

PRESTIGE MOTOR VEHICLE INSURANCE

PRODUCT DISCLOSURE STATEMENT AND POLICY WORDING



ADMINISTERED BY MB INSURANCE GROUP PTY LIMITED
ABN 96 070 982 106
AFS LICENCE NO. 243522

UNDERWRITTEN BY QBE INSURANCE (AUSTRALIA) LIMITED
ABN 78 003 191 035
AFS LICENCE NO. 239545

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QM 2809 1110

IMPORTANT INFORMATION

ABOUT THIS PRODUCT DISCLOSURE STATEMENT (PDS)

This PDS has been prepared to assist You to understand the Prestige Motor Vehicle Insurance Policy and make an informed decision about Your insurance requirements.

This booklet has two parts. Important Information and Prestige Motor Vehicle Insurance Policy Terms and Conditions. Other documents may comprise Our PDS and We will specifically tell You if this is the case in the relevant document. Please read both parts of this booklet very carefully and retain it with any Certificate of Insurance that We issue to You.

Important Information includes details about the cost of this Policy, the type of cover provided, Our dispute resolution process, Your cooling off and cancellation rights, Your duty of disclosure and paying the premium.

Prestige Motor Vehicle Policy Insurance Terms and Conditions set out the detailed terms and conditions, exclusions and general conditions that apply to this Policy.

If We issue You with an insurance Policy, You will be given a Certificate of Insurance. The Certificate of Insurance sets out the specific terms applicable to Your cover and should be read together with the Policy Terms and Conditions.

The Policy Terms and Conditions and the Certificate of Insurance We give to You form Your legal contract with Us. You pay Us the premium and We provide You with the cover You have chosen as set out in the Policy, during the Period of Insurance shown on Your Certificate of Insurance or any renewal period.

Please keep these documents in a safe place for future reference.

If You require any information about this product, please contact MB Insurance Group.

WHO PROVIDES THIS INSURANCE

The Policy is underwritten by QBE Insurance (Australia) Limited (QBE) ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street Sydney.

This policy is issued by MB Insurance Group Pty Limited (MB) ABN 96 070 982 106 AFS Licence No. 243522 of 89 York Street Sydney.

About MB

QBE has given MB Insurance Group Pty Limited a binding authority to issue Our policies and settle claims as well as administer this Policy on Our behalf. Any enquiries You may have should be directed to MB Insurance Group Pty Limited. MB Insurance Group Pty Limited's contact details are shown on the last page of this document.

Under the terms of this binding authority MB act as QBE's agent and not yours, but liability within the terms and conditions of the Policy remains at all times with QBE.

About QBE

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and clients.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

SIGNIFICANT FEATURES AND BENEFITS

The Prestige Motor Vehicle Insurance Policy provides protection against the cost of accidental damage to or theft of Your motor vehicle. In addition, cover is provided for the liability that may arise where Your Vehicle is involved in an accident.

The table on page 4 provides a summary of the key types of cover available under the policy. For full details of the cover provided, including any exclusions or conditions that may apply, please refer to the relevant part of the Prestige Motor Vehicle Insurance Policy Terms and Conditions.

Your Certificate of Insurance will show the cover You have chosen.

Type of Cover	Short Description	Page No.
Theft or Damage to Your Vehicle	Cover for accidental damage to Your motor vehicle, or loss, damage or theft of Your motor vehicle.	12
If You damage property or injure people	Cover for the amount You may be held legally liable for resulting from an accident involving Your motor vehicle – Limited to \$32,500,000.	16
Other Benefits		
Automatic Replacement Vehicle	Vehicles less than 3 years old will be replaced with a new one of the same make/model/accessories up to the original Agreed Value including on road costs, or You can agree to accept the Original Agreed Value.	12
Repairer of Your Choice	You may choose a repairer of your choice to repair the vehicle.	12
Protected No Claim Bonus	If You are entitled to a maximum No Claim Bonus, you can have one “at fault” claim during the Period of Your Insurance without affecting your No Claim Bonus entitlement.	21
Temporary Repairs	Essential emergency temporary repairs - Up to \$500.	13
Vehicle Hire	If Your Vehicle is stolen or in an accident which is entirely not Your fault - Up to \$100 per day and \$1,500 in total.	13 & 14
Travel and Accommodation	Emergency - Up to \$1,000.	14
Personal Effects	Up to \$150 any one item and \$500 in total.	14
Re-Keying and Re-Coding	As a consequence of theft of keys if reported to police.	14
Windscreens and Window Glass Replacement	Windscreens, sunroofs and other window glass - First claim does not reduce no-claim bonus or require payment of an Excess.	21
Express Air Freight	To import parts not available in Australia - Up to \$3,000.	13
Finance Gap	In the event of a total loss we will pay 75% of the difference between the Agreed Value and the amount the finance provider requires to pay out the loan or lease for Your Vehicle excluding arrears, penalties and amounts refinanced.	13
Removal of Vehicle	From the accident site to Your home or the nearest repairer - Up to \$2,000.	13
Lifetime Guarantee	Repairs are guaranteed for the life of your vehicle.	15
Trailers and Caravans	If a trailer or caravan owned by You is attached to Your Vehicle and is damaged in an accident – Up to \$1,000.	14
Delivery of Your Vehicle After Repairs	If Your Vehicle is more than 100kms from Your nominated parking facility - Up to \$500.	15
Funeral Expenses	For an Approved Driver who suffers a fatal injury.	15

