

Novated Comprehensive Motor Vehicle Insurance

Policy and Product Disclosure Statement

Preparation Date: 8 September 2022



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We're here to help



fleet@adica.com.au



1300 485 943

Introduction

Welcome and thank You for choosing Adica. Our Novated Comprehensive Motor Vehicle Insurance policy helps You drive with confidence, safe in the knowledge that if the Insured Vehicle suffers Accidental damage, gets stolen or if someone is claiming against you, We will be there to help. And of course, We'll ensure Your claim is handled quickly and efficiently.

Your Product Disclosure Statement

In this Product Disclosure Statement (PDS), 'You' and 'Your' refers to both the Policyholder and any Lessee insured under this policy (unless otherwise specified).

This PDS is an important document which contains information designed to help You decide whether to become an Insured under the Novated Comprehensive Motor Vehicle Insurance policy. The information contained in this PDS is general information only. Before making a decision to become an Insured under this product, it is important You read the PDS to ensure it provides the cover You need.

The information in this PDS was current at the date of preparation. We may update some of the information in this PDS from time to time without needing to notify You. We will do this when the information is not materially adverse information. The Policyholder can obtain a copy of that updated information by contacting Us. The Policyholder will share these updates with any Lessees. A Lessee can also obtain a copy of that updated information by contacting the Policyholder.

We sometimes capitalise terms in this PDS, to indicate those words have a particular defined meaning in this policy. You should refer to the section '*Commonly Used Words or Expressions*' for the full meaning of such terms.

About the Insurer

The Novated Comprehensive Motor Vehicle Insurance policy is underwritten by Aioi Nissay Dowa Insurance Company Australia Pty Ltd ABN 11 132 524 282 AFSL Number 443540 (Adica). In this PDS, the Insurer is also referred to as 'We', 'Us', or 'Our'.

Contact Details

To make a claim, contact Adica:

Phone: **1300 485 943**

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

Email: **fleet@adica.com.au**

If You are a Lessee, for any other information about Your cover, contact the Policyholder.

Product Disclosure Statement Overview

Important information

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

Your privacy	We are committed to protecting the privacy of Your personal information as detailed in Our privacy policy. (Refer to the section <i>'About this Policy – Privacy'</i> to find out more.)
Duty of disclosure	The Policyholder must provide honest, correct and complete answers to the specific questions We ask to enable Us to decide whether to insure You or pay Your claim. (Refer to the section <i>'About this Policy – Duty of disclosure'</i> to find out more.)
When We will not pay your claim	You need to be aware of the risks that You are not covered for under this policy. (Refer to the sections <i>'Comprehensive Insurance Cover'</i> and <i>'When We Will Not Pay Your Claim'</i> to find out more.)
Making a claim	If You wish to make a claim, please contact Us as soon as possible by calling 1300 485 943 . (Refer to the section <i>'Making a Claim'</i> to find out more.)
GST and Input Tax Credits (ITC)	The amounts covered for the Insured Vehicle and legal liability include GST, unless expressed otherwise. Any amounts We pay will include GST, but We may reduce the amount by any ITC that You are, will be or would have been entitled to receive. (Refer to the section <i>'How We Settle Your Claim – GST and Input Tax Credits'</i> to find out more.)
Renewing the policy	We will write to the Policyholder before the policy expires and either invite the Policyholder to renew the policy and agree to the premium rates set out in the notice, or inform the Policyholder We cannot continue to provide cover. (Refer to the section <i>'Additional Terms and Conditions – Renewing the policy'</i> to find out more.)
Paying for Your insurance	The premium is the amount the Policyholder must pay for this insurance and is payable monthly. (Refer to the section <i>'Additional Terms and Conditions – Paying for the insurance cover'</i> for further details, including what happens if the Policyholder fails to pay the premium.)
Special conditions	We may impose special conditions on the policy that may exclude, restrict or extend cover for a person or a particular situation. Any imposed conditions will be listed on the Policy Schedule and any Certificate Of Insurance provided to a Lessee.
21-day Cooling Off and cancellation at other times	The Policyholder will receive a full refund if it cancels this insurance within 21 days of its purchase date, provided no claim has been lodged. The Policyholder (or Us) may also cancel this insurance at other times. (Refer to the section <i>'Additional Terms and Conditions – Cancelling the insurance'</i> to find out more.)
Our Service Commitment to You	<p>We're committed to providing You with the highest standard of service. If You're ever dissatisfied with the outcome of any of Your dealings with Us, We invite You to use Our internal dispute resolution service.</p> <p>If You are not satisfied with Our response, You may lodge a complaint with the Australian Financial Complaints Authority (AFCA), an external independent dispute resolution scheme, of which We are a member.</p> <p>There is no charge to You for either service.</p> <p>(Refer to the section <i>'Our Service Commitment to You'</i> to find out more.)</p>

How We calculate the premium

The premium will be charged to the Policyholder on a monthly basis and will vary depending on the information We receive from the Policyholder about the risk to be covered by Us. We calculate the premium by taking into account a variety of factors including the following:

- Key pricing factors for the cover provided; and
- Government taxes and charges, where applicable.

Pricing factors

The key pricing factors are set out in the following table. The table also shows the impact these factors may have on the premium. Please note that the factors identified are significant factors only and We may take other factors into account when calculating the premium. The way in which different factors impact the premium may change from time to time.

Key Pricing Factors	Premium Impact
Vehicle make, age, model and value	Certain types of vehicles are more expensive to insure because they cost more to repair and so attract a higher Premium
Where the Insured Vehicles under the policy are located	Areas with a higher incidence of claimable events may attract higher premiums
The age of Drivers who use the Insured Vehicles	This is relevant to the likelihood of the claim and the risk We are accepting and will increase or reduce the cost of Your insurance.
Claims history	A greater incidence or severity of claims will increase the premium

Importantly the information the Policyholder gives Us may affect how the risk is assessed and therefore the cost of the premium. A Lessee should therefore check the Certificate Of Insurance to ensure all information is correct. If the information is not correct, please advise the Policyholder immediately.

Government charges

The total premium includes any compulsory government charges, taxes and levies in relation to the policy (e.g. stamp duty and GST) imposed by the applicable state and territory governments. These amounts will be shown separately on the Monthly Declaration provided to Us by the Policyholder as part of the total premium.



Taxation

All sections of the policy will be subject to Goods and Services Tax (GST) provision in relation to premiums and claims. Your individual circumstances will be important to and may affect the tax treatment of any premiums paid or benefits received. You should consult Your tax adviser regarding Your individual circumstances.

The premium is inclusive of stamp duty and GST. If the Policyholder is claiming input tax credits in relation to the GST on the premium, the GST component may not be 1/11th of the premium due to stamp duty or other government charges. (Refer to the section 'How We Settle Your Claim – GST and Input Tax Credits' to find out more.) This information is a guide only, and is based on current taxation laws, their continuation and their interpretation.

Features of the Policy

The table below summarises the Novated Comprehensive Insurance Cover, features and benefits available.

