



# COMMERCIAL MOTOR INSURANCE POLICY

## Product Disclosure Statement

This Product Disclosure Statement contains the Commercial Motor Insurance Policy terms and conditions. You should read all sections of this Product Disclosure Statement before making a decision to acquire this financial product.

Preparation date 30th May 2008

Issued by Elders Insurance Limited ABN 62 081 106 505 AFSL 237756 Address 27 Currie Street Adelaide SA 5000

***LOCAL*insurance**  
For over 100 years



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# Part A – Important Information

## The purpose of this Product Disclosure Statement

This Product Disclosure Statement (“PDS”) has been prepared to assist you in understanding this Policy and to make an informed choice about your insurance requirements. The PDS contains important information required under the Corporations Act 2001.

Part A of this PDS sets out the significant features of the Policy including the Policy benefits. It also sets out information about how the premium is calculated.

You must read Part B of this PDS to obtain a complete description of all Policy terms and conditions in the Policy.

If you arrange insurance with us, the Proposal, the Policy and your Schedule will form the insurance contract.

To assist you in locating the various parts and sections of the Policy please refer to the contents section on the inside cover of this PDS.

## Who is the insured?

The persons or organisations that are covered by the Policy are shown in the Schedule. In the Policy those persons or organisations are referred to as “you” or “your”.

## Other persons or organisations requiring cover

You must inform us of all persons or organisations to be covered by the Policy. We will cover them if you have advised us of them and we show them on the Schedule or they are otherwise covered under the Policy.

## All persons or organisations are bound by the Policy

All persons or organisations covered by the Policy have to comply with the terms of the Policy. We may refuse to pay a claim if you or any person covered by the Policy do not comply with the terms of the Policy.

## Who is the insurer?

Elders Insurance Limited ABN 62 081 106 505, AFS Licence No. 237756 of 27 Currie Street Adelaide SA 5000 is the issuer of the Policy and is named on the Schedule as the Insurer.

In this PDS, Elders Insurance Limited is referred to as “we”, “us” or “our”.

## How to contact us

Should you have any questions about the Policy, please contact your local Elders authorised representative or Elders Insurance Limited, GPO Box 551 Adelaide SA 5001.

## Duties of the insurer

We will act and conduct ourselves with utmost good faith.

## Selecting your insurance cover

You need to consider the insurance covers that are most suitable to your needs. You may select all or some of the covers offered in the Policy.

## When you are covered

Your cover starts when we have accepted your Proposal. We will then send you the Schedule. The Policy will consist of only those sections you have selected. The Period of Cover is shown on the Schedule. You are only insured for the Occurrences that take place during the Period of Cover shown on the Schedule. You must pay us the premium due before we pay or agree to pay any claims.

## Changes to your circumstances

You should notify us of every change that you become aware of which materially varies any of the facts or circumstances which existed at the commencement of the Period of Cover.

If you fail to notify us of all the changes we may not pay all or part of a claim or may be able to cancel the Policy.

# Part A – Important Information

## Alteration of risk

You must tell us promptly about all changes which occur during the Period of Cover and that increases:

1. the value of property insured by the Policy;
2. the risk of loss or damage; or
3. the likelihood of liability losses.

For example, you should tell us promptly if you:

1. change the nature of your business;
2. change the way you conduct your business;
3. change the way you use any property insured by the Policy;
4. alter or modify any property in any way which affects its safety or structural integrity; or
5. alter or modify any property in any way which affects its performance or its value.

Unless we give our written consent to insure you for any alteration to the risk which occurs after the commencement of the Period of Cover, we will not insure any loss, damage or liability caused by, or contributed to by, any alteration to the risk.

## Payment of premium

You must pay us the premium.

Payment of premium may be made by debit to your Elders account, cash, cheque, BPay or credit card. If your cheque or credit card is dishonoured by your financial institution you are not covered unless we have agreed in writing to continue to cover you.

## Payment of periodical instalments

If payment by periodic instalments is arranged from your financial institution, we will not cancel the Policy unless at least one instalment is not paid for more than one month from the date on which payment was due.

## Keep your records in a safe place

This PDS and the Schedule are important. Please ensure you read them carefully and keep them in a safe place. If you have any questions regarding the Policy, please contact your local Elders authorised representative.

Documents such as plans, reports, contracts, receipts, manuals and serial numbers relating to your property must also be kept. If you make a claim such documents may be required by us and they will help you complete your claim form. You should keep relevant documentation to substantiate values of property insured. If you do not do this you may not be able to substantiate your claim.

# Part A - Important Information

## Significant Features & Benefits

Feature and Benefit	Explanation	Reference Page No
A choice of covers	You may choose to insure Your Vehicle for <ul style="list-style-type: none"><li>• comprehensive cover; or</li><li>• third party property damage only.</li></ul>	9
Signage	If you choose comprehensive cover, we will pay the cost of replacing signage up to \$5,000 following an accident.	12
What we pay for	If you choose comprehensive cover we pay at our option either: <ol style="list-style-type: none"><li>1. the cost to repair or replace Your Vehicle; or</li><li>2. the Market Value of Your Vehicle or the sum insured shown on the Schedule whichever is the lower amount, as a result of accidental loss or damage, theft or malicious damage.</li></ol> If you choose third party property damage only we pay for your legal liability to pay compensation for damage to someone else's property.	10
Additional benefits	A range of additional benefits is also provided under the Policy. These include emergency travelling expenses, temporary repairs, hire car costs following theft, returning Your Vehicle after loss or damage, towing costs and trailer cover. Full details of these benefits are contained in the Policy in Part B of this PDS.	11-12
Legal liability	For all types of cover we pay your legal liability to pay compensation for damage to someone else's property. We also pay your legal liability to pay compensation for death or bodily injury you cause to others unless you are, or should be, insured for this type of liability under a government or statutory policy or scheme.	13

# Part A - Important Information

## Cost

We calculate the cost of the insurance on an annual basis. The premium comprises the amount we charge you for the cover plus any statutory charges such as GST and Stamp Duty. The details of the premium will be on your written quotation and the Schedule.