Each of the sections listed in the table on page 4 is subject to specific definitions, the basis of cover and specific exclusions. In addition, there are general exclusions and conditions that apply to all sections of the Policy.

DUTY OF DISCLOSURE

When You apply for insurance under this Policy, We rely on the information You provide to decide whether to insure You, and anyone else to be covered, and on which terms. If You do not answer all questions honestly, We may reduce or refuse a claim or cancel the Policy. This duty also applies when You renew this insurance.

What You must tell Us

When answering Our questions, You must be honest and You have a duty under law to tell Us anything known to You, and which a reasonable person in the circumstances would include in answer to the question. We will use the answers in deciding whether to insure You and anyone else to be insured under the policy, and on what terms.

Who needs to tell Us

It is important that You understand You are answering Our questions in this way for:-

- (1) yourself
- (2) anyone else who You permit to use Your Vehicle

What You are not required to disclose

You do not have to tell Us about any matter:

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

If You do not tell Us

If You do not answer Our questions in this way, We may reduce or refuse to pay a claim or cancel the policy. If You answer our questions fraudulently, We may refuse to pay a claim and treat the policy as never having worked.

Renewals, variations, extensions and reinstatements

Once Your Policy is entered into and is no longer new business then Your duty to Us changes. You are required before You renew, vary, extend or reinstate Your Policy, to tell Us everything You know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to Our decision whether to insure You, and anyone else to be insured under the Policy, and if so, on what terms.

The types of changes You should tell Us about include:

- ◆ The driver(s) or owner of the motor vehicle changes
- ◆ Over-night parking arrangements
- ◆ The type, condition or failure of required security devices
- ◆ Modifications to the motor vehicle.

What You are not required to disclose

You do not have to tell Us about any matter:

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

If You do not tell Us

If You do not answer Our questions in this way, We may reduce or refuse to pay a claim or cancel the policy. If You answer our questions fraudulently, We may refuse to pay a claim and treat the policy as never having worked.

HOW TO APPLY FOR COVER

To apply for cover, complete Our Proposal form and forward it to Your broker, MB Insurance Group Pty Limited's representative or MB Insurance Group Pty Limited. If Your application is accepted, We will send You a Certificate of Insurance that sets out details of the insurance You have taken out.

COST OF THE INSURANCE

Premium, taxes and charges

The premium for Your Policy takes into account a number of factors including the Agreed Value, the type, location and garaging arrangements of the vehicle and Your driving record. The premium also includes statutory charges and costs such as GST, stamp duty, and remuneration paid to MB Insurance Group Pty Limited and other distributors of the Policy (see their Financial Services Guide(s) for details).

No Claim Bonus:

- ◆ Lifetime No Claim Bonus for drivers who have been a MB Rating One policyholder for the last 3 years with no at fault claims
- ◆ Additional vehicles receive the same bonus provided the same Approved Drivers are declared
- ◆ Not prejudiced by an accident which was the fault of another driver provided You can provide Us with the drivers name, address and registration number
- ◆ A maximum No Claim Bonus (60%) will not be reduced by the first "at fault" claim.
- ◆ If You are already entitled to a Lifetime No Claim Bonus then We will continue to provide that benefit

Excess

You may be required to pay an Excess if You make a claim under the Policy. The amount of the Excess will depend on the circumstances of the claim, the driver involved, the type of vehicle insured and the state in which Your Vehicle is normally kept. Our standard Excess can only be determined after a claim has been lodged but can range from nil to \$10,000 (for a small range of specific vehicles) plus any undeclared driver Excess shown in Your quotation or Certificate of Insurance. Your premium quotation and any Certificate of Insurance issued to you will provide the details applicable to You.

