in connection with the removal of the Dangerous Goods or cleaning up of an escape of the Dangerous Goods.

But We will not pay You or any other person if You have not complied with all requirements and procedures of the Australian Code for the Transport of Dangerous Goods by Road or Rail and or any statute or law relating to or in respect of the transportation or storage of Dangerous Goods. This includes but is not limited to any statute or law as to the licensing of Vehicles, registration of drivers or the classification, labelling, packing, transportation, stowage or compatibilities of such goods.

The most We will pay under this Section 2B in total for any and all claims arising directly or indirectly from any one Accident is the amount set out on the Schedule for "Policy Section 2B: Dangerous Goods Liability".

Section 3 - Accident Recovery Costs

We will pay the reasonable cost of protection and recovery of Your Vehicle to the nearest repairer qualified to repair Your Vehicle, following loss or damage covered by Your Policy.

But We will not pay more than the amount set out on the Schedule for "Policy Section 3 Accident Recovery Costs" for these costs for any one Accident.

Section 4 - Theft Recovery Costs

We will pay the reasonable cost of return of Your Vehicle to its usual place of garaging following its theft, if the theft is covered by Your Policy.

But we will not pay more than the amount set out on the Schedule for "Policy Section 4 Theft Recovery Costs" for these costs for any one theft.

Section 5 - Legal Costs

We will pay all legal costs incurred with Our written consent in relation to a claim for loss, damage, or legal liability covered by Your Policy.

Section 6 - Employer, Principal or Partner Indemnity

We will cover Your employer, principal or partner under the terms of Sections 2A, 2B, 5 and 7 for their legal liability caused by You through You using Your Vehicle on their behalf, subject to the employer, principal or partner taking all reasonable precautions to mitigate the possibility of incurring liability under Sections 2A, 2B, 5 and 7 of the Policy wording prior to You undertaking any activity that may incur such liability for the above named employer, principal or partner.

Section 7 - Substitute Vehicle

We will cover under the terms of Sections 2A, 2B and 5, You or any other person acting on Your behalf or with Your permission, while they are using a similar Vehicle in substitution for Your Vehicle while Your Vehicle is undergoing repair, if:

- (a) You do not own the substitute Vehicle;
- (b) Your Vehicle is not used during the period of substitution;
- (c) only one substitute Vehicle is used at any one time; and
- (d) the substitute Vehicle is lawfully registered and licensed.

Section 8 - Transportation by Sea

We will pay any general average and salvage charges that You are held legally liable to pay in respect of Your Vehicle when Your Vehicle is being transported by sea between places in Australia.

But We will not pay more than the Sum Insured for Your Vehicle for all such costs arising out of the one event.

Section 9 - Trailers

We will cover under the terms of Sections 2A, 2B, 5, 6 and 7 any trailer or drawn implement that is not specified in Your Schedule while it is attached to Your Vehicle provided that the number of trailers does not exceed the number permitted by law.

Any claim under this section is subject to the Excess applicable to Your Vehicle.

Section 10 - Fire Brigade Charges

We will pay all reasonable costs for Fire Brigade Charges which You are required to pay as a result of loss or damage to Your Vehicle that is covered by Your Policy.

Section 11 - Hire Vehicle

If We have agreed to pay a claim for theft of Your Vehicle which is a sedan, wagon, utility, panel van or truck with a carrying capacity up to 2 tonnes and its purpose of use is described as private, We will pay the reasonable cost incurred by You or Us for hiring a similar type of Vehicle (subject to one being available locally) for up to 14 days but not beyond the date on which Your Vehicle is recovered.

But We will not pay more than the amount set out on the Schedule for "Policy Section 11 Hire Vehicle" for these costs for any one theft.

Section 12 - Vehicle Replacement

We cover any Vehicle You replace Your Vehicle with that You are legally responsible for during the Period of Insurance (excluding a substitute or hire Vehicle), provided that:

- (a) You advise Us of such replacement Vehicle within 30 days of Your becoming legally responsible for it;
- (b) the replacement Vehicle is similar to Your Vehicle it is replacing;
- (c) the replacement Vehicle is a type We are authorised to insure and would insure in the normal course of business;
- (d) You pay such additional Premium and Excesses as We may require and accept the terms We require for such Vehicles;
- (e) the individual Vehicle's Sum Insured is restricted to a maximum amount as shown on the Schedule for the replaced Vehicle, unless and until We agree to a higher amount; and
- (f) cover on any replaced Vehicle ceases from the moment You become legally responsible for the Vehicle replacing it.