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

Comprehensive Insurance Cover
Market Value
Cover for Accidental loss or damage to the Insured Vehicle (including fire and theft)
Cover for damage to other people's property
Driving instruction cover
Additional Benefits
Excess free glass cover
Keys, locks and barrels
Replacement with new vehicle after a Total Loss
Total Loss of Insured Vehicle under Finance Contract
Legal costs
Towing and storage
Re-delivery costs
Trailer, boat and caravan cover
Personal items
Baby capsules and child seats
Emergency repairs
Emergency trip continuation
Travel expenses
Rental Car following Accidental damage
Rental Car following theft

About this Policy

Our contract with the Policyholder

This policy has been designed to provide cover for the Policyholder and for Lessees. People entering into a novated leasing arrangement with the Policyholder, who meet the definition of Lessee (as described in the section 'Commonly used words or expressions'), may become an Insured under this policy. Lessees have a right to recover under this policy only through Section 48 of the *Insurance Contracts Act 1984* (Cth) and are not a party to the contract of insurance. Only the Policyholder is able to vary or cancel the policy.

The policy is a contract of insurance between Adica and the Policyholder (not the Lessees) and contains the details of the cover We provide. The policy is made up of:

- this PDS;
- the most current Policy Schedule issued by Us to the Policyholder; and
- any other written changes otherwise advised by Us in writing (such as an endorsement or supplementary PDS).

A Certificate Of Insurance is issued by the Policyholder to each Lessee and sets out the details of cover relevant to the Lessee accessing cover under the Policy. The Policyholder will send each Lessee an updated Certificate Of Insurance in the circumstances where there are variations to the Policy that impact the Lessee's cover or the Lessee's details change.

This document is also the PDS for any offer of renewal We may make, unless We tell the Policyholder otherwise.

The Policyholder and any other Insureds should keep this PDS in a safe place.

When cover starts and ends

The Policyholder's cover starts and ends as described in the Period Of Cover set out in the Policy Schedule.

The cover provided to a Lessee under this policy:

- starts at the time the Lessee is issued with a Certificate Of Insurance; and
- ends when they no longer meet the Eligibility Criteria specified in the Certificate Of Insurance or at the end of the Period Of Cover, whichever is the earliest.

Significant issues to consider

Insurance contracts contain policy exclusions, policy terms and conditions and sub-limits that should be considered when deciding to purchase Our product. These things may affect the amount of the payment that We will make in the event of a claim.

An Insured should be aware of the following matters in considering whether this product is suitable for their needs:

- it is a condition of provision of cover in respect of a Lessee under this policy that We obtain from the Policyholder the agreed information about each Lessee in the form We make available before cover is provided to that Lessee and, subject to the provisions of the *Insurance Contracts Act 1984* (Cth), We may not be liable to provide or to pay benefits where there has been misrepresentation or non-disclosure about a Lessee. For these purposes We will treat a Lessee as if they did owe a duty of disclosure to Us; and
- the Policyholder may vary the policy with Our consent and alter the cover under the policy including the Eligibility Criteria for Lessees specified in the Policy Schedule.

Basis of Settlement – Accidental loss or damage to the Insured Vehicle

Under *'Comprehensive Insurance Cover – The protection We provide – Cover for Accidental loss or damage to the Insured Vehicle'*, the basis of settlement in the case of Total Loss is Market Value (unless *'Additional Benefits – Replacement with new vehicle after a Total Loss'* applies, in which case, a replacement vehicle may be provided).

Basis of Settlement – Damage to other people's property

Under *'Comprehensive Insurance Cover – The protection We provide – Cover for damage to other people's property'*, the basis of settlement is the compensation amount. The limit of liability is **\$20 million**.

Additional benefits

When a loss occurs under Novated Comprehensive Insurance Cover, Insureds may also incur additional expenses such as emergency repairs, unplanned travel costs and towing or recovery of the Insured Vehicle. An insurable event could also occur without any loss or damage to the Insured Vehicle (for example, stolen keys). The section *'Additional Benefits'* on page 12 describes the cover this policy provides to protect Insureds against such additional expenses and other claimable events. These Additional Benefits may have limits or sub limits which apply either per event, per vehicle or per day.

Excesses can apply

For each of the available covers, an Excess may apply. An Excess is the amount an Insured may first have to pay toward the cost of a claim before We provide any benefits under this policy. Details of Excess amounts and circumstances in which they apply will appear on the Policy Schedule and any Certificate Of Insurance provided to a Lessee. If We accept a claim, the Insured must immediately pay the total amount of the applicable Excesses, either to Us or to the repairer. We will advise the Insured to whom any Excess must be paid. However, if the Insured Vehicle is a Total Loss, We may deduct any Excess that the Insured must pay from any payment We make. See *'What You Must Pay in the Event of a Claim'* for further information regarding the Excesses that apply to this policy.

Privacy

As part of Your insurance cover arrangements, We collect personal information (including sensitive information such as health information) about You (*'Your Information'*). Wherever possible We will collect Your Information directly from You. However, there may be occasions when We collect Your Information from someone else, such as the Policyholder.

We may also request You to provide Us with personal information about someone else, for example a Driver. Before providing Us with such information You must tell that person that You will be providing personal information about them to Us and that their information will be handled in accordance with Our privacy policy (*"Privacy Policy"*). You must also provide them with a copy of (or refer them to where they can obtain a copy of) the Privacy Policy. If You provide Us with personal information of another person, You warrant that You have that person's consent to do so.

We value Your privacy and will only use Your Information for the purposes for which it was collected, the purposes set out in Our Privacy Policy, other related purposes notified to You and as permitted or required by law. You may choose not to give Us Your Information, but this may affect Our ability to provide You with Our products or services.

We may share Your Information for the purposes for which it was collected with Our related entities and third parties who provide services to Us or on Our behalf, or with other entities. Some of these entities may be located outside of Australia, in countries such as Japan.

If You believe We may have compromised Your privacy or breached the *Privacy Act 1988* (Cth) or its privacy principles, You can contact Us using the details below. Once You notify Us of Your complaint, We will investigate and provide You with a determination in accordance with Our Privacy Policy. If You disagree with Our determination, You can contact Us to discuss Your concerns or You may choose to refer Your complaint to the Office of the Australian Information Commissioner by visiting oaic.gov.au.

For more details on the purposes for which and how We collect, store, use and disclose Your Information please read Our Privacy Policy located at adica.com.au. We encourage You to obtain a copy of the Privacy Policy and read it carefully.

Duty of disclosure

Before the Policyholder enters into or renews the policy, the Policyholder has a duty to disclose to Us every matter that the Policyholder knows, or could reasonably be expected to know, that is relevant to Our decision whether to insure the Policyholder and anyone else to be insured under this policy, and on what terms. This duty applies at inception of the policy, throughout the Period Of Cover and at renewal.

The Policyholder's answers to Our questions must be honest, correct and complete and the Policyholder has a duty under law to tell Us anything known to the Policyholder, and which a reasonable person in the circumstances would include in answer to the questions. We will use the answers in deciding whether to insure the Policyholder and anyone else to be insured under the policy, and on what terms.

The Policyholder does not need to tell Us about anything which:

- reduces the chances of a claim being made;
- We should know about because of the business We are in; or
- We tell the Policyholder We do not want to know.

If the Policyholder should fail to comply with its duty to disclose, We may reduce or deny the amount We will pay if a claim is made, or cancel the policy, or both. If the Policyholder acts fraudulently, We may refuse to pay a claim and treat the policy as never having existed.