HOW YOU CAN PAY YOUR PREMIUM

Payment of premium may be made by cash, cheque, electronic funds transfer or credit card. If Your cheque or credit card is dishonoured by Your financial institution You are not insured unless We have agreed in writing to continue to insure You.

Overdue premium

You must pay Your premium on time otherwise Your Policy will not operate and there will be no cover.

CANCELLING YOUR POLICY

How You may cancel this Policy

- ◆ You may cancel this Policy at any time by telling Us in writing that You want to cancel it. You can do this by giving the notice to Your intermediary or local MB office.
- ◆ Where You involves more than one person, We will only cancel the Policy when a written agreement to cancel the Policy is received from all persons named as the insured.

How We may cancel this Policy

- ◆ We may cancel this Policy in any of the circumstances permitted by law by informing You in writing.
- ◆ We will give You this notice in person or send it to Your address last known to Us.

The premium

We will refund to You the proportion of the premium for the remaining Period of Your Insurance.

COOLING OFF

If You want to return Your insurance after Your decision to buy it, You may cancel it and receive a full refund. To do this You may notify MB or Your Financial Services Provider electronically or in writing within 21 days from the date the Policy commenced.

This cooling-off right does not apply if You have made or are entitled to make a claim. Even after the cooling-off period ends, You still have cancellation rights as detailed above.

FINANCIAL CLAIMS SCHEME

This Policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent You may be entitled to access the FCS, provided You meet the eligibility criteria. More information may be obtained from APRA - www.apra.gov.au or 1300 13 10 60.

THE GENERAL INSURANCE CODE OF PRACTICE

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice. MB Insurance Group Pty Limited is not a signatory to the Code but adheres to the Code in respect of Your policy. The Code aims to:

- ◆ promote more informed relations between insurers and their customers
- ◆ improve consumer confidence in the general insurance industry
- ◆ provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- ◆ commit insurers and the professionals they rely upon to higher standards of customer service

COMPLAINTS AND DISPUTE RESOLUTION

If a complaint arises during Your dealings with Us, You should first discuss the matter with the person with whom You have been dealing. Where Your complaint is not resolved to Your satisfaction You should request that the matter be dealt with by Our Internal Complaints Handling Process.

Your Financial Services Provider or MB can assist You to lodge Your complaint and take the details for You. You will be provided with a copy of Our brochure detailing Our complaints handling process. Your complaint will be handled by a person with authority to resolve the matter. Your complaint should be dealt with within 15 business days unless We notify You of the reasons why it cannot be dealt with within that time.

If the complaint remains unresolved to Your satisfaction, You may take Your complaint to the Financial Ombudsman Service (FOS). FOS resolves certain insurance disputes between complainants and insurers and will provide an independent review at no cost to You. We are bound by the determination of FOS but the determination is not binding on You.

We will provide the contact telephone number and address of FOS to You upon request.

OUR PRIVACY POLICY

Privacy legislation regulates the way private sector organisations can collect, use, keep secure and disclose personal information. QBE and MB are bound by the Privacy Act 1988 (Cth.), when collecting and handling Your personal information. We have developed a Privacy Policy which explains what sort of personal information We hold about You and what We do with it.

We will only collect personal information from or about You for the purpose of assessing Your Application for insurance and administering Your insurance Policy, including any claims You make. We will only use and disclose Your personal information for a purpose You would reasonably expect.

We may need to disclose personal information to Our reinsurers, (who may be located overseas), insurance intermediaries, insurance reference bureaux, credit reference agencies, Our advisers and those involved in the claims handling process (including assessors and investigators), for the purposes of assisting Us and them in providing relevant services and products, or for the purposes of litigation. We may disclose personal information to people listed as co-insured on Your Policy and to family members or agents authorised by You. Computer systems and support services may be provided to Us by related companies within the QBE Group that may be located overseas.

We will obtain Your (or Your legal representative's) written authority to obtain health information about You.

We may also disclose information to organisations which conduct customer service surveys on Our behalf. We will request Your consent to any other purpose.

By providing Your personal information to Us, You consent to Us making these disclosures. Without Your personal information We may not be able to issue insurance cover to You or process Your claim.