Section 13 - Cross Liability

We waive any right of subrogation We have against You (excluding interested parties) except where Your conduct has been serious or wilful misconduct.

Section 14 - Additional Interests

Your Policy extends to include the interests of all parties (such as lessors, financiers, trustees, mortgagees and owners) with an interest in any of Your Vehicles. In the event of a claim under Your Policy, You must notify Us of the identity and contact details of any such party and the nature and extent of its interest.

All such parties are bound by the terms of Your Policy.

Section 15 - Acquired Companies

Your Policy extends to include the Vehicles of any company or subsidiary acquired or formed by You during the Period of Insurance, provided that:

- (a) You hold the legal right to control the decisions of such company or subsidiary;
- (b) You advise Us of Your interest in the company or subsidiary within 7 days of attachment of the interest;
- (c) the company or subsidiary is a type of business We are authorised to insure and would insure in the normal course of business;
- (d) the Vehicles are of a type We are authorised to insure and would insure in the normal course of business; and
- (e) You declare to Us within 30 days of attachment of Your interest, the details of all additional Vehicles to be insured, pay such additional Premium and Excesses as We may require and accept the terms We require for such vehicles.

Section 16 - Automatic Inclusion

Your Policy extends to include cover on any replacement or additional Vehicle You become legally responsible for during the Period of Insurance, whether on a permanent or temporary basis, provided that:

- (a) You advise Us of such replacement or additional Vehicle within 30 days of Your becoming legally responsible for it;
- (b) the Vehicle is similar to existing Vehicle/s already insured under Your Policy;
- (c) the Vehicle is a type We are authorised to insure and would insure in the normal course of business;
- (d) You pay such additional Premium and Excesses as We may require and accept the terms We require for such Vehicles;
- (e) the individual Vehicle's Sum Insured is restricted to a maximum amount as shown on the Schedule for Policy Section 16: Automatic Inclusion, or the purchase price of the replacement Vehicle, whichever is the lesser, unless and until We agree to a higher amount; and
- (f) cover on any replaced Vehicle ceases from the moment You become legally responsible for the Vehicle replacing it.

Section 17 - Finance Payout

This Section 17 is subject to the following:

- (a) We will not pay more than the Sum Insured of Your Vehicle; and
- (b) this Section does not apply where the loss or damage to Your Vehicle is caused directly or indirectly by theft and/or fire, other than fire resulting from impact damage.

For the purpose of this Section 17, Finance Payout Amount means the amount owing at the time of the Accident under a lease, hire purchase or similar agreement to which Your Vehicle is subject, excluding any payment/s or interest in arrears at the time of the Accident, penalties or charges owing at the time of the Accident and any discounts in respect of finance charges and/or interest for the unexpired term of the agreement.

When Your Vehicle is under a lease, hire purchase or similar finance agreement and it becomes a Total Loss covered by Your Policy, We will pay the greater of:

- (i) the amount payable under Section 1 for Your Vehicle; or
- (ii) Your Vehicle's Market Value, less the amount of Your entitlement to an input tax credit in respect of that Market Value, plus 10% of that net amount, OR the Finance Payout Amount, less the amount of Your entitlement to an input tax credit in respect of that Finance Payout Amount, whichever is the lesser (but no more than the Sum Insured for Your Vehicle).

Section 18 - Non owned trailer in control

Other than Non owned trailers specifically insured on Your Schedule of Vehicles;

We will pay under the terms of Section 1 of this Policy up to the amount set out on the Schedule for "Policy Section 18 Non owned trailers", and Sections 2A, 2B and 5 of this Policy, any amount for a claim or claims arising out of one Accident for trailers that are in Your lawful custody or control at the time of the Accident and are not owned, leased or hired by You and are being used by You in conjunction with Your Vehicle at the time of the Accident;

But We will not pay any amount if such trailer is a tanker, tipping, convertible or temperature controlled trailer.

Any claim under this Section 18 is subject to the Excess applicable to Your Vehicle that the trailer was being used in conjunction with at the time of the Accident. This Excess is payable in addition to the Excess applicable to Your Vehicle if You also claim for damage to Your Vehicle arising from the same Accident.