In determining the premium we take into consideration several factors. These include, but are not limited to the make and type of the Vehicle being insured, the age and driving experience of the main drivers, and where and how the Vehicle will be used.

The resultant amount is subject to Commonwealth and State taxes and/or charges to arrive at the total premium cost payable by you.

You may pay your premium annually by debit to your Elders account, cash, cheque, BPay or credit card. Alternatively you may pay by periodic instalments. If you pay by periodic instalments from your financial institution, we will not cancel the Policy unless at least one instalment is not paid for more than one month from the date on which payment was due.

If you fail to pay an annual premium by the due date, cover under the Policy will cease.

If you request an alteration to the insurance during the Period of Cover, or there is any change or alteration to the information you have advised us of, we will inform you of any cost or refund applicable for making the alteration. Any change or alteration only becomes effective when we agree to the change and you pay any additional premium applicable.

You may cancel the Policy at any time by writing to us. We will refund the unused proportion of your premium, less an administration charge of 10% of the unused proportion.

When we have paid, or are required to pay, for a Total Loss arising out of an Occurrence before you give us written notice of the cancellation of your Policy, you will not receive any refund of the premium relating to the insured property which is the subject of that Total Loss.

## Privacy

We will only collect personal information from you that is necessary in order for us to process and administer the Policy and any claims you may make under the Policy. We realise that this information is often very sensitive in nature and will treat it with the utmost care and security.

Information on how we handle your personal information is explained in our Privacy Statement including:

1. how to contact us regarding privacy;
2. how we use information supplied by you;
3. how to access your personal information; and
4. how we confidentially disclose our information to other contractors/service providers to carry out activities on our behalf.

A copy of our privacy statement is available from any Elders branch or from our website [www.elders.com.au](http://www.elders.com.au).

## What makes up the insurance contract

Your insurance contract is comprised of the following documents:

- the Proposal;
- the Policy; and
- the Schedule which shows the type of cover you have, any alterations to the insurance, as well as other specific information relevant to the insurance contract.

## Cooling off period

We will refund any premium paid for cover under the Policy if you request cancellation of the Policy within 14 days of receiving the Schedule. To do this you must advise us in writing and return the Schedule to your Elders authorised representative or to Elders Insurance Limited, GPO Box 551 Adelaide SA 5001. You will not receive a full refund if you have made a claim under the Policy.

# Part A - Important Information

## How to apply for insurance

To apply, please contact an Elders authorised representative and complete a Proposal form. If we accept your application form and you pay the premium or agree that we may make periodic debits from your nominated bank account or other approved account, you will receive a Schedule that sets out details of the insurance you have taken out. The Schedule should be retained with the PDS.

## What if you are not happy with our service or claims settlement?

We continually strive to improve our service and provide insurance products that meet the needs of our customers. On rare occasions circumstances may go wrong. Some people may need assistance if they feel they have not been treated fairly. If you need more help our dispute resolution process can assist you.

## Disputes resolution process

If you have a complaint or disagree with a decision made by us or anyone representing us, please talk it over with our staff member or representative.

If you are unable to reach an agreement, you can ask our staff or representative to refer the problem to our Internal Dispute Resolution Panel. You can refer the matter direct to the Panel at the following address:

Internal Disputes Resolution Panel  
Elders Insurance Limited  
27 Currie Street  
GPO Box 551  
Adelaide SA 5000

Freecall: 1300 307 941  
Email: [feedback@elders.com.au](mailto:feedback@elders.com.au)  
Website: [www.elders.com.au/feedback](http://www.elders.com.au/feedback)

Our Internal Dispute Resolution Panel will contact you within 2 business days of receiving your complaint. We will advise you how long it will take to investigate and advise you promptly in writing of the outcome. Normally this will take no longer than 14 days. If it takes longer, we will keep you informed of progress regularly.

The Internal Dispute Resolution representatives who will be assigned to you will have had no previous involvement in the decision and will have full authority to resolve the problem.

If you are not satisfied with the outcome from our Internal Dispute Resolution Panel, we will advise you who to go to to further the complaint. This may include referring you to the Insurance Ombudsman Service Limited who are an independent company. They have the authority to make decisions which are binding on us but can not force you to take a course of action. Access to this process is free of charge to you, and they may be contacted at:

Insurance Ombudsman Service Limited  
PO Box 561  
Collins Street West  
Melbourne VIC 8007

Telephone: 1300 780 808 (local call rate)  
Fax: 03 9621 2060  
Email: [ios@insuranceombudsman.com.au](mailto:ios@insuranceombudsman.com.au)  
Website: [www.insuranceombudsman.com.au](http://www.insuranceombudsman.com.au)

## Code of Practice

We have willingly adopted the General Insurance Code of Practice developed by the Insurance Council of Australia.

The Code is designed to promote good relations and good insurance practice between insurers, their representatives and consumers.

Amongst other things, the Code sets out to improve the quality of information consumers receive, the education and conduct of insurance representatives, and claims handling and dispute resolution procedures.