You also have the opportunity to find out what personal information We hold about You and, when necessary, correct any errors in this information. Generally We will do this without restriction or charge. For further information about the QBE or MB Privacy Policy, please visit the relevant website at www.qbe.com or www.mbinsurance.com.au or contact The Compliance Manager, QBE Insurance (Australia) Limited GPO Box 82 Sydney NSW 2001, or The Compliance Manager, MB Insurance Group Pty Limited PO Box Q1233, QVB Post Office, Sydney NSW 1230.

HOW TO MAKE A CLAIM

Please contact Your Financial Service Provider or MB to make a claim. Full details of what You must do for Us to consider Your claim are provided in the 'Claims' section at the end of this Policy.

TAXATION IMPLICATIONS

Goods and Services Tax

The impact of GST is as follows:

- ◆ The amount of premium payable by You for this Policy includes an amount on account of the GST on the premium.
- ◆ When We pay a claim, Your GST status will determine the maximum amount We pay. At the time You make a claim, We will ask You to confirm Your GST status and any relevant Taxable percentage.

Please read the rest of this policy document carefully and keep it in a safe place.

PRESTIGE MOTOR VEHICLE INSURANCE TERMS AND CONDITIONS

Insurer

The Policy is underwritten by QBE Insurance (Australia) Limited, ABN 78 003 191 035, AFS Licence No. 239545 ("QBE") of 82 Pitt Street, Sydney.

Our agreement with You

This Policy is a legal contract between You and Us. You pay Us the premium, and We provide You with the cover You have chosen as shown in Your Certificate of Insurance, subject to the terms and conditions of the Policy. Cover is provided during the Period of Insurance shown in Your Certificate of Insurance or any renewal period.

We will not pay any more than the sum insured or limit of liability for each section which is shown in Your Certificate of Insurance, unless stated otherwise in the Policy.

We will not pay the Excesses shown in the Policy or Certificate of Insurance. If any loss or damage or liability leads to a claim under more than one section of this Policy We will only charge any applicable Excess once.

The exclusions in section 5 and conditions in section 6 apply to all sections of this Policy.

Your Policy

Your Policy consists of Prestige Motor Vehicle Insurance Policy Terms and Conditions in this booklet and the Certificate of Insurance We give You.

Please read this Policy carefully, and satisfy yourself that it provides the cover You require.

If You need more information about any part of Your Policy, please ask Your Financial Services Provider or MB. The address and telephone number of MB is provided on the last page of this document, or on Your Certificate of Insurance.

You should keep this PDS together with Your Certificate of Insurance in a safe and convenient place for future reference.

Jurisdiction

This Policy will be governed and construed in accordance with the laws of the state or territory in Australia in which Your registered address is located. You agree to submit to the non-exclusive jurisdiction of the courts of that state or territory.

Subrogation rights

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

Preventing Our right of recovery

If You have agreed not to seek compensation from another person who is liable to compensate You for any loss, damage or liability which is covered by this Policy We will not cover You under this Policy for that loss, damage or liability.

1. DEFINITIONS

Agreed Value means Your Vehicle is insured up to the fixed amount shown in the Certificate of Insurance and is the maximum amount payable by Us under this policy.

Approved Driver means We will only cover You under this policy while Your Vehicle is being driven by an Approved Driver. This is fully defined in section 4.1.

Certificate of Insurance is the attachment that forms part of the policy document. It shows Your policy number and other important details of Your cover.

Excess is the amount of money You contribute to the cost of the claim and is the amount shown in the Certificate of Insurance. You have to pay this amount if You make a claim and You cannot satisfy Us You were not at fault. This is fully explained in section 6.1 of the policy.

Imported Vehicle is one that was manufactured or assembled outside Australia but meets Australian design rules.

No Claim Bonus is a reward for a good insurance record. The more years You hold insurance cover without making a claim, the higher Your No Claim Bonus discount and the less You pay for Your insurance cover, until You reach the maximum discount, which is 60%.

Personal Effects are all those items belonging to You or passengers or Approved Drivers that are in Your Vehicle. These include clothing, bags, sports gear, portable GPS devices and other items that are Personal Effects. They do not include cash, cheques, credit cards, negotiable instruments, tools of trade or items used in conducting a business.

The Proposal is the form You completed with Your personal details, including name, address, vehicle details and Your driving and insurance history.

Substitute Vehicle means any vehicle being driven by an Approved Driver provided that the Substitute Vehicle is being used because Your Vehicle cannot be used as a consequence of an accident or theft or is being serviced.