Section 19 - Load Clean Up Costs (excluding Dangerous Goods)

We will pay up to the amount set on the Schedule for "Policy Section 19: Load Clean Up Costs" for all reasonable costs that You are held legally liable to pay to clean up and remove any goods that have fallen from Your Vehicle as a result of loss or damage to Your Vehicle or caused by You that is covered under Your Policy under Sections 1 or 2A.

But We will not pay any amount:

- (a) if the goods are Dangerous Goods;
- (b) of or towards a policy excess or deductible on a Cargo Transit or Carriers Liability contract of insurance held by You which provides insurance for the same load;
- (c) if You hold a Cargo Transit or Carriers Liability contract of insurance which provides insurance cover for the same load.

Section 20 - Driver Repatriation

If a claim has been admitted under Policy Sections 1, 2A or 2B, and Your Vehicle is undrivable as a result of the loss or damage, We will pay any amount up to the amount shown on the Schedule for 'Driver Repatriation' for Your reasonable expenses necessarily incurred for overnight accommodation and transport of the driver of Your Vehicle at the time of the loss or damage, from the place at which Your Vehicle became undrivable to the driver's normal place of residence in Australia or intended destination, or point of departure on this journey, or other appropriate destination in Australia if the driver is deceased, provided such destination is more than 100 kilometres from the place at which Your Vehicle became undrivable.

Section 21 - Temporary Repairs

Subject to the other terms, conditions and exclusions of Your Policy, and Your Vehicle having a carrying capacity over 2 Tonnes, for an Accident covered under Section 1 of Your Policy, You may authorise temporary repairs to Your Vehicle to an amount not exceeding the amount shown on the Schedule for "Policy Section 21 Temporary Repairs", necessary to return Your Vehicle to a place of safety, provided that;

- You retain all receipts for the repairs, and
- You keep all parts replaced as part of the repair for Our inspection until We authorise their disposal.

Section - 22 Authorise Own Repairs

Subject to the other terms, conditions and exclusions of Your Policy, and Your Vehicle having a carrying capacity over 2 Tonnes, for an Accident covered under Section 1 of Your Policy, other than the cost of any Temporary Repairs carried out in accordance with the terms of Policy Section 21, You may authorise repairs to Your Vehicle to an amount not exceeding the amount shown on the Schedule for "Policy Section 22 Authorise Own Repairs", provided that;

- You retain all receipts for the repairs, and
- You keep all parts replaced as part of the repair for Our inspection until We authorise their disposal, and
- You obtain two quotations for the repair from two separate, competent and properly qualified repairers, and
- You authorise the least costly quotation.

Section 23 - Re-Keying

We will pay up to the amount shown on the Schedule for "Policy Section 23 Re-Keying" for the cost of replacing and/or re-coding all Your Vehicle's locks and keys if the keys are lost or stolen and police investigations conclude they are unlikely to be found or Your Vehicle and its keys are stolen and Your Vehicle is recovered intact or in repairable condition.

EXCLUSIONS

We will not pay:

1. For loss, damage or legal liability arising directly or indirectly because Your Vehicle is being driven by or is in the charge of any person (including You):
 - (a) whose faculties are impaired by or who is under the influence of liquor, or a drug, or both; or
 - (b) who is convicted of driving or being in charge of Your Vehicle while under the influence of liquor, or a drug, or both; or
 - (c) in whose breath or blood the concentration of alcohol equals or exceeds that prohibited by the law applicable in the State or Territory at the time when the Accident giving rise to the claim occurred, as indicated by analysis of the person's breath or blood; or
 - (d) who fails or refuses a legal test for alcohol or drugs, including but not limited to the failure or refusal to:
 - (i) provide a specimen or sample of breath for analysis by a breath analysing instrument; or
 - (ii) provide a specimen or sample of blood for a laboratory test or blood test; or
 - (iii) comply with a direction or requirement of a member of the Police Service or other authorised person as to the provision of a specimen or sample of breath for analysis by a breath analysing instrument or a specimen or sample of blood for a laboratory test or blood test, where such specimen or sample is sought or such direction or requirement is made to ascertain the concentration of alcohol in such person's breath or blood while such Vehicle was being driven by or in the charge of such person.
- However, the above exclusion shall not apply if:
- (A) there is any relevant statutory provision to the contrary or to the extent that there is any statutory provision which allows for an election by a person as to the specimen or sample such person may provide or which exempts a person from providing any specimen or sample but only to the extent of such election and/or exemption; or
 - (B) You prove You did not consent to Your Vehicle being driven by or being in the charge of any such person.
2. If Your Vehicle is subject to any agreement for hire, lease, let or loan by You to any other party.
 3. Any fines, penalties or aggravated, exemplary or punitive damages.
 4. If Your Vehicle is being used in a damaged, unsafe, illegal or unroadworthy condition where such condition was known or ought reasonably to have been known, by You.