Lessees

In the case of Lessees, there is no statutory duty of disclosure which exists. However, it is a condition of provision of cover in respect of a Lessee under the policy that We obtain from the Policyholder the agreed information about each Lessee in the form We make available before cover to that Lessee is provided and We may not be liable to provide or to pay benefits where there has been misrepresentation or non-disclosure about a Lessee.

For these purposes We will treat a Lessee as if they did owe a duty of disclosure to Us and without limitation will exercise any powers in respect of non-payment of benefits or cancellation of cover which We could exercise under the *Insurance Contracts Act 1984* (Cth) if a Lessee did owe Us a duty of disclosure.

Commonly Used Words or Expressions

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

Accident or Accidental means a mishap that was unintended or unexpected by You or the Driver of the Insured Vehicle, which involved the Insured Vehicle and arose from a single event.

Business Use means the vehicle is either registered as a business vehicle or used for income earning purposes, but is not a Goods Carrying Use or Courier Use vehicle.

Certificate Of Insurance means the most recent Certificate Of Insurance provided by the Policyholder to the Lessee that shows the particular details and Period of Cover. This includes any other notices the Policyholder may give the Lessee from time to time.

Courier Use means a vehicle which has a carrying capacity of two tonnes or less and is used as a business vehicle for the collection or delivery of goods upon no fixed route.

Defensive Driving Course means a paid professional driver education and training course that is:

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

Any course that includes a track day, racing school or timed event is not a Defensive Driving Course.

Driver(s) means any person (including a Lessee) who is driving or in control of the Insured Vehicle with the Lessee's express or implied consent.

Eligibility Criteria means Our acceptance standards that a Lessee must meet in order to be covered under the terms for this policy, and which are notified by us to the Policyholder from time to time (and subsequently notified to the Lessee by the Policyholder).

Excess(es) means the amount(s) an Insured must pay towards the cost of any claim under this policy.

Finance Contract means the contract listed on the Lessee's Certificate Of Insurance and includes a novated lease contract.

Finance Contract Payout Amount means the outstanding amount due on the Finance Contract as advised by the Financier.

Financier means the organisation which has agreed to provide You with the Finance Contract and is noted on the Certificate Of Insurance. The Financier may also be expressed as the 'Interested Party'.

Genuine Parts means Original Equipment Manufacturer (OEM) parts.

Goods Carrying Use means a vehicle which:

- has a carrying capacity of two tonnes or less and is used as a business vehicle for the collection or delivery of goods upon a fixed route; or
- is over two tonnes carrying capacity and is used as a business vehicle for the collection or delivery of goods upon any route, whether fixed or not.

Insured means the Policyholder and any Lessee or other person covered under this policy for their respective rights and interests in the Insured Vehicle. In this document, an Insured may also be expressed as 'You' or 'Your'.

Insured Vehicle(s) means the registered vehicle(s) described in the Monthly Declaration, in which an Insured has an insurable interest, including:

- the standard tools and accessories supplied by the manufacturer, provided they are in or attached to the Insured Vehicle; and
- any other accessories fixed to the Insured Vehicle, provided they are permanently fixed to the vehicle and have been installed by a qualified person.

Insurer means Aioi Nissay Dowa Insurance Company Australia Pty Ltd (Adica). In this document, the Insurer may also be expressed as 'We', 'Us' or 'Our'.

Interested Party(s) means any person, entity or company who has an interest over the Insured Vehicle under a Finance Contract or as specifically noted in the Insured's records.

Lessee means a person, entity or company that leases an Insured Vehicle from the Policyholder, who fulfils the Eligibility Criteria and who has elected to be covered by this policy by providing written notice to the Policyholder. They are a person that is legally entitled to claim under this policy only through Section 48 of the *Insurance Contract Act 1984* (Cth) and are not a party to the contract of insurance.

Market Value means the value of the Insured Vehicle immediately prior to the event that leads to a claim under the policy, taking into account such things as the Insured Vehicle's age, make, model, condition and kilometres travelled, and includes any modifications, options or accessories attached to the Insured Vehicle. The Market Value excludes costs and charges for vehicle registration, compulsory third party insurance, stamp duty transfer, dealer warranty costs, transfer fees, dealer delivery and any other on-road costs. We may use recognised industry publications to assist Us to calculate the amount.

Monthly Declaration means the document provided to Us by the Policyholder on a monthly basis during the Period Of Cover that details the specific Insured Vehicles to be covered under this policy.

Performance Modification means a change which enhances or impacts the performance of a vehicle, for either off-road or on-road driving, by alteration to one or more of the vehicle's:

- engine (including upgrade to the engine control unit, fuel injectors or any other change which may alter the power produced by the engine);
- suspension (including but not limited to lift kits, GVM upgrades and airbag suspension kits);

- exhaust system;
- air filters;
- standard wheels or tyres by an increase of more than 1 inch;
- wheelbase or chassis; or
- exterior body by addition of a body kit.

Period Of Cover means the current period for which We have agreed to provide the Policyholder with insurance as set out in the Policy Schedule.

Policyholder means the entity stated in the Policy Schedule as the Policyholder, who has entered into this policy with Us.

Policy Schedule means the current Policy Schedule issued by Us to the Policyholder.

Private Use means the vehicle is used solely for private, domestic and pleasure purposes, including travel to and from work, but excluding Business Use, Courier Use and Goods Carrying Use .

Rental Car means a hired car that has been arranged or pre-approved by Us which You are using temporarily following a claim We have accepted under this policy for Accidental loss or damage to the Insured Vehicle.

Recoverable Claim means a claim where:

- the Accident was caused by another person; and
- You or the Driver of the Insured Vehicle did not contribute to the cause of the Accident; and
- You can provide Us with the full names, current residential addresses, and vehicle registration numbers of all persons involved.

Total Loss means the Insured Vehicle has been stolen and not found within **14 days** after the theft has been reported to Us, or it would not be safe, economical or practical to repair the Insured Vehicle having regard to the following:

- the Market Value of the Insured Vehicle;
- the salvage value of the Insured Vehicle;
- the cost of repair; and
- the 'Damage Assessment Criteria for the Classification of Statutory Write-Offs' developed by the National Motor Vehicle Theft Reduction Council.

Comprehensive Insurance Cover

The protection We provide

Market Value

The Novated Comprehensive Motor Vehicle Insurance policy provides Market Value cover.

Cover for Accidental loss or damage to the Insured Vehicle

We will cover Accidental loss or damage (including fire and theft) to the Insured Vehicle. We will:

- arrange for the repair of the Insured Vehicle; or
- pay the Insured the fair and reasonable cost of repairing the Insured Vehicle; or
- declare the Insured Vehicle a Total Loss, and either:
 - replace the Insured Vehicle (refer to the section '*Additional Benefits – Replacement with new vehicle after a Total Loss*' to find out more),
 - pay the Market Value, or
 - pay the Market Value of the Insured Vehicle, plus an additional finance gap amount up to a maximum of 25% of the Market Value of the Insured Vehicle (refer to the section '*Additional Benefits – Total Loss of Insured Vehicle under finance*' to find out more).

Refer to the section '*How We Settle Your Claim*' to find out more.