Period of Your Insurance is the period when Your Vehicle is covered by this policy. That period is shown in the Certificate of Insurance. If We agree to renew this policy for a further period, it will become that period as shown in the Renewal Certificate issued by Us.

We or Us or Our means QBE Insurance (Australia) Limited (ABN 78 003 191 035) (AFSL 239545) which is the organisation providing this insurance and/or MB Insurance Group Pty Limited (ABN 96 070 982 106) (AFSL 243522) as their agent, appointed to manage this policy on their behalf.

You or Your is the person(s) named as the insured in the Certificate of Insurance.

Your Vehicle is the vehicle in the Certificate of Insurance. It includes all factory fitted accessories, tools or appliances that are standard equipment for Your Vehicle, or accessories which form a permanent part of Your Vehicle and have been declared to Us.

2. IF YOUR VEHICLE IS DAMAGED, DESTROYED OR STOLEN

If Your Vehicle is damaged or destroyed because of an accident or fire or is stolen during the Period of Your Insurance with Us, We may choose, subject to 2.2 below:

- ◆ to repair Your Vehicle
- ◆ to replace Your Vehicle
- ◆ to pay the cost of repair of Your Vehicle

up to the Agreed Value.

You may choose a repairer of Your choice to repair Your Vehicle, provided the cost of repairs do not exceed the Agreed Value less any salvage and the costs do not exceed the adjusted repair cost assessed by an external assessor.

We will not pay for any proportion of the cost of repair that will put Your Vehicle in a better condition than it was prior to the accident, fire or theft.

If We decide that Your Vehicle is a total loss then We will pay the Agreed Value and We will not provide any further cover under this section of the policy.

We will consider Your Vehicle a total loss when:

- ◆ it is stolen and not recovered; or
- ◆ the cost of repairs is more than the Agreed Value (less any amount We can obtain for salvage).

2.1 If We do pay the Agreed Value or replace the vehicle then:

- ◆ the policy is finished; and
- ◆ no premium is refundable; and
- ◆ We can keep whatever is left of Your Vehicle.

If Your Vehicle is 25 years old or more, You may keep whatever is left of Your Vehicle (unless Your Vehicle is stolen and We have paid the Agreed Value) and You will have to pay any costs incurred in the recovery, storage or transportation of Your Vehicle.

2.2 If Your Vehicle is less than Three (3) years old:

If, at the time of the loss:

- ◆ Your Vehicle was first registered within the last 3 years; and
- ◆ You are the original owner; and
- ◆ You have been insured with Us during the entire period; and
- ◆ it is damaged so badly that in Our opinion it cannot be economically repaired or is stolen and not recovered

then You can either:

- ◆ agree to accept a new replacement vehicle of the same make and model with the same accessories and equipment up to the original Agreed Value (if there is one available for retail sale in Australia), or
- ◆ agree to accept the original Agreed Value.

2.3 On-Road Costs

Where You elect to accept a replacement vehicle under Section 2.2 then We will also pay for the on-road costs of the new vehicle. You must pay Us any refund amount obtained from Your registration and compulsory third party insurance when We replace Your Vehicle as defined in section 2.2.

On-road costs are limited to 12 months registration and compulsory third party insurance, stamp duty and reasonable dealer delivery charges.

2.4 Spare Parts

If Your Vehicle needs to be repaired after an accident or theft covered by this policy and if factory parts/accessories are not obtainable, We will only pay for the reasonable cost of repairing Your Vehicle as if such parts/accessories had been available.

2.5 Express Freight

If You make a claim which is covered by this policy We will pay up to \$3,000 towards the cost of express air freight to import the parts necessary to repair Your Vehicle, if the parts are not obtainable in Australia.

2.6 Finance Gap

If Your Vehicle has suffered a total loss or has been stolen and not recovered, and Your finance provider requires more money than the Agreed Value, We will pay 75% of the difference between the Agreed Value and the amount the finance provider requires to pay out the loan or lease for Your Vehicle.

But We will not pay:

- ◆ loan or lease payments in arrears
- ◆ penalties as a result of loan or lease payments in arrears
- ◆ any amounts refinanced into your finance contract.

2.7 Removal of the Vehicle

If Your Vehicle is involved in an accident which is covered by this policy We will pay up to \$2,000 to remove Your Vehicle from the scene of the accident to the nearest body repairer, another repairer of Your choice or place of safety.