Please contact your Elders authorised representative if you would like more information about the Code.

## How to make a claim

If something happens that you believe you can claim for, or could give rise to a claim or you believe that a claim has or will be made against you, please advise your Elders authorised representative as soon as possible. Please supply them with initial details and with full written details by completing our claim form within 30 days of the Occurrence. Details about making a claim are shown under "What you must do after loss, damage or accident" on page 17 of this PDS.

# Part A - Important Information

## Duty of disclosure – new business

This section explains your duty, under the Insurance Contracts Act 1984, to be honest and to tell us anything known to you, or which a reasonable person in the circumstances should know is relevant to our decision whether to insure you and anyone else, and the terms and conditions of the insurance.

### What you must tell us

Your duty includes matters that are specifically asked in the Proposal when you apply for a Policy and extends to any other matters which may affect our decision to insure you and the terms we may impose.

You do not have to tell us anything that:

1. reduces the risk;
2. is of common knowledge;
3. we already know or should know in the ordinary course of our business; or
4. we have indicated we do not need to know.

### Who needs to tell us

It is important that you understand that when you disclose to us and answer our questions you do so for yourself and on behalf of anyone else that you want to be insured by the Policy.

### If you do not tell us

If you do not comply with your duty of disclosure as set out above, we may reduce or refuse to pay a claim, or cancel the Policy. If the information you provide is fraudulent, we may refuse to pay a claim and treat the Policy as never having existed.

## Duty of Disclosure – renewals, extensions, variations and reinstatements

This section explains your duty under the Insurance Contracts Act 1984, to disclose all information at the time of renewing, extending, varying or reinstating the Policy. You have a duty to be honest and to tell us anything known to you, or which a reasonable person in the circumstances should know is relevant to our decision whether to insure you and anyone else, and the terms and conditions of the insurance.

### What you must tell us

Prior to renewing, extending, varying or reinstating the Policy, you must tell us whether any of the information you provided to us previously, including the answers to all questions in the Proposal, has changed.

You do not have to tell us anything that increases:

1. the value of Vehicle insured by the Policy;
2. the risk of loss or damage; or
3. the likelihood of liability losses.

For example, you should tell us promptly if you:

1. change the nature of Your Business;
2. change the way you conduct Your Business;
3. change the way you use any Vehicle insured by the Policy;
4. alter or modify any Vehicle in any way which affects its safety or structural integrity; or
5. alter or modify any Vehicle in any way which affects its performance or its value.

You must tell us if you or any of your directors or business partners:

1. in the last 5 years been refused insurance, had an insurance renewal declined, an insurance Policy cancelled, or had any special terms or conditions imposed by an insurer?
2.
  - a. had any adult convictions that are less than 10 years old or more than 10 years old where the sentence imposed was imprisonment for a period of greater than 30 months for:
  - b. had any juvenile convictions less than 5 years old; or more than 5 years old where the sentence imposed was imprisonment for a period of greater than 30 months for:

# Part A - Important Information

## Duty of disclosure – renewals, extensions, variations and reinstatements

### What you must tell us

- c. prosecutions pending for:
  - i. fraud or dishonest acts?
  - ii. acts of wilful damage to property?
  - iii. assault or violence against any person?
  - iv. arson
  - v. theft
  - vi. illegal possession or sale of drugs?
- 3. been declared bankrupt, owned or own a business which has been placed into liquidation or had a receiver or administrator appointed?
- 4. lodged any insurance claims in the last 5 years which would have been covered by a part of this Policy?
- 5. had loss or damage in the last 5 years that you did not claim for, and would have been covered by a part of this Policy?

You must tell us if you, or any intended driver of your Vehicle/s:

- 1. during the past 5 years been fined for, charged with or convicted of a driving offence (other than a parking offence), and/or had a driving licence suspended or cancelled, or had special conditions imposed on a drivers licence?
- 2. in the last 5 years, have you, or any of the drivers listed on the Policy, had an accident?

You do not have to tell us anything that:

- 1. reduces the risk;
- 2. is of common knowledge;
- 3. we already know or should know in the ordinary course of our business; or
- 4. we have indicated we do not need to know.

We may decide, following the consideration of any new information you provide us, to withdraw our offer to renew the Policy, or refuse to accept your request to extend, vary or reinstate the Policy.

### Who needs to tell us

It is important that you understand you should provide us with any new information in relation to yourself and anyone else who is insured by the Policy or whom you want to be insured by the Policy.

### If you do not tell us

If you do not tell us the information that you are required to tell us prior to renewing, extending, varying or reinstating the Policy, we may reduce or refuse to pay a claim, or cancel the Policy. If you are fraudulent in not providing the information that you are required to provide us, we may refuse to pay a claim and treat the Policy as never having existed.

# Part B – Commercial Motor Insurance Policy Terms and Conditions

## Words with Special Meaning

There are some words in the Policy that have a special meaning. These words and their meanings are listed below.

**"Broken"** means a fracture extending through the entire thickness of the glass or, in the case of a laminated glass, a fracture which extends through all layers of the windscreen.

**"Excess"** means the amount you must pay towards the cost of a claim. An Excess applies to each Vehicle covered and is shown on the Schedule. You may have to contribute more than one Excess.

You are required to pay the Excess when we request you to do so.