Cover for damage to other people's property

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

- the Insured Vehicle; and/or
- a boat, caravan or trailer whilst attached to, or Accidentally detached from, the Insured Vehicle.

We will also cover the legal liability of:

- any Driver of the Insured Vehicle, provided that person was not covered by another insurance contract at the time of the Accident; and
- passengers who are in, or getting into or out of the Insured Vehicle, with the Lessee's permission.

We will not cover legal liability:

- if the loss or damage occurs to property You own or for which You are responsible; or
- if the Insured Vehicle was being used without the Lessee's permission at the time of the Accident; or
- if the liability is insurable under a statutory or compulsory insurance or compensation scheme or another policy covering such liability; or
- if You agree to accept liability without Our express written consent, and where such liability would not have existed without Your agreement.

Maximum amount payable

The maximum amount We will pay for legal liability arising out of any one motor vehicle Accident or series of directly related Accidents is **\$20 million**.

Driving instruction cover

Learner Drivers

We will provide cover for Accidental loss or damage to the Insured Vehicle if it is being driven by or in the charge of a learner Driver. Any Age Excess payable in the event of a claim will be that applicable to the licensed Driver providing the instruction.

This cover will be provided so long as:

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

This benefit does not apply once a learner Driver gains their probationary licence.

Defensive Driving Courses

We will cover damage to the Insured Vehicle as a result of an Accident that happens while a Lessee or Driver is participating in a Defensive Driving Course.

Additional Benefits

Excess free glass cover

When the Insured Vehicle's windscreen, sunroof glass or window glass is Accidentally damaged, We will repair the vehicle with parts which meet applicable Australian Design Rules.

Where glass breakage or damage is the only damage to the Insured Vehicle as a result of an Accident, You will not be required to pay any type of Excess for:

- up to one full windscreen, sunroof or window glass replacement; and
- up to two repairs to windscreen, sunroof or window glass repairs,

which arise within the same Period Of Cover in relation to that Insured Vehicle.

The normal Excess will apply to any second or subsequent claims during the Period Of Cover for glass replacement, or any third or subsequent claims during the Period Of Cover for glass repair, in respect of that Insured Vehicle.

Keys, locks and barrels

If any of the keys or devices giving access to the Insured Vehicle are stolen, or they have been illegally copied, We will pay up to **\$1,000** per claim (after You have paid any applicable Excess(es)) for the replacement of the Insured Vehicle's keys or devices and/or recoding of the Insured Vehicle's locks and barrels.

We will provide this cover if:

- the theft of the keys/devices has been reported to the police; and
- the keys/devices were not stolen by the Lessee's relative, spouse or de facto, an invitee, any person ordinarily residing with the Lessee or with whom the Lessee ordinarily resides, or any other person insured under this policy.

Replacement with new vehicle after a Total Loss

When We declare the Insured Vehicle a Total Loss because of Accidental damage or theft, We will provide a new replacement vehicle provided:

- the Insured Vehicle is within the **first three years** of its original registration at the time of the Accident; and
- the Insured Vehicle has been insured with Us continuously since it was first accepted by Us as an Insured Vehicle.

The new replacement vehicle will be:

- a. a new vehicle of the same make, model and series (including all on-road costs associated with the new replacement vehicle), provided such a vehicle is available in Australia; or if this vehicle is not available,
- b. another vehicle in the manufacturer's range up to the original purchase price (inclusive of all on-road costs).

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

Where the Insured Vehicle is subject to a finance agreement, the terms and conditions of that agreement may require You to obtain the Financier's consent before replacing the Insured Vehicle. To ensure any such requirement is met, We will obtain the Financier's consent before replacing the Insured Vehicle.

Total Loss of Insured Vehicle under finance

Where We declare the Insured Vehicle a Total Loss, and:

- it is not within the first three years of its original registration at the time of the Accident; and
- the Finance Contract Payout Amount is greater than the Market Value of the Insured Vehicle,

we will pay the Insured the Market Value of the Insured Vehicle, plus an additional finance gap amount up to a maximum of 25% of the Market Value of the Insured Vehicle, subject to any applicable Excess(es).

The finance gap will be calculated as the difference between the Finance Contract Payout Amount less the Market Value of the Insured Vehicle determined in the Total Loss calculation under the policy.

In calculating this difference any arrears or deferred payments, or amounts that have become due or payable and have not been paid, or associated penalty costs under the Finance Contract (where applicable) are excluded.

Example 1 – Finance gap amount payable equals 25% of the Market Value

At the time of an Accident the Finance Contract Payout Amount (excluding any arrears, deferred payments etc) is \$26,000. We determine that the Insured Vehicle is a Total Loss and has a Market Value of \$20,000. A \$600 Basic Excess applies to Your claim. The Finance Contract Payout Amount is \$6,000 which is more than 25% of the Market Value of the vehicle. This means Your additional finance gap amount will be: $(\$20,000 \times 25\%) = \$5,000$. We will pay $\$20,000 + \$5,000 - \$600 = \$24,400$.

Example 2 – Finance gap amount payable is less than 25% of the Market Value

At the time of an Accident the Finance Contract Payout Amount (excluding any arrears, deferred payments etc) is \$22,000. We determine that the Insured Vehicle is a Total Loss and has a Market Value of \$20,000. A \$600 Basic Excess applies to Your claim. Your additional finance gap amount will be: \$2,000 (as the finance payout amount is less than 25% of the Market Value of the vehicle). We will pay $\$20,000 + \$2,000 - \$600 = \$21,400$.

Legal costs

We will pay for all legal costs and expenses which are incurred for any claim or action We have defended in Your name or a Driver's name in relation to this policy, provided We have given Our prior approval for these costs.

Towing and storage

Following Accidental loss or damage to the Insured Vehicle covered by this policy, if the Insured Vehicle cannot be driven safely, We will pay the cost for the protection, removal and towing of the Insured Vehicle to the nearest repairer or place of safety authorised by Us.

Re-delivery costs

If an Accident covered by this policy occurs more than 100 kilometres from the Lessee's home, We will cover the cost of transporting the Insured Vehicle to the Lessee's home or usual place of business once it has been repaired, or the cost of transporting the Insured Vehicle to an authorised repairer in the Lessee's local area prior to its repair.

Trailer, boat and caravan cover

We will also pay for Accidental loss or damage (including theft) to the Lessee's registered trailer, boat or caravan, which at the time of an Accident covered by this policy:

- was attached to the Insured Vehicle; or
- became Accidentally detached from the Insured Vehicle as a result of the Accident.

We will pay the lesser of:

- **\$1,500**; or
- the Market Value of the Lessee's trailer, caravan or boat (which We will calculate by reference to factors such as age, make, model and condition of the trailer, caravan or boat); or
- the fair and reasonable cost to repair the Lessee's trailer, caravan or boat. (The fair and reasonable cost is the amount the Lessee would incur to repair the trailer, caravan or boat, and We will calculate this by reference to relevant information including quotes from repairers that are available to the Lessee.)

Personal items

We will pay up to **\$1,000** per claim in total for all personal property belonging to the Lessee, the Lessee's spouse or dependent children, which is:

- stolen from inside the locked Insured Vehicle; or
- stolen with the Insured Vehicle and not recovered; or
- damaged as a result of an Accident involving the Insured Vehicle,

subject to a claim being accepted on the policy for loss or damage to the Insured Vehicle.