5. For Your loss of use, depreciation, wear and tear, rust or corrosion, mechanical or electrical breakdowns, failures, malfunction or breakages.
6. For the unexpired portion of the registration fee for Your Vehicle that is recoverable from the relevant authorities when Your Vehicle is a Total Loss.
7. For damage to Your tyres from punctures, bursts, road cuts, shedding of tread or the application of brakes.
8. If Your Vehicle is being used for the conveyance of passengers for payment or reward other than under a private non-profitable pooling arrangement, except when Your Vehicle is insured as a taxi, hire vehicle, bus or other commercial fare paying passenger Vehicle and We agreed to cover You for this in writing when We insured Your Vehicle.
9. If Your Vehicle is being used for or being tested in preparation for any stunts, racing, rally, trial, test, contest, other motor sport or driver skills training course.
10. If Your Vehicle is a lifting device and is being used in a lifting operation and the load is shared between Your Vehicle and any other lifting device.
11. For malicious damage or theft of or from Your Vehicle after an event giving rise to a claim if reasonable steps have not been taken to protect or safeguard Your Vehicle.
12. For legal liability incurred by or in connection with Your Vehicle, or any plant or equipment attached to Your Vehicle, if it is a tool or item of equipment and is being used for the purpose for which it was designed, other than for driving on a public road, at the time of the incident giving rise to the legal liability.
13. For legal liability arising under any agreement, undertaking or indemnity given or contracted by You without Our written consent, unless such legal liability and the extent of such liability would have attached notwithstanding such agreement, undertaking or indemnity.
14. For theft or repossession of Your Vehicle:
 - (a) by any of You when more than one of You are insured under Your Policy;
 - (b) by any person to whom Your Vehicle is on hire;
 - (c) by any person or entity having a financial interest in or charge over Your Vehicle;
15. For loss or damage caused by or contributed to, or legal liability incurred:
 - (a) as a result of Your criminal act, or a criminal act carried out with Your consent;
 - (b) deliberately by You or with Your consent;
 - (c) as a result of Your Vehicle causing vibration;
 - (d) while Your Vehicle is being driven by any person (including You), who is not licensed to drive Your Vehicle under all relevant laws, by-laws and regulations, unless You prove that Your Vehicle was being driven without Your expressed or implied consent;
 - (e) while Your Vehicle is being used to convey, tow or lift a load or a number of passengers more than Your Vehicle's designed carrying capacity, or in excess of the amount permitted by law, or in excess of an advisory weight limit sign unless You prove the overloading did not cause or contribute to the loss, damage or legal liability being incurred;
 - (f) while Your Vehicle is being used in underground mining or underground excavation;
 - (g) while Your Vehicle is travelling on rails, other than when it is being conveyed as a load;
 - (h) outside Australia except when Your Vehicle is in transit between places within Australia.
16. For loss, damage or legal liability incurred as a result of:
 - (a) the lawful seizure, confiscation, nationalisation or requisition of Your Vehicle, or other operation of law;
 - (b) war, invasion, hostilities, act of foreign enemy (whether war is declared or not), civil war, insurrection, rebellion, revolution or military or usurped power;
 - (c) the use, existence or escape of nuclear weapons material, or ionizing radiations from, or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;
 - (d) looting, sacking or pillaging following any of the events referred to above in this clause 16.
17. We will not pay for the cost of repairing pre-existing damage, or the cost of fixing faulty repairs that were done before the commencement of Your Policy.
18. We do not cover any amount of GST, or any fine, penalty or charge that You are liable for because of a failure to disclose, or misstatement made by You, in relation to Your entitlement to an input tax credit for the Premium.
19. For any liability, loss, damage or expense of whatsoever nature directly or indirectly caused by, resulting from, happening through or in connection with any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage, or expense.
 For the purpose of this exclusion, terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear.
 In any action suit or other proceedings where We allege that by reason of this definition a loss, damage or expense is not covered by this Policy, the burden of proving that such loss, damage or expense is covered shall be upon You.
20. For any loss of value (however determined) in relation to Your Vehicle after it has been repaired.