**"Goods and Services Tax (GST)"** means the Goods and Services Tax imposed according to the meaning given in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**"Hazardous Goods"** means:

1. explosive substances or items (Class 1);
2. more than 500 litres of gas whether compressed, liquefied or dissolved under pressure (Class 2);
3. more than 450 litres or 400 kilograms of:
  - a. flammable liquids or substances with a closed cup flash point below 23 degrees Celsius (Class 3);
  - b. flammable solids liable to spontaneous combustion or which emit flammable gases on contact with water (Class 4);
  - c. oxidising agents (Class 5); or
  - d. corrosive liquids or substances (Class 8);
4. toxic substances (Class 6);
5. infectious substances (Class 6); and
6. radioactive substances (Class 7).

**"Input Tax Credit"** means the Input Tax Credit according to the meaning given in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

**"Market Value"** means the cost to purchase (including stamp duty) a Vehicle of the same make, model, age, odometer reading and condition. The value of registration, compulsory insurance and dealer warranties is not included in the Market Value.

**"Occurrence"** means an event, including continuous or repeated exposure to substantially the same general conditions, that results in Personal Injury or property damage, which you neither expected nor intended to happen. All Personal Injury or damage to property resulting from one original cause will be treated by the Policy as being caused by the one Occurrence.

**"Period of Cover"** means the time cover starts to the time cover expires. These times are shown on the Schedule.

**"Personal Injury"** means

1. bodily injury (including death), sickness, disease, disablement, shock, fright, mental anguish and mental injury; and
2. latent Personal Injury (as described in 1 above) that is first diagnosed by a qualified medical practitioner during the Period of Cover.

**"Policy"** means this PDS and your current Schedule.

**"Proposal"** means the information as advised by you to us, either in writing, verbally or by electronic means, as part of your application for insurance provided by the Policy. Your completed proposal and the information you supply to us forms part of the basis for our decision of whether or not to insure you and on what terms.

**"Schedule"** means the Schedule to the Policy current and in force at the time of the Occurrence or defined event. It contains details of the Policy including the types of cover and levels of insurance you have selected.

**"Substitute Vehicle"** means a Vehicle being used as a substitute for Your Vehicle when it is unavailable to be used due to repairs, servicing or damage.

**"Terrorism"** means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public, or any section of the public in fear.

**"Tool of Trade"** means a Vehicle that has tools, implements, machinery or plant attached to or towed by the Vehicle and is being used by you at your premises or a work site you have been contracted to work at. Tool of Trade does not include Vehicles while travelling to or from a worksite or Vehicles that are used to carry goods to or from any premises.

**"Total Loss"** means Your Vehicle has not been recovered following theft, or Your Vehicle is damaged to the extent that we determine it would be uneconomical or unsafe to repair.

**"Vehicle"** means any type of machine on wheels or on caterpillar tracks made or intended to be propelled other than by manual or animal power, including any trailer or other attachment that is normally towed or operated from any Vehicle.

Vehicle does not include aircraft.

**"we", "us", "our"** means Elders Insurance Limited ABN 62 081 106 505.

**"you", "your", "yours"** means the person or entity named as the insured on the Schedule.

**"Your Business"** means the business described in the Schedule.

**"Your Vehicle"** means the Vehicle described on the Schedule and any Vehicle that permanently replaces that Vehicle.

# Part B – Commercial Motor Insurance Policy Terms and Conditions

## Types of Cover

We offer two types of cover. The type of cover you have selected is shown on the Schedule.

### Comprehensive

If you select comprehensive cover, Section 1 and Section 2 of this Policy applies.

### Third party property damage only

If you select third party property damage only, Section 2 of this Policy applies.

### Use of the Vehicle

We cover Your Vehicle when you are using it:

1. for social, domestic and pleasure purposes;
2. for demonstration for sale;
3. in connection with servicing, repairing and subsequent testing;
4. for tuition;
5. for towing a caravan, trailer or Vehicle;
6. for use in a car sharing arrangement, including travel to and from work;
7. in connection with your occupation or business; and
8. for voluntary work in relation to sporting or social clubs.

We will not cover you or any driver if you have hired out Your Vehicle to anyone unless we have agreed in writing.

### Policy Excesses

The Policy Excesses are the amounts shown on the Schedule that you must pay towards the cost of each claim. You may have to contribute more than one Excess.

### Basic Excess

The basic Excess is the amount you pay towards each claim and is shown on the Schedule as basic Excess.

### Tipping Excess

In addition to the basic Excess you agree to pay an additional Excess of 100% of the basic Excess if at the time of an accident resulting in a claim:

1. Your Vehicle's tipping hoist (if one is fitted) is extended, extending or retracting;
2. the tipping hoist (if one is fitted) of a trailer attached to Your Vehicle is extended, extending or retracting; or
3. Your Vehicle is being tipped.

### Age and inexperienced driver Excess

In addition to the basic and tipping Excesses you agree to pay an age and inexperienced driver Excess if at the time of an accident resulting in a claim, the person driving Your Vehicle is:

1. 21 years of age or under, an additional 150% of the basic Excess;
2. under 25 years of age and over 21 years of age an additional 100% of the basic Excess; or
3. 25 years of age or older, and has not been licensed to drive Your Vehicle for more than 2 years, an additional 100% of the basic Excess.

### When you do not have to pay an Excess

You will not be required to pay an Excess towards a claim if your Vehicle is a sedan, station sedan or utility and:

1. you have an accident with another Vehicle; and
2. we are satisfied that the driver of the other Vehicle was responsible for the accident; and
3. you can provide us with the full name and address of the driver of the other Vehicle;

prior to our authorisation of repairs to Your Vehicle.

You will not have to pay an age or inexperienced driver Excess if the damage to Your Vehicle is a Broken windscreen, Broken window glass, hail damage, or if the loss or damage occurs when the Vehicle is parked or unattended.