2.8 Temporary Repairs

If You need to have emergency repairs done to Your Vehicle after an accident or theft covered by this policy so You can get Your Vehicle to Your destination or a garage, then We will pay up to \$500 for essential repairs.

2.9 Temporary Car Hire - Following a Theft

If Your Vehicle is stolen and not recovered or is recovered damaged, We will pay the cost of hiring a similar vehicle up to a maximum of \$100 per day but limited in total to \$1,500 for any one claim.

But We will not pay any hire charges:

- ◆ if You have not reported the theft to the police
- ◆ for any period after Your Vehicle has been returned to You in a similar condition as it was prior to the theft
- ◆ for any petrol, excess waiver or any other extras associated with running the hire vehicle
- ◆ for any period after Your Vehicle has been replaced.

If Your claim is subsequently denied by Us or You choose to withdraw Your claim, You must refund any amount paid to You under this benefit in respect of that claim.

2.10 Temporary Car Hire - Following an Accident

If Your Vehicle is damaged as a result of an accident and the driver at the time of the accident was not at fault (as defined in section 6.1.1), We will pay the cost of hiring a similar vehicle up to a maximum amount of \$100 per day but limited in total to \$1,500 for any one claim. We will only pay if Your Vehicle is unable to be driven or is in the course of repairs.

But We will not pay any hire charges:

- ◆ for any period after Your Vehicle has been returned to You in a similar condition as it was prior to the accident
- ◆ for any petrol, excess waiver or any other extras associated with running the hire vehicle
- ◆ for any period after Your Vehicle has been replaced.

If Your claim is subsequently denied by Us or You choose to withdraw Your claim, You must refund any amount paid to You under this benefit in respect of that claim.

2.11 Accommodation and Travel in an Emergency

If You are more than 100 kilometres from Your current residential address and Your Vehicle cannot be made roadworthy after an accident or theft covered by this policy, then We will pay up to \$1,000 for the cost of getting You to Your intended destination, residence or place of employment, including any temporary overnight accommodation.

2.12 Re-Keying and Re-Coding

If the keys to Your Vehicle are stolen We will pay for the replacement of Your Vehicle's keys and the necessary re-coding or replacement of Your Vehicle's locks.

This benefit will only apply if the theft of Your keys has been reported to the police.

2.13 Personal Effects

If Your Personal Effects are stolen from or damaged in Your Vehicle following an accident or theft covered by this policy, then We will:

- ◆ pay up to \$150 for any one item of Personal Effects belonging to You or Your passengers or Approved Drivers
- ◆ pay up to \$500 for the total of all such claims made during the Period of Your Insurance.

We will not pay if Personal Effects are stolen or damaged after a fire or an accident because You did not take reasonable steps to protect them.

2.14 Trailers and Caravans

If a trailer or caravan owned by You is attached to Your Vehicle and is damaged in an accident, We will pay up to \$1,000 for repairs of the trailer or caravan.

2.15 Comprehensive 'Limited Kilometres' Cover

If You have selected the Comprehensive 'Limited Kilometres' Cover option on the Proposal, You need to travel less than 8,000 kilometres in any one Period of Your Insurance. If You exceed 8,000 kilometres in any one Period of Your Insurance or pro rata if less than 12 months, Your premium will be recalculated based on Our full rates for Comprehensive cover and You will be charged an extra premium.

2.16 Comprehensive 'Low Kilometres' Cover

If You have selected the Comprehensive 'Low Kilometres' Cover option on the Proposal, You need to travel less than 5,000 kilometres in any one Period of Your Insurance. If You exceed 5,000 kilometres in any one Period of Your Insurance or pro rata if less than 12 months, Your premium will be recalculated based on the cover applicable to the kilometres travelled and You will be charged an extra premium.

2.17 Lifetime Guarantee on Repairs

Repairs are guaranteed for the life of Your Vehicle, even if You sell it.

If We authorise repairs to Your Vehicle, We will guarantee the quality of the repairs for any defect due to faulty workmanship or faulty material for the life of Your Vehicle. For any repairs under this guarantee You must first allow Us to inspect the vehicle and We must agree that repairs are necessary.

2.18 Cleaning Up After an Accident

We cover Your legal liability to pay for the cleaning up of any debris of Your Vehicle following an accident.

The maximum amount We will pay is \$1,000 for any one accident.

2.19 Delivery of Your Vehicle after Repairs

Where We authorise repairs to a repairer that is more than 100 kilometres from Your nominated parking facility, We will pay up to \$500 towards the cost of returning Your Vehicle to Your nominated parking facility once repairs are complete.