21. For the interest in the insured property of any party other than:
- (a) the insured named in the Schedule; or
 - (b) any party named as an interested party in the Schedule, unless it is noted on the Schedule that Section 14 - Additional Interests applies, in which case Your Policy covers the interests of parties not named as interested parties in the Schedule, in accordance with that Section 14.

22. Electronic Data Exclusion.

There is no insurance under this Policy in respect of any claim of whatsoever nature which consists of or arises directly or indirectly out of or in connection with:

- (i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of Electronic Data and/or Software;
- (ii) error in creating, amending, entering, deleting or using Electronic Data and/or Software, or
- (iii) total or partial inability or failure to receive, send, access or use Electronic Data and/or Software for any time or at all, from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

Electronic Data means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment.

23. Any amount for Your liability for loss of use of an insured Vehicle that is not owned by You.
24. Any amount for an insured Vehicle that is not owned by You while that Vehicle is not in Your lawful custody or control.
25. If Your Vehicle is a trailer and it is in the control of a sub-contractor to You at the time of the Accident and You do not prove You verified prior to entering that agreement with that sub-contractor, the sub-contractor had a separate, current, Non Owned Trailer Liability insurance cover in their own name, for a Sum Insured at least equal to the Sum Insured under this policy for Your Vehicle, providing indemnity for loss or damage to trailers such as Your Vehicle, prior to the commencement of, and current for the period of such agreement.

However, this exclusion will not apply if You prove the Non Owned Trailer Liability insurance was lapsed or cancelled during the period of the agreement without Your knowledge, provided that You prove You ensured the Non Owned Trailer Liability insurance was reinstated immediately You became aware it had been lapsed or cancelled, if You became aware of such lapse or cancellation prior to the Accident.

CONDITIONS

If You breach a policy condition, We may reduce the amount We pay under a claim to the extent that Your breach of the condition prejudices Our interests or rights in respect of the claim.

1. Your Duty of Care

You must at all times take all reasonable precautions to prevent loss, damage or liability arising in respect of Your Vehicle/s.

2. GST

You must tell Us if You become aware that the extent of Your entitlement to an input tax credit for Your Premium disclosed to Us is incorrect or changes.

3. Claims

- A. If anything occurs which results in or could reasonably be expected to result in a claim under Your Policy, You or Your representative must:
- (a) Notify Us immediately.
 - (b) Give Us full details of the circumstances of the Accident in writing on Our claim form as soon as possible, but no later than 14 days after the Accident.
 - (c) Provide to Us at Your expense all proofs and information concerning the loss, damage or legal liability.
 - (d) Take all reasonable precautions to prevent further loss, damage or legal liability.
 - (e) Notify the police immediately on discovery of any malicious damage, theft or attempted theft.
 - (f) Salvage and preserve all damaged insured items.
 - (g) Make all damaged insured items promptly available for inspection by Our representative, or repair, as and when We direct.
 - (h) Make no admission, offer, promise, or payment to any other party without Our written consent.
 - (i) Notify Us immediately of any communications from other parties such as a demand or notice of impending prosecution or details of any inquest or official inquiry.
 - (j) Not authorise any repairs to Your Vehicle without Our prior written agreement, except as allowed under Policy Sections 21 and 22.
- B. When You claim under Your Policy We take over all rights that You have against any other party that may be held responsible for all or part of the loss and We may pursue recovery in Your name.
- C. We may take over the defence or settlement of any claim against You by another person or represent You at any inquest or official inquiry.
- D. We have full discretion in the conduct, defence or settlement of any claim and You must give Us all information and assistance that We require in the conduct, defence or settlement of any claim.

- E. We may refuse to pay a claim, or reduce the amount payable under a claim, if a term of Your Policy:
- (a) requires You to do something and it is not done; or
 - (b) requires You not to do something and it is done,
- and Your neglect, action or inaction causes or contributes to loss, damage or legal liability or prejudices Our interests, in respect of that claim.

4. Renewal

After We issue a Renewal Schedule, We may:

- (a) prior to acceptance by You, withdraw, or amend the terms of, the renewal offer; and
- (b) regardless of when You indicate acceptance of the renewal offer, if We become aware of any circumstance that, had We known of it, would have affected Our renewal decision, We may:
 - (i) If renewal has not yet occurred, amend Our renewal terms to what We would have offered had We known of the circumstance, or withdraw the renewal offer if that would have been Our decision.
 - (ii) If renewal has occurred, reduce Our liability under a claim, or refuse to pay a claim, or cancel the renewed contract, or if the non-disclosure is fraudulent - avoid the contract.