## Section 1 – Vehicle Cover

### What you are covered for

We cover you for theft, accidental loss of, accidental damage to, and malicious damage to Your Vehicle. We will pay at our option either:

1. the cost to repair or replace Your Vehicle to the condition it was in immediately before the loss or damage; or
2. the Market Value of Your Vehicle immediately before the loss or damage, or the sum insured shown on the Schedule, whichever is the lower amount.

If we pay the cost to repair Your Vehicle and the repairs to Your Vehicle put it into a condition better than it was in immediately before the loss, we may require you to contribute to the cost of repairs. We will use parts appropriate for Your Vehicle's age and condition (where possible) that comply with Australian Safety Standards.

### Accessories, equipment and tools

We will also include the following items in the Market Value and sum insured:

1. standard equipment fitted by the original manufacturer;
2. additional equipment or accessories including those fitted by the manufacturer or dealer; and
3. non standard equipment, accessories, tools and spare parts used for Your Vehicle while in or on Your Vehicle.

We will not pay for equipment, accessories, tools or spare parts that you use during the normal course of Your Business.

### Vehicles that are written off

If Your Vehicle is a sedan, station sedan or utility and is stolen, lost or damaged to the extent it is uneconomical to repair within one year of the commencement of the first period of registration, we will replace Your Vehicle with a new Vehicle of the same make and model. We also pay for on road costs other than registration and compulsory insurance.

If Your Vehicle is not a sedan, station sedan or utility and is stolen, lost or damaged to the extent it is uneconomical to repair within one year of the commencement of its first use after manufacture we will replace Your Vehicle with a new Vehicle of the same make and model provided:

1. the Vehicle was purchased unused by you; and
2. your sum insured is sufficient to pay the cost to replace the Vehicle.

Irrespective of the type of Your Vehicle, if a replacement Vehicle is not available at the time of theft, loss or damage, we will pay the Market Value or sum insured shown on the Schedule whichever is the lower.

If we replace Your Vehicle or pay its value (including accessories, equipment and tools) you agree that Your Vehicle becomes our property.

If you make a claim and we pay you the full Market Value or sum insured then all cover on Your Vehicle ceases and you will not be entitled to any refund of premium.

### What you are not covered for

We will not pay for:

1. damage to tyres caused by braking, punctures, cuts or bursting of the tyres unless the damage was caused by –
  - a. an accident; or
  - b. theft or a malicious act by a person who does not permanently or temporarily live with you;
2. depreciation, wear, tear, rust or corrosion;
3. cost of repairing structural, mechanical or electrical failures or breakdowns unless caused by an accident, theft or malicious act by a person who does not permanently or temporarily live with you; (however, we will pay for any resultant damage caused by the breakdown or failure provided the damage is insured by the Policy); or
4. theft, loss of or damage to Your Vehicle before the insurance commenced.

# Part B – Commercial Motor Insurance Policy Terms and Conditions

## Section 1 – Vehicle Cover

### Additional benefits

#### Additional Vehicle

If you purchase an additional Vehicle, we will insure the Vehicle for a period of 30 days from its date of purchase.

You must:

1. inform us of the Vehicle within 30 days of acquiring the Vehicle; and
2. pay any additional premium;

or insurance on that Vehicle will cease 30 days after you acquired the Vehicle. If the additional Vehicle is not acceptable to us we will advise you in writing and any cover for the additional Vehicle will cease within 5 working days of our written notification to you.

The maximum amount we will pay for a claim within the first 30 days of cover is \$250,000.

#### Choice of repairer

Subject to our approval, you may select your own repairer. Alternatively, we can recommend or choose a repairer to repair Your Vehicle.

#### Emergency or temporary repairs

If Your Vehicle has comprehensive cover, and Your Vehicle is damaged and the damage is covered by the Policy, we will pay up to \$500 for reasonable emergency or temporary repairs to allow you to drive Your Vehicle home or to continue your journey.

#### Emergency travelling expenses

If Your Vehicle has comprehensive cover, we will pay you reasonable travelling expenses for the occupants of Your Vehicle or \$250, whichever is lower, if at the time of the loss or damage Your Vehicle is more than 100 kilometres from the place where it is normally garaged. This is in addition to the Market Value or sum insured, whichever is lower.

#### Hire costs following theft of Your Vehicle

If Your Vehicle has comprehensive cover and Your Vehicle is stolen or illegally used, we will reimburse you for the reasonable cost of hiring a similar Vehicle provided that you have made a claim and paid your Excess. We will cover the cost of hiring a similar Vehicle until:

1. Your Vehicle is recovered and in a useable condition back in your possession;
2. Your Vehicle is not recovered and you take possession of a replacement Vehicle; or
3. until we pay you for the total loss of Your Vehicle.

We will not pay hire costs for more than 14 consecutive days. This is in addition to the Market Value or sum insured, whichever is lesser.

### Additional benefits

#### Leased or financed Vehicles

If:

1. Your Vehicle is stolen, lost, or damaged and not economical to repair;
2. the damage is covered by this Policy; and
3. Your Vehicle's Market Value is less than the amount owing by you under a lease or other financial arrangement

we will pay your lease or finance provider the additional amount owed by you other than outstanding regular payments.

The maximum amount we will pay is:

1. 25% more than the Market Value; or
2. the amount by which the sum insured exceeds the Market Value

whichever is the lower.