We will pay the Lessee the Market Value for the personal item(s) at the date of the incident.

Refer to the section *'How We settle Your claim – Personal items'* for more details.

We will not pay for:

- items recovered in an undamaged condition; or
- loss of or damage to property for which You have already been compensated under any other insurance policy; or
- cash, cheques, negotiable items, credit cards or jewellery.

We will require the Lessee to provide Us with proof of ownership of any stolen items, such as receipts or invoices relating to the items. We may also require that the Lessee provide Us with a police report for the stolen items.

Baby capsules and child seats

We will pay up to **\$800** in total per claim to replace baby capsules or child seats fitted to the Insured Vehicle which are:

- stolen from inside the locked Insured Vehicle; or
- stolen with the Insured Vehicle and not recovered; or
- damaged as a result of an Accident involving the Insured Vehicle,

subject to a claim being accepted on the policy for loss or damage to the Insured Vehicle.

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

Emergency repairs

We will reimburse up to **\$800** in emergency repairs to the Insured Vehicle, which may be necessary to enable the Insured Vehicle to be safely used following an Accident.

This benefit is only payable if We accept a claim under the policy for Accidental loss or damage to the Insured Vehicle. The emergency repairs to the Insured Vehicle can be conducted without any prior agreement between You and Us. We will need the Insured to provide Us with the receipts and/or invoices for all emergency repairs to the Insured Vehicle.

Emergency trip continuation

If the Insured Vehicle cannot be safely driven after being stolen and/or damaged in an Accident more than 100 kilometres from the Lessee's home, We will reimburse the cost of essential:

- transportation for the Lessee and their passengers to the Lessee's home or destination; and
- transportation to collect the Insured Vehicle when it has been repaired; or
- temporary accommodation (room rental only) for the Lessee and their passengers, up to **\$200** per day.

We will pay a maximum of **\$1,000** per claim in total for all emergency trip continuation costs described above.

This benefit is only payable if We accept a claim under the policy for Accidental loss or damage to the Insured Vehicle, and We will only cover emergency accommodation that is arranged after the Insured Vehicle has been stolen and/or damaged in an Accident.

Emergency trip continuation costs can be incurred without Our prior approval, but We will need You to provide Us with receipts and/or invoices relating to these costs.

Travel expenses

If, as a result of Accidental loss or damage to the Insured Vehicle covered by this policy, the Lessee incurs travel expenses:

- because the Insured Vehicle cannot be safely driven after being stolen and/or damaged in an Accident less than 100 kilometres from the Lessee's home and You need to arrange travel from the scene of the Accident; and/or
- for transportation to and from the repairer We authorise to repair the Insured Vehicle; and/or
- for transportation to and from a Rental Car supplier,

we will reimburse up to **\$500** in total for the cost of all of the above travel expenses.

This benefit is only payable if We accept a claim under the policy for Accidental loss or damage to the Insured Vehicle. Receipts for payment of the travel expenses must be produced in support of any claim.

Rental Car following Accidental damage

If the Insured Vehicle sustains Accidental damage which is covered by this policy, We will arrange a Rental Car with one of Our preferred suppliers for the Lessee to use for up to 30 days:

- while the Insured Vehicle is being repaired; or
- if We have declared the Insured Vehicle a Total Loss.

If one of Our preferred suppliers is not available, We will authorise the Lessee to arrange a Rental Car for up to 30 consecutive days, and We will pay for the cost of that Rental Car up to a maximum of **\$100** per day (inclusive of insurance).

In either case, We will provide this Rental Car cover until the earlier of the following:

- the date the Insured Vehicle has been repaired and is able to be driven; or
- the date that We settle Your claim if the Insured Vehicle is a Total Loss; or
- the maximum period of 30 days has ended.

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

Rental Car following theft

If the Insured Vehicle is stolen and the theft:

- has been reported to the police; and
- is covered by this policy,

we will arrange a Rental Car with one of Our preferred suppliers for the Lessee to use for up to 30 days while the Lessee remains without the use of the Insured Vehicle.

If one of Our preferred suppliers is not available, We will authorise the Lessee to arrange a Rental Car for up to 30 days, and We will pay for the cost of that Rental Car up to a maximum of **\$100** per day (inclusive of insurance).

In either case, We will provide this Rental Car cover until the earlier of the following:

- the date the Insured Vehicle has been found undamaged; or
- the date the Insured Vehicle has been found and any damage to it has been repaired; or
- the date that We settle Your claim; or
- the maximum period of 30 days has ended.

To find out what happens if the Insured Vehicle is found undamaged following theft within the 30-day period and the Rental Car cost is less than Your Excess, refer to the section '*What You Must Pay in the Event of a Claim – Excess*'.

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

When We Will Not Pay Your Claim

1. General exclusions

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

In addition, We will not pay any claim caused by or arising out of:

- a. any **war, act of terrorism**, hostilities or warlike activities, invasion, act of foreign enemy (whether war is declared or not), rebellion, civil war, revolution, insurrection, military or usurped power;
- b. environmental, biological, chemical, radioactive or nuclear pollution, **contamination or explosion**;
- c. **depreciation**, wear and tear, rust or corrosion;
- d. mechanical, structural, electrical, or electronic **breakdown** or malfunction, or damage resultant from any software virus or computer chip failure;
- e. **damage to tyres** caused by brake application, punctures, bursting, or cuts, except where damage is as a result of an Accident;
- f. any **loss**, whether financial or otherwise, because You cannot use the Insured Vehicle, except for the cover provided under the sections '*Additional Benefits – Rental Car following theft*' or '*Additional Benefits – Rental Car following Accidental damage*';
- g. any **reduced value** of the Insured Vehicle after the Insured Vehicle has been damaged and repaired in accordance with this policy;
- h. Your failure or the failure of anyone else in the possession of the Insured Vehicle with Your permission to take all reasonable steps to **safeguard the Insured Vehicle** from loss at all times. This includes ensuring that:
 - the Insured Vehicle is locked when it is not in use;
 - Your keys are not left inside the Insured Vehicle when it is not in use, unattended or not secure;
 - the Insured Vehicle is parked in a safe area;
 - You do not park in areas affected by rising water levels; and
 - You secure the Insured Vehicle in the event that it breaks down, is damaged or You've been notified it has been found, after being stolen.