2.20 Funeral Expenses

If an Approved Driver suffers a fatal injury as a result of an accident whilst driving Your Vehicle we will pay up to \$2,500 towards the cost of funeral expenses of the deceased driver.

3. IF YOU DAMAGE PROPERTY OR INJURE PEOPLE

3.1 Damage to another person's property

We will pay the amount that You may be held legally liable to pay for damage to property (excludes goods carried) as a result of an accident during the Period of Your Insurance caused by or arising out of the use of:

- ◆ Your Vehicle; or
- ◆ a trailer or caravan attached to Your Vehicle; or
- ◆ goods falling from Your Vehicle.

The maximum We will pay for all claims under section 3.1 arising out of the one event or accident is \$32,500,000.

But We will not pay:

- ◆ if the property belongs to You or the driver of Your Vehicle or was in Your custody or control; or
- ◆ if the property belongs to someone who usually lives with You or who usually lives with the driver of Your Vehicle except to a residential building that You are renting or is on loan to You; or
- ◆ if Your Vehicle is not registered in accordance with the requirements of State and or Territory laws; or
- ◆ if the driver or person using or in charge of Your Vehicle with your permission is entitled to indemnity under any other policy or statute and provided such cover is not otherwise excluded.

We will only provide cover if Your Vehicle is being driven by an Approved Driver.

This cover is subject to the exclusions set out in section 5 and the conditions in section 6.

3.2 Personal Injury to Another Person

We will pay the amount which You, or any Approved Driver, using or in charge of your vehicle with your permission may be held legally liable to pay by way of compensation or damages for death or bodily injury to persons arising out of the use of:

- ◆ your vehicle; or
- ◆ a trailer or caravan attached to your vehicle,

in Australian States and Territories only.

The maximum We will pay under section 3.2 for all claims arising out of the one event or accident is \$32,500,000.

We do not cover legal liability for death or bodily injury to:

- ◆ you or any person driving, using or in charge of your vehicle; or
- ◆ any member of Your Family including children, parents, brothers (and their spouse or de facto), sisters (and their spouse or de facto) and Your spouse's children or parents; or
- ◆ any person who usually lives with You; or
- ◆ an employee of yours or who is deemed by any law to be your employee, arising out of their employment with you.

We do not provide cover:

- ◆ if your vehicle is not registered
- ◆ if you or any person using your vehicle:
 - is wholly or partly covered under any compulsory statutory insurance scheme or accident compensation scheme, or
 - would have been entitled to be covered under any such scheme as it existed at the commencement date of the relevant period of insurance, even though there may have been a change in the law during that period of insurance, or
 - would have been entitled to be covered under any such scheme if it were not for the application of any excess or deductible applying under the scheme, or
 - would have been entitled to be covered under any such scheme had cover not been refused because you did not:
 - register your vehicle
 - apply for cover under the scheme
 - comply with a term or condition of the scheme
- ◆ whilst your vehicle is being loaded or unloaded
- ◆ if your vehicle is registered in the Northern Territory of Australia
- ◆ for punitive, exemplary or aggravated damages

This cover is subject to the exclusions set out in section 5 and the conditions in section 6.

3.3 Claims for the Same Event or Accident

If You make claims under section 3.1 and 3.2 in relation to the same event or accident, the maximum We will pay for the total of all the claims is \$32,500,000.

3.4 Driving another Vehicle

We will extend cover under sections 3.1 and 3.2 to any amount which You may be held legally liable to pay for damage to property or injury to another person as a result of an accident during the Period of Your Insurance caused by or arising out of the use of a Substitute Vehicle provided that:

- ◆ You are driving the Substitute Vehicle while Your Vehicle cannot be used as a consequence of an accident or theft or is being serviced
- ◆ one Substitute Vehicle is being used at any one time in place of Your Vehicle
- ◆ the Substitute Vehicle is not already covered under another insurance policy.

This cover is subject to the exclusions, conditions and limits of liability set out in sections 3.1, 3.2, 4, 5 and 6.

3.5 Legal Protection for Your Business or Work

If You have an accident when You are using Your Vehicle for business purposes and Your employer, principal or a partner becomes liable for damage to another person's property, then Your employer, principal or partner is covered as described in sections 3.1.

This cover is subject to the exclusions, conditions and limits of liability set out in sections 3.1, 4, 5 and 6.