#### Locks and keys

We will pay the cost of replacing the keys and locks, the re-coding of locks, immobilisers and/or other key operated security devices fitted to Your Vehicle up to a value of \$1,000 if they are stolen from a locked building, locked key cabinet or locked Vehicle and:

1. there are signs of forcible and violent entry;
2. the theft was committed by a person unlawfully concealed on your premises and there are signs of forcible and violent break out; or
3. the theft was committed by a person who threatened or committed physical violence to you, your employees or other persons.

This is in addition to the Market Value or sum insured, whichever is lesser.

#### Maritime liability

If Your Vehicle has comprehensive cover and Your Vehicle is being transported by ship or ferry between any Australian ports we will pay your contribution for Your Vehicle if you have to pay as a result of general average being declared by the ship or ferry operators.

#### Removal of debris

We will pay costs you incur to remove debris following a claim for which you are covered under this Section up to a maximum of \$10,000 any one Occurrence. This is in addition to the Market Value or sum insured, whichever is lesser.

# Part B – Commercial Motor Insurance Policy Terms and Conditions

## Section 1 – Vehicle Cover

### Additional benefits

#### Repair guarantee

If we authorise the repair of Your Vehicle following a claim, we will guarantee the repairs while you are the registered owner of the Vehicle and it is insured by us.

This guarantee does not provide cover for defects caused by natural wear and tear of the repaired surfaces or for rust or corrosion, unless directly attributable to the repair.

#### Replacement Vehicle

If you purchase a replacement Vehicle to permanently replace Your Vehicle, we will insure the Vehicle from its date of purchase until the cover expires.

In the event of a claim we will not pay for more than the sum insured shown in the Schedule for the replaced Vehicle.

Insurance on any replaced Vehicle ceases from the date of purchase of the replacement Vehicle.

#### Returning Your Vehicle after theft, loss or damage

If Your Vehicle has comprehensive cover, we will pay up to \$500 for the reasonable cost of returning Your Vehicle to you, following repairs after an Occurrence we agreed to pay for. This is in addition to the Market Value or sum insured, whichever is lesser.

#### Signage

If Your Vehicle has comprehensive cover, we will pay the cost of replacing signage up to \$5,000 following a claim for which you are covered under this Section. This is in addition to the Market Value or sum insured, whichever is lesser.

#### Towing costs

If Your Vehicle is damaged, unable to be driven and the damage is covered by this Section, we will pay the reasonable cost of recovering and towing the Vehicle to the nearest repairer, place of safety or any other place that we have approved. This is in addition to the Market Value or sum insured, whichever is lesser.

#### Trailer cover

If Your Vehicle has comprehensive cover, we will pay for theft, accidental loss of or damage to a trailer (other than a trailer used on an articulated Vehicle, or a caravan) attached to Your Vehicle at the time of the accident or theft up to a value of \$1,000 or Market Value whichever is the lower. This is in addition to the Market Value or sum insured, whichever is lesser.

### Optional benefits

The Schedule will state if any of the following benefits apply.

#### Hire costs following damage to Your Vehicle

We will pay you the reasonable costs you incur to hire a similar Vehicle to your own if Your Vehicle is damaged in an accident, you have submitted a claim for the damage sustained and we have agreed to pay for it.

We will pay hire costs only for the days Your Vehicle is at an approved repair shop and not in your possession. If Your Vehicle is a total loss we will pay hire costs only until you obtain a replacement Vehicle.

We will pay hire costs up to the limit stated in Your Schedule but not for more than 28 consecutive days. We will not pay hire costs for the first 2 days. You will need to provide us with a copy of the hire agreement and any receipts before we pay for the hire Vehicle.

It is entirely your responsibility to arrange a hire Vehicle. We are not liable for ensuring that:

1. a hire Vehicle is available;
2. costs of running the hire Vehicle;
3. damage to the hire Vehicle; and/or
4. any insurance, insurance Excess or other additional costs you may be liable for under the hire agreement.

#### Windscreen

We will pay the reasonable cost of replacing the windscreen or single window glass of Your Vehicle if it is accidentally Broken. We will not require you to pay an Excess for the first windscreen or single window glass claim made in any one annual Period of Cover.

## Section 2 - Legal Liability Cover

### What you are covered for

#### Property damage

We will cover your legal liability to pay compensation for accidental loss of, or damage to someone else's property which is your fault and the legal liability arises out of the use of Your Vehicle, a Substitute Vehicle or any attached trailer. The cover for liability for property damage includes:

1. any person who is driving, using, or in charge of Your Vehicle with your permission;
2. any passenger travelling in Your Vehicle or who is getting out of or into Your Vehicle; or
3. your principal, partner or employer with respect to damage to someone else's property arising out of the use of Your Vehicle.

We will also pay the legal costs and expenses to defend any proceedings arising from Personal Injury to other persons resulting from an Occurrence arising out of the use of Your Vehicle, a Substitute Vehicle, or anything legally attached to, or being towed by, Your Vehicle or a Substitute Vehicle, provided we have approved the costs and expenses.

We will not pay legal costs to defend criminal acts or fines for breaches of road traffic statutes, regulations or by-laws.

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

#### Death or bodily injury

We will cover your legal liability to pay compensation (including legal costs and expenses approved by us) for death or bodily injury to other persons resulting from an accident arising out of the use of Your Vehicle, attached trailer or Substitute Vehicle which is not covered by:

1. any compulsory third party liability insurance, statutory or government scheme; or
2. any insurance which covers death or bodily injury that you are required by law to have relating to Your Vehicle.