5. Payment of Premium

Premium payment is required within 14 days of the issue date notified on Your Policy Schedule or such other time agreed by Us. If You do not pay it by the required time We may cancel Your Policy. If We receive Your Premium after cancellation:

- (a) We may return the Premium to You;
- (b) We may accept the Premium and provide You with new cover which only commences from the time We receive the Premium, and Our acceptance is subject to the following:
 - (i) there has been no change in circumstances that would have affected Our decision to provide cover;
 - (ii) there will be no change to the expiry date of the insurance; and
 - (iii) there will be no reduction in Premium because the Period of Insurance is less than it would have been if You had paid the Premium by the time originally requested.

6. Changes that You must advise to Us

As soon as practical You must notify Us in writing and provide Us with full details if any of the following changes occur during the Period of Insurance:

- (a) **Other Insurance** - If You take out any other insurance on Your Vehicle.
- (b) **Occupation, Business, Goods Carried, Radii of Operation, Bases** - If there is any change to the nature of Your occupation or business, to the nature or type of goods You carry, or to the Base/s from which Your Vehicle/s operate or their Radii of Operation.
- (c) **Vehicle Modification** - If You make any modifications to any of Your Vehicle/s.
- (d) **Vehicle Sales or Purchases** - If You sell or dispose of any of Your Vehicle/s (subject to the provisions of Section 12 - Vehicle Replacement and Section 16 - Automatic Inclusion), or buy or otherwise accept legal responsibility for any additional vehicle/s.
- (e) **Vehicle Identification** - If any identifying numbers or registration of any of Your Vehicle/s changes.
- (f) **Ownership** - If the ownership or interest in any of Your Vehicle/s or Your business changes.

Where You notify Us of any such change, We may:

- negotiate with You the terms for the continuation of this Policy; or
- cancel this Policy in accordance with the provisions of the Insurance Contracts Act.

7. Cancelling Your Policy

Your Policy may be cancelled by:

- (a) You at any time by notifying Us in writing. We will then refund to You any Premium for the unused Period of Insurance, less Our normal charges for short period insurance, or We will recover from You any Premium owing for the Period of Cover used.
 - (i) After cancellation by You, We will be entitled to retain the pro rata Premium for the period during which the Policy has been in force; and
 - (ii) ten per cent (10%) of the pro rata Premium as a cancellation fee.
 - (iii) an administration fee.
- (b) Us in accordance with the provisions of the Insurance Contracts Act 1984.
- (c) A Premium Funding Company in accordance with the provisions of any power of attorney or other authority granted to them by You. Any Premium refund due will be sent to Your broker for this Policy or, if no broker, to the Premium Funding Company.

8. Excesses

- A. At Our option the Excess is:
- (a) paid by You to Us when We request it; or
 - (b) deducted from the amount We pay You; or
 - (c) paid by You to Us if the claim is for damage to a third party's vehicle; or
 - (d) paid by You to the smash repairer when You pick up Your Vehicle after it has been repaired after an Accident.
- B. All Excesses, including Age Excess, Inexperienced Operators Excess, Outside Radius Excess, Tipping Excess and Unapproved Driver Excess are cumulative and apply to each claim, except Age Excess and Inexperienced Operators Excess which will not apply to claims for breakage of glass of Your Vehicle if that breakage is the only damage for which a claim is made.
- C. When Your Vehicle is described on the Schedule as a group of unspecified Vehicles or items, any Excess applying to Your Vehicle applies in respect of each claim on each Vehicle or item.

9. Policy Alterations

The terms and conditions of Your Policy shall apply unless We agree in writing to any changes and We will not forego any of Our rights nor disregard any failure by You to comply unless We agree in writing to do so.

10. Outstanding Debts

We may reduce any payment We make under this Policy by way of settlement of any claim, return of Premium or otherwise by the amount of any Premium, Excess or other amount that You owe Us.

11. Driver Declarations

Your application to have the Unapproved Driver Excess removed from any person, must be made to Us on Our current Driver Declaration form.

Where We have not received a Driver Declaration for the person who was driving Your Vehicle at the time of an Accident, We will, on receipt of a Driver Declaration for that person, determine if We would have allowed that person to be exempt from the application of the Unapproved Driver Excess if the Driver Declaration had been received by Us before the Accident and, if exemption would have been allowed, waive the application of the Unapproved Driver Excess for that Accident.