3.6 Maritime Liability

If Your Vehicle is being transported by sea between Australian ports, We will pay Your contribution for Your Vehicle if 'general average' is declared.

General Average is declared when goods or cargo are thrown overboard to safeguard the vessel and the remaining property on the vessel. Those whose property is saved share the expenses or salvage costs incurred by a ship owner in preserving the vessel and cargo.

This cover is subject to the exclusions, conditions and limits of liability set out in sections 3.1, 4, 5 and 6.

3.7 Legal Costs

If You have to defend legal proceedings arising from an accident involving Your Vehicle and You are covered for it under section 3.1 or 3.2, then We will pay in addition, Your legal costs but only if You have received Our written permission to incur the legal costs beforehand.

4. APPROVED DRIVER

4.1 This policy only provides cover when Your Vehicle (or a Substitute Vehicle) is being driven by an Approved Driver. An Approved Driver is:

- ◆ You; and only if You are over the age prescribed in the Certificate of Insurance; or
- ◆ any person whose name is shown as an Approved Driver in the Certificate of Insurance provided the person is over the age prescribed in the Certificate of Insurance; or
- ◆ any other driver over the age prescribed in the Certificate of Insurance who drives Your Vehicle for less than 2% of the time during the Period of Your Insurance (or that part of the Period of Your Insurance which has elapsed up to the date of the loss).

But We will provide cover if the driver is under the age prescribed in the Certificate of Insurance and Your Vehicle is:

- ◆ being driven (in the course of their employment) by any licensed driver who is an employee of a service station, garage, hotel, restaurant or other commercial business for the purpose of overhaul, upkeep, repair or car parking; or
- ◆ being driven by any licensed driver who is using Your Vehicle because a serious medical emergency has arisen and an Approved Driver is unable to drive; or
- ◆ being driven by any licensed driver employed by a professional chauffeur or limousine service for the sole purpose of one-off transportation of Your Vehicle, occupied by You or an Approved Driver, to Your home, workplace or place of temporary accommodation.

5. EXCLUSIONS

The following exclusions apply to all sections of the policy.

5.1 We will not pay if You or any other person is driving Your Vehicle and You or that other person does not hold a legal driving licence to drive Your Vehicle in Australia.

But We will pay if You can prove that You did not know that the person driving Your Vehicle did not hold a legal driving licence to drive Your Vehicle in Australia.

5.2 You are not insured if You or any other person driving Your Vehicle is affected by alcohol or drugs.

But We will pay if You can prove that You did not know that another person driving Your Vehicle was affected by alcohol or drugs.

5.3 You are not insured if:

- ◆ You allow a greater number of passengers in Your Vehicle than Your Vehicle was designed to carry; or
- ◆ You are towing a load heavier or larger than Your Vehicle was designed to tow, or is permitted by law to tow; or
- ◆ You are carrying a load heavier or larger than Your Vehicle is designed to carry or is permitted by law to carry.

But We will pay if You can prove that the loss, damage or liability was not caused by a greater number of passengers, or a heavier or larger load.

5.4 You are not insured when Your Vehicle is unroadworthy or unsafe and You know, or should have known of such a condition.

5.5 You are not insured when Your Vehicle is being used for an unlawful purpose, unless this happens when Your Vehicle is stolen.

5.6 You are not insured if Your Vehicle suffers loss, damage, destruction, or You incur a liability, death, injury, illness, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (i) War, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any government or public or local authority, or
- (ii) any act of terrorism.

For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- ◆ involves violence against one or more persons, or
- ◆ involves damage to property, or
- ◆ endangers life other than that of the person committing the action, or
- ◆ creates a risk to health or safety of the public or a section of the public, or
- ◆ is designed to interfere with or to disrupt an electronic system.

(iii) Radioactivity or the use, existence or escape of any nuclear fuel, nuclear material, or nuclear waste or action of nuclear fission or fusion.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to (i), (ii) or (iii) above.

5.7 You are not insured when Your Vehicle is being used for an experiment, test, trial or demonstration in connection with the motor trade.

5.8 You are not insured when Your Vehicle is being used to carry passengers for hire or reward.

But You are insured if:

- ◆ Your Vehicle is being used in a private car pool; or
- ◆ Your full-time employer pays You a travelling allowance; or
- ◆ Your Vehicle is being used for a wedding.

5.9 You are not insured while Your Vehicle is:

- ◆ being used for; or
- ◆ practising for, or
- ◆ taking part in any

race, time trial, rally, sprint or drag race or similar event, demonstration, test or