The cover for legal liability for death or bodily injury also applies to:

1. any person who is driving, using or in charge of Your Vehicle with your permission;
2. any passenger travelling in Your Vehicle or who is getting out of or into Your Vehicle; and
3. your principal, partner or employer with respect to death or bodily injury arising out of the use of Your Vehicle.

We will also pay the legal costs and expenses to defend any proceedings arising from Personal Injury to other persons resulting from an Occurrence arising out of the use of Your Vehicle, a Substitute Vehicle, or anything legally attached to, or being towed by, Your Vehicle or a Substitute Vehicle, provided we have approved the costs and expenses.

We will not pay legal costs to defend criminal acts or fines for breaches of road traffic statutes, regulations or by-laws.

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

# Part B – Commercial Motor Insurance Policy Terms and Conditions

## Section 2 - Legal Liability Cover

### What you are not covered for

#### Property damage

We will not cover:

1. loss of or damage to property arising out of a Vehicle which is not registered at the time of loss or damage;
2. loss of or damage to property when Your Vehicle is being used as a Tool of Trade;
3. loss of or damage to your property or the property of the driver of the Vehicle;
4. loss of or damage to property which is in your or the driver's possession, custody or control except:
  - a. damage to a building that you are renting, or is on loan to you; or
  - b. damage to employees' or visitors' Vehicles and their contents while contained in a car park provided by you;
5. loss of or damage to property if you or the driver is insured or required by law to be insured by a statutory or government policy or scheme;
6. loss of or damage to property if Your Vehicle is carrying Hazardous Goods;
7. your legal expenses or court costs related to any prosecution or other action for infringement of any legislation or court order; or
8. your legal liability for fines, penalties, punitive, aggravated or exemplary damages.

#### Death or bodily injury

1. We will not pay for death or bodily injury to:
  - a. any person who is related to the driver of Your Vehicle or who normally resides with the driver of the vehicle;
  - b. any person who is related to you or who normally resides with you; or
  - c. any person who is employed by you and is entitled to any workers' compensation benefits.
2. We will not pay for death or bodily injury if:
  - a. Your Vehicle is unregistered;
  - b. Your Vehicle is being used as a Tool of Trade at the time of death or bodily injury; or
  - c. you or the driver of Your Vehicle is entitled to receive any benefit or cover under any statutory or government policy or scheme or if payment of any benefit under such statutory or government policy or scheme has been refused.
3. We will not pay for death or bodily injury if Your Vehicle is carrying Hazardous Goods.

#### Our maximum liability

We will not pay more than \$20 million under Section 2 arising out of each accident or Occurrence.

### Optional benefit

#### Hazardous Goods carrying liability

If the Schedule shows that you are covered for Hazardous Goods carrying liability, we will extend your cover under Section 2 - Legal Liability Cover up to the maximum of the Hazardous Goods sum insured shown on the Schedule for each accident while you are carrying Hazardous Goods.

You will not be covered if you are carrying Hazardous Goods for reward.

## General Policy Exclusions

### What you are not covered for

We will not pay a claim if at the time of any theft, loss, accidental damage, Personal Injury or Occurrence causing loss, damage, death or bodily injury Your Vehicle was:

1. not reasonably secured against further damage or theft, following an accident;
2. being driven or operated by anyone who:
  - a. was under the influence of alcohol and/or drugs, or whose blood alcohol level exceeded the limit permitted by any legislation;
  - b. refused to submit to any tests to determine the level of alcohol or drugs in the blood when requested to do so by legally authorised persons; or
  - c. did not have a licence as required by legislation to operate or drive the Vehicle at the time and place of the Occurrence; (however, we will cover Your Vehicle for Section 1 cover if Your Vehicle was driven by a person other than you and you did not know or could not be reasonably expected to know that they were not licensed or would be under the influence of alcohol or drugs);
3. modified in a manner that increases its designed top speed or performance, unless the modification was disclosed to us or you can prove that these modifications did not cause or contribute to the loss, damage or liability;
4. being driven in an unsafe or unroadworthy condition unless you can prove the condition of the Vehicle did not cause or contribute towards the loss, damage or liability;
5. towing a caravan or trailer in an unsafe or unroadworthy condition, unless you can prove that this did not cause nor contribute to the loss, damage or liability;
6. being used to carry more passengers or carrying or towing a heavier load than it was designed for, unless you can prove that this did not contribute to the loss, damage or liability;
7. being used or tested for racing, pacemaking, reliability trial or hill climb, experiment or demonstration other than a demonstration for the purpose of selling the Vehicle or participating in a defensive driving course; or
8. being driven in a manner whereby the driver has recklessly contributed to the potential consequences that the Occurrence cannot reasonably be regarded as accidental.

### What you are not covered for

We will not pay any claims under Section 1 or Section 2 of this Policy for loss, damage or liability caused by or arising from:

1. ionising radiation or contamination by radioactivity from any nuclear weapons material, any nuclear waste or from any nuclear fuel (including any self sustained process of nuclear fission);
2. lawful seizure of Your Vehicle;
3. malicious acts by persons who permanently or temporarily lived with you at the time of the loss or damage.

We will not pay any claims for:

1. loss of use of Your Vehicle;
2. depreciation of, or wear and tear to Your Vehicle;
3. mechanical breakdowns (which includes breakage) or failures, or electrical breakdowns or failures to Your Vehicle;
4. equipment, accessories, tools or parts that you use during the normal course of Your Business; or
5. goods you were transporting at the time of loss, damage or accident.

### Dishonest, criminal and intentional act

We will not pay for any liability, Personal Injury, illness, loss of property or property damage caused directly or indirectly by any intentional, dishonest or criminal act by you.