- i. **lawful seizure** or taking possession of the Insured Vehicle by any person or organisation lawfully entitled to do so;
- j. the lack of **availability of parts or accessories** from within Australia necessitating special fabrication, air freighting costs or importation not normally included in the current manufacturer's Australian price list. Where parts or accessories are not readily available Our claims cost will be limited to the current Australian price list of the nearest equivalent part;
- k. costs incurred due to an **unreasonable delay** in You notifying Us of a claim, or of a demand upon You that may lead to a claim, fines, penalties or liquidated damages;
- l. You or any other person driving the Insured Vehicle with Your permission **admitting liability** or entering a contract, warranty or agreement, unless such liability would have existed if You had not entered into such contract, warranty or agreement;
- m. **intentional or reckless loss or damage** caused by You or a person acting with Your express or implied permission, for example driving into water, street racing, performing stunts such as donuts, using a mobile phone while driving or driving at excessive speeds;
- n. any costs associated with repairing any **existing damage** the Insured Vehicle had prior to an incident which resulted in a claim;
- o. any costs associated with repairing **faulty workmanship** or incomplete repairs previously carried out on the Insured Vehicle prior to an incident which resulted in a claim, except in circumstances where You are claiming under terms described in Our Lifetime Repair Guarantee;
- p. contamination from natural, **organic or corrosive** substances (for example, damage from tree sap or bird excrement);
- q. the use of **contaminated fuel** (except where the fuel was purchased through a licensed and authorised fuel distributor and the contamination arose from a single event);
- r. asbestos, asbestos products, or any materials containing any form or quantity of asbestos;
- s. for third party damage at airports, airfields, or airside; or
- t. You or any other person in possession of the Insured Vehicle with Your permission continuing to drive the Insured Vehicle in a **damaged state**, for example where the Insured Vehicle is overheating or has radiator damage, provided however that this exclusion will not apply to a claim for loss, damage or liability incurred by the Policyholder if they could not have reasonably known that a Lessee or Driver was continuing to drive the Insured Vehicle in a damaged state.

2. Vehicle exclusions

We will not pay Your claim if, at the time of any Accidental loss, damage or liability which results in a claim, the Insured Vehicle or trailer, caravan or boat attached to the Insured Vehicle (including a rental car) was:

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

3. Driver exclusions

We will not pay Your claim if the Insured Vehicle (including a rental car) or trailer, caravan or boat attached to the Insured Vehicle was:

- a. being driven by you, or any Driver, who was not licensed to drive the Insured Vehicle, unless the Insured Vehicle was being driven without Your knowledge or consent;
- b. being driven by or was last under Your control, or any other Driver with Your permission, if You or the permitted Driver:
 - i. was under the influence of **alcohol or illicit drugs**; or
 - ii. had a presence of **alcohol or drugs in Your or their breath, blood, saliva or urine** as shown by analysis to be contrary to legal requirements; or
 - iii. refused to take a test to determine the level of **alcohol or drugs**; or
- c. being driven by you, or any Driver (with Your permission), after receiving advice from a medical practitioner not to drive, or whilst under the influence of **prescribed medications** that impair the ability to drive.

Making a Claim

What to do in the event of a claim

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

For assistance contact Adica on 1300 485 943 and We'll help You every step of the way.

At the Accident scene:

Step 1	Try to prevent further loss or damage – do everything You reasonably can to secure or recover Your property and to minimise any risk of further loss, damage or liability.
Step 2	Report the Accident or loss to the authorities – call the police immediately when required to do so by law or when the Insured Vehicle is stolen or maliciously damaged. Keep a record of the incident or report number, as Well as the name of the police officer and station and date reported. We will need a copy of the police report to process Your claim.
Step 3	Collect the details of all Drivers, passengers, vehicles and witnesses – make sure You obtain the following information to assist Us with lodging Your claim: <ul style="list-style-type: none">• registration numbers of all vehicles involved;• full names and current residential addresses of all Drivers involved; and• photos of the damage sustained to all vehicles (where safe to do so) using Your mobile phone or camera. If You can, it will also help Us if You can collect the following details: <ul style="list-style-type: none">• insurance company details of all Drivers involved;• phone numbers of all Drivers; and• full names, current residential addresses and phone numbers of any witnesses.
Step 4	Contact Us on 1300 485 943 – an experienced consultant will let You know what to do at the Accident scene, take down all the details so there are no forms to fill in, and explain the claims process.

Your responsibilities when You claim on Your policy

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

You must never, without Our consent:

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

If You do not fulfil any or all of Your responsibilities, We may reduce or refuse Your claim and/or cancel Your cover as permitted by law.

We will require You to assist Us in handling Your claim by:

- providing Us with correct and complete information and documents (for example proof of purchase, registration papers, repair quotes, bank statements or phone records);
- immediately referring to Us any communication that You receive from other parties about the Insured Vehicle or claim (for example emails, letters, notices or court documents); and
- not behaving in a way that is improper, hostile, threatening, abusive or dangerous towards Us.

In addition, We may require You to:

- be interviewed by Us or Our representatives;
- attend court to give evidence;
- provide Us with details of any other insurance policy that relates to Your claim;
- make the Insured Vehicle available to Us to inspect or examine; and/or
- take the Insured Vehicle or allow Us to take the Insured Vehicle to a place We require such as a repairer nominated by Us in order for Us to assess the Insured Vehicle or obtain a quote.

What You Must Pay in the Event of a Claim

Excess

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

What happens when the amount of Your claim is less than the amount of Your Excess

We will only accept a claim where the amount being claimed is more than the applicable Excess.

Types of Excess

The following types of Excess are payable by the Insured when they apply to Your claim. The Excess payable for any claim will be the total of all applicable Excesses added together, depending on the circumstances of the claim and the type of vehicle listed under this cover.

Basic Excess	The Basic Excess is the first amount that applies to each claim made under the policy and varies depending on whether the Insured Vehicle is a 'Standard', 'Prestige' or 'High Performance' vehicle. The vehicle classification and corresponding amount payable for the Basic Excess will be shown on the Policy Schedule and any Certificate Of Insurance provided to a Lessee.
Age Excess	The Age Excess applies if the Driver was under 25 years old at the time of an Accident and is payable in addition to other Excesses when We accept Your claim. The amount payable for the Age Excess will be shown on the Policy Schedule and any Certificate Of Insurance provided to the Lessee.
Multiple Claim Excess	The Multiple Claim Excess will apply for the second non-recoverable claim made by an Insured, and any subsequent non-recoverable claims, which occur within the same Period Of Cover. The amount payable for the Multiple Claim Excess will be shown on the Policy Schedule and any Certificate Of Insurance provided to the Lessee.

When is an Excess payable?

You don't need to pay any Excess if:

- the Accident was caused by another person; and
- You or the Driver of the Insured Vehicle did not contribute to the cause of the Accident; and
- You provide Us with the full names, current residential addresses, and vehicle registration numbers of all persons involved.

If this occurs, this is called a **'recoverable claim'** under this cover because We may be able to recover what We pay You from the person who is at fault or their Insurer.

If You pay an Excess and information is later made available to Us which shows this should not have been payable, We will reimburse the Excess You paid.

You will not have to pay any **Age Excess** if You are claiming for any of the following:

- theft or attempted theft; or
- loss or damage caused by an animal or a weather event such as flood, hail or storm; or
- fire; or
- malicious damage; or
- damage to the Insured Vehicle while it was parked; or
- glass cover claims (where glass breakage is the only damage sustained to the Insured Vehicle).

You will also not be required to pay any other type of Excess that applies to Your policy for the first glass replacement or first two glass repair claims during the Period Of Cover. Refer to the section *'Additional Benefits – Excess free glass cover'* to find out more.

Furthermore, if the Insured Vehicle is being driven by or in the charge of a learner Driver any **Age Excess** payable in the event of a claim will be that applicable to the licensed Driver providing the instruction. Refer to the section *'Comprehensive Insurance Cover – The protection We provide – Driving instruction cover'* to find out more.