### Geographical limitation

We will not pay for any loss or damage to Your Business property and Vehicles that are outside the Commonwealth of Australia at the time of the loss or damage.

### Terrorism

We will not pay for any death, injury, illness, compensation, loss, damage, expense or loss of profit, which is directly or indirectly caused by or arising from or in connection with any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This also excludes death, injury, illness, compensation, loss, damage, expense or loss of profit of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

### War and confiscation

We will not pay for any liability, injury, illness or property damage arising directly or indirectly from war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, or confiscation, nationalisation, requisition, destruction of or damage to property or Vehicles by or under the order of any government or public or local authority.

# Part B – Commercial Motor Insurance Policy Terms and Conditions

## General Policy Conditions

### Cancellation

You may cancel the Policy at any time by informing us in writing. We will refund the unused proportion of your premium, less an administration charge of 10% of the unused proportion.

We may cancel the Policy if:

1. you do not pay the premium;
2. payment by periodic instalments is arranged from your financial services provider and if one instalment is not paid for more than one month from the date on which payment was due;
3. you do not comply with your duty of disclosure;
4. you make a misrepresentation to us before the issue of the Policy;
5. you do not comply with a provision of the Policy;
6. you make a fraudulent claim under the Policy or some other policy (whether with us or some other insurer); or
7. you do not comply with your duty of utmost good faith.

Notice of cancellation can be delivered personally or posted to your address on the Schedule.

Cancellation becomes effective at the time shown on the notice of cancellation or when you insure with another company, whichever occurs first.

### Changes before you renew, extend, vary or reinstate your Policy

You must advise us of any changes before you renew, extend, vary or reinstate your Policy.

For example, we require information about:

1. change of address;
2. any criminal charges laid against you or any of your directors, or criminal convictions of you or any of your directors;
3. accidents;
4. change of occupation;
5. convictions of any of your drivers for driving under the influence of alcohol or a drug, or other driving charges or convictions;
6. changing regular drivers;
7. Vehicle modifications affecting the performance or value of Your Vehicle; and
8. change of use of the Vehicle.

This is a requirement of duty of disclosure. If you do not fulfil your duty of disclosure we may refuse to pay part or all of a claim.

### Changes during the Period of Cover

Any change or alteration you propose to make only becomes effective when we agree to the change and you agree to pay any additional premium.

### Consequential loss

The Policy only insures you for loss or damage that occurs as a direct result of an insured Occurrence. Unless specifically mentioned otherwise in the Policy or the Schedule, we do not insure you for loss or damage, economic or otherwise, that occurs as an indirect result of an insured Occurrence.

### Goods and Services Tax Input Credits

We will not pay the amount you are entitled to claim from the Australian Taxation Office for Input Tax Credits arising out of any legislation for Goods and Services Tax.

### Other persons or organisations

The Policy covers the interests of lessors, financiers and mortgagees named on the Schedule.

You can not transfer the Policy into someone else's name without our written consent.

All persons entitled to claim under the Policy are bound by the terms and conditions of the Policy. When a claim is paid under the Policy and is recoverable under another Policy or policies, you agree to permit us to seek contribution from the other insurer or insurers.

### Reasonable care

You must take reasonable precautions to prevent Personal Injury or property damage as if you were not covered by this Policy, for example:

1. if you are operating machinery that is used for harvesting trees or farm produce:
  - a. you must comply with all Australian Standards relating to the prevention or containment of fire; and
  - b. you must cease operating harvesting machinery on days declared by any government authority to be a "harvest ban" day or period;
2. you must transport and handle all hazardous materials as required by law;
3. you must comply with all statutory obligations, by-laws, regulations, public authority requirements and safety requirements; and
4. you must, at your own expense, comply with any reasonable instruction we provide in writing to prevent or minimise any future loss or damage to Your Vehicle.

If you do not take reasonable precautions we may refuse to pay part or all of your claim.

### Subrogation rights

We have the right to take over and conduct in your name the defence or settlement of any claim or to prosecute in your name for any claim for damages, indemnity, contribution or otherwise. We have full discretion in the conduct of any proceedings and in the settlement of any claim.

You must give us all information and assistance as we may reasonably require to defend you or prosecute in your name.

## Claims

### What you must do after loss, damage or accident

Protect yourself from any danger if present.

Assist other people within your capabilities if required.

Take reasonable steps to prevent further loss, damage or liability.

Notify the police immediately if any of your property is lost, stolen, maliciously or intentionally damaged or if anybody was injured.

Report any motor Vehicle accident to the local police as soon as possible (if government regulations require you to do so) if the police do not attend the accident scene.

Advise us of the claim as soon as possible and then supply us with full written details by completing our claim form. You or someone acting on your behalf must complete a claim form within 30 days of an Occurrence. If you do not, we may reduce the amount we pay if the delay causes increased costs or prevents us investigating the claim.

Any invoices, bills, demands letters or notices you receive from other people involved in the loss, damage or accident must be sent to us immediately.

### What you must not do after loss, damage or accident

You must not admit fault or agree to pay for damage. Simply advise other people that your insurance company will represent you.

Do not make an offer, settle or attempt to settle any claim against you. If you do we may not pay all or part of the claim.

You must not incur any costs or expenses, including legal costs, or authorise repairs without our agreement, and we will not pay for such costs, expenses or repairs unless you can show that they were necessary and unavoidable in the prevailing circumstances.

Your Elders Insurance Authorised Representative is

**LOCALinsurance**  
For over 100 years