How is an Excess applied to Your claim?

When the Insured makes a claim, they must pay any applicable Excess.

If the Insured needs to pay an Excess, We will advise the Insured whether this amount is to be:

- paid by the Insured to the repairer or supplier when the Insured collects their vehicle after it has been repaired; or
- paid by the Insured to Us when We request it; or
- deducted from the amount We pay the Insured.

More than one Excess may apply, depending on the circumstances of the claim. However not all claims attract an Excess. Refer to the section *'What You Must Pay in the Event of a Claim – When is an Excess payable?'* to find out more.

How We Settle Your Claim

If the Insured Vehicle has been damaged, call Adica as soon as possible on 1300 485 943.

Once We accept Your claim, We will arrange for the repair of the Insured Vehicle if We can (and if it is not a Total Loss).

We will determine whether We can repair the Insured Vehicle based on the relevant circumstances, including whether:

- there is any pre-existing damage (such as damage from a previous Accident, wear and tear, rust or corrosion) to the Insured Vehicle (see *'Contribution to repairs'* in this section);
- there is any damage to non-standard accessories that We have not agreed to cover;
- a suitably qualified repairer is available;
- the parts needed for the repair are available.

If We cannot repair the Insured Vehicle, We will pay the Insured the fair and reasonable cost of repairing the Insured Vehicle. The fair and reasonable cost is the amount the Insured would incur to repair the Insured Vehicle. We will calculate this by reference to relevant information including quotes from repairers that are available to the Insured.

Repairing the Insured Vehicle

If We arrange for the Insured Vehicle to be repaired, any authorised repairs performed will be covered by Our Lifetime Repair Guarantee. Refer to the section '*The Adica Insurance Lifetime Repair Guarantee*' below to find out more.

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

If We consider Your repairer's quote to not be competitive and/or complete, or We do not believe that the repairs to the Insured Vehicle would be completed to a satisfactory standard, We reserve the right to authorise repairs to be carried out by a repairer nominated by Us.

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

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

We will only pay for repairs We have authorised, except for emergency repairs up to **\$800** necessary to allow You to continue using the Insured Vehicle safely following an Accident.

Undamaged areas

If We accept Your claim, We will only authorise repairs to those sections of the Insured Vehicle that are damaged following the Accident resulting in that claim. We will not authorise repairs to undamaged parts of the Insured Vehicle to create a uniform appearance. For example, if the Accident causes damage to the left vehicle panel, then We will only pay to respray the left panel. We won't pay the cost to respray the rest of the vehicle.

The Adica Insurance Lifetime Repair Guarantee

The quality of workmanship and materials on all repairs authorised by Us will be guaranteed for the life of the Insured Vehicle, even if You no longer own it.

When We authorise repairs to the Insured Vehicle and the Insured Vehicle is within the manufacturer's original new vehicle warranty period (up to a maximum warranty period of three years from the date of first registration) at the time of the Accident – We will use new Genuine Parts in the repair of the Insured Vehicle, except for the replacement of windscreens, sunroofs and window glass where Australian Design Rule compliant parts may be used.

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

Where replacement parts are required for the repair of the Insured Vehicle and are no longer available, We will pay You what it would have cost to repair the Insured Vehicle with those parts had they been available. We will calculate this by reference to relevant information including quotes from repairers that are available to you.

If there is any concern about the quality of the repairs completed by a repairer We have authorised, please promptly contact Us rather than the repairer. We will arrange for unsatisfactory repairs to be inspected and for the necessary rectification to be carried out. You must not authorise rectification work without Our authority (with the exception of emergency repairs carried out under the policy provisions).

Contribution to repairs

If We are unable to carry out repairs due to pre-existing damage to the Insured Vehicle (such as wear and tear, rust or corrosion), We will ask You to contribute to the cost of repairing the pre-existing damage so that all repairs can be carried out completely and to a satisfactory standard.

If You do not want to pay this amount, We will not authorise any repairs and instead pay You the fair and reasonable cost of repairing the damage that is covered by this policy.

If the Insured Vehicle is a Total Loss

Once We accept Your claim and determine the Insured Vehicle is a Total Loss We will give You the option to have Us:

- provide a new replacement vehicle if You qualify for this benefit (refer to the section *'Additional Benefits – Replacement with new vehicle after a Total Loss'* to find out more); or
- pay You the Market Value (less any Excess and/or unpaid premium); or
- where the Finance Contract Payout Amount is greater than the Market Value of the Insured Vehicle, pay the Insured the Market Value of the Insured Vehicle, plus an additional finance gap amount up to a maximum of 25% of the Market Value of the Insured Vehicle (refer to the section *'Additional Benefits – Total Loss of Insured Vehicle under finance'* to find out more).

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

Once We settle the Total Loss claim the cover under this policy for that Insured Vehicle ends and the Policyholder must remove that vehicle from the Monthly Declaration.

Personal items

The most We will pay for loss or damage to any personal items is **\$1,000** in total for each claim.

We Your claim for a stolen or damaged personal item, We will pay You the Market Value for the item at the date of the incident.

We will calculate the Market Value by reference to factors such as age, make, model and condition of the item. We will not replace the item.

Claim recovery

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

GST and Input Tax Credits

If the Policyholder is registered for GST, the Policyholder is required to tell Us its entitlement to any Input Tax Credits (ITC) on the premium it pays to Us. If it does not tell Us this entitlement, or if the information it gives Us is incorrect, We will not be liable for any resulting fines, penalties or charges incurred. When We calculate the amount of any payment We make for a claim, We may reduce the amount by any ITC that the Policyholder is, will be or would have been entitled to receive.

For example: Where You are entitled to an ITC on Your premium and have a Total Loss Accident, We agree to pay You the Market Value of the Insured Vehicle calculated at \$21,920. We will reduce this amount by the ITC, which is equal to 1/11th of \$21,920 (or \$1,993). Your payment is then equal to \$21,920 – \$1,993 (or \$19,927).

If the Insured Vehicle has been stolen, report the theft immediately to the police and to Adica on 1300 485 943

- If the Insured Vehicle is found damaged within **14 days** from when You reported the theft to Us and it can be repaired, We will arrange the repair as set out under *'How We Settle Your Claim – If the Insured Vehicle has been damaged'*.
- If the Insured Vehicle has not been found within **14 days**, or is found damaged and cannot be repaired, We will declare it a Total Loss if We have accepted Your claim. Refer to the section *'How We Settle Your Claim – If the Insured Vehicle is a Total Loss'* to find out more.

Third party property damage claims, call Adica as soon as possible on 1300 485 943

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

Additional Terms and Conditions

Additional interests

The policy extends to include the interests of Lessees and any other Interested Party. The nature and extent of such interest is to be disclosed following loss, damage or liability.

All third party beneficiaries must comply with the terms and conditions of the policy.

Our standard conditions for rental cars

The following conditions apply to all Rental Car benefits in this policy

The Rental Car must be arranged by Us or preapproved by Us and will only be made available after the Insured has lodged their claim with Us, and any applicable Excess(es) have been paid by the Insured.

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

When We authorise the Insured to arrange a rental car, **the Rental Car will not be insured under this policy** and We recommend that You take out insurance for the Rental Car when You enter into the hire agreement. You will also need to provide Us with receipts for the rental charges being claimed in order to receive reimbursement.

If the Rental Car is damaged or stolen during the hire period, the Insured will be responsible for the balance of any Excess amount over and above the applicable Excess(es) payable under the policy

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

The Rental Car must be returned within one business day of the earliest of:

- the date We advise the Insured that the Insured Vehicle has been repaired and is able to be driven; or
- the date We advise the Insured that the Insured Vehicle has been found undamaged and is able to be driven; or
- the end of the maximum period of 30 days of Rental Car cover; or
- the date We settle Your claim.

Should the Insured fail to return the Rental Car within the applicable time period above, the Insured will be liable for the daily Rental Car cost after that date.

We will not pay for:

- Rental Car costs incurred as a result of a delay by You in having the Insured Vehicle repaired; or
- any costs incurred due to a delay in carrying out repairs by a repairer You choose; or
- any costs incurred in hiring the car if Your claim is declined by Us or withdrawn by you.

Paying for the insurance cover

The premium is payable by the Policyholder monthly based on the most recent Monthly Declaration provided to Us by the Policyholder during the Period Of Cover and must be paid by the end of the month in which the Policyholder provides such Monthly Declaration.

The Policyholder must endeavour to provide the Monthly Declaration to Us within 4 working days but must provide it no later than 7 working days after the end of each calendar month.

The Policyholder will calculate the premium payable each month during the Period Of Cover based on the most recent Monthly Declaration and remit to Adica. To be covered by the policy the Policyholder must pay the total premium by the end of the month in which it supplies such declaration.

If the Policyholder does not pay the premium in full, or any additional premium required, We may reduce the Period Of Cover proportionate to the premium it has already paid.

Renewing the policy

Before the expiry of the policy We will write to the Policyholder and set out the terms on which We offer renewal or advise that We are unable to continue the policy.

It is important the Policyholder checks that the information set out in the renewal notice is correct and advises Us immediately of any changes to this information or details. If the information the Policyholder provides to Us is not honest, correct and complete, We may reduce or deny any claim You make, cancel the policy or treat the policy as if it never existed.

Changes to the policy

A Lessee needs to tell the Policyholder, and the Policyholder needs to tell Us, immediately if any of the following occur during the Period Of Cover:

- the address where the Insured Vehicle is regularly garaged/kept changes;
- any of the Lessee's contact details change, such as their mobile number, postal or email address;
- the Insured Vehicle is fitted with any performance modification;
- there are any changes to the condition of the Insured Vehicle including any damage to the vehicle;
- a Lessee's Driver's licence or permit has been suspended, cancelled, restricted or endorsed;
- a Lessee or any Drivers of the Insured Vehicle have been convicted of, or had any fines or penalties imposed for, any criminal activity; or
- any details listed on a Lessee's Certificate Of Insurance change or are no longer accurate.

What We will do when the Policyholder contacts Us with changes

When the Policyholder contacts Us and tells Us about these changes We may decide to:

- charge the Policyholder an additional premium; and/or
- apply a special condition to an Insured's cover.

In some cases, it could mean We can no longer insure a Lessee and We will cancel the Lessee's cover. For example, this may occur if the Lessee has fitted the Insured Vehicle with a Performance Modification or changed the vehicle use in a way that We do not agree to cover. If the Policyholder does not provide the information immediately, We may be entitled to reduce, or refuse to pay a claim under the policy and/or cancel the Lessee's cover.

Cancelling the insurance

21-day Cooling Off period

The Policyholder can cancel this policy within 21 days of its commencement date, and will receive a full refund, provided no claim has been lodged. To cancel this policy, the Policyholder should contact Adica.

Cancellation after 21 days

By the Policyholder

The Policyholder may also cancel this policy at any time after 21 days of its commencement date by requesting Us to do so.

By Us

We may cancel this policy at any time by giving the Policyholder 90 days' written notice of such cancellation if there is a breach of any of the terms or conditions of the policy, including the requirements to pay premium, misrepresentation to Us during the negotiation of the policy, a fraudulent claim or for any other reason available to Us in accordance with legislative requirements. However, the policy will not be terminated without all Lessees being provided with at least 30 days' prior written notice from the Policyholder.

Nothing affects any right of an Insured to claim in relation to an event which occurred prior to the time its right to access the policy ended.

Lessees

A Lessee may remove itself from the cover at any time by deciding not to meet the Eligibility Criteria for Insureds or by notifying the Policyholder, in which case all amounts owed and outstanding for that Insured's Period Of Cover must be paid to Us, except where the policy is cancelled within the cooling off period.

A Lessee's cover is automatically terminated when:

- any amount payable by the Policyholder for access to the insurance cover has remained outstanding by more than 90 days; or
- the Lessee's Finance Contract ends.

Our Service Commitment to You

General Insurance Code of Practice

Adica proudly supports, and complies with, the General Insurance Code of Practice (“Code”).

The Code has been developed to exceed the standards set out in regulation and to reflect changing community expectations and attitudes towards insurance. It has been designed to create:

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

A copy of the Code can be obtained from the Insurance Council of Australia (ICA) or by visiting codeofpractice.com.au. The Code Governance Committee is an independent body which monitors and enforces the Code and has powers to impose sanctions on Code subscribers for non-compliance.

Complaint resolution process

We’re committed to providing You with the highest standard of service. However, if You have any concern about Our products, services or representatives, Our Customer Resolution Team will work with You to resolve any issue You might have.

You can raise a concern or make a complaint about any aspect of Your relationship with Us by calling **1800 189 296**.

We will acknowledge Your complaint and We will:

- aim to resolve it efficiently, fairly and directly;
- ensure that it is handled by a person with appropriate knowledge and experience; and
- keep You notified about the progress of Your complaint at least every 14 calendar days (if necessary).

If We are unable to resolve Your complaint within 30 calendar days of receiving it, or if You are unhappy with Our decision, You may choose to refer Your complaint to the Australian Financial Complaints Authority (AFCA). AFCA is an independent, external dispute resolution scheme and there is no charge for this service.

How to contact AFCA

AFCA can be contacted by:

Online: afca.org.au/make-a-complaint

Email: info@afca.org.au

Phone: **1800 931 678 (free call)**

Mail: **Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001**

Are any decisions binding on you?

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

However, You do not have to accept any decision made by Us or AFCA and alternatively may wish to seek Your own advice on this matter elsewhere.

Financial Claims Scheme

This policy may be a ‘protected policy’ for the purposes of the Federal Government’s Financial Claims Scheme (FCS). The FCS is administered by the Australian Prudential Regulation Authority (APRA). We are authorised by APRA.

In the unlikely event of an Insurer authorised by APRA, such as Us, becoming insolvent, the Federal Treasurer may make a declaration that the FCS applies to that Insurer. If the FCS applies, as a Policyholder You may be entitled to have valid claims paid under the FCS. Access to the FCS is subject to Eligibility Criteria.

Information about the scheme can be obtained from the FCS website at fcs.gov.au



The Novated Comprehensive Motor Vehicle Insurance policy is underwritten by
Aioi Nissay Dowa Insurance Company Australia (Adica) Pty Ltd
ABN 11 132 524 282 AFSL Number 443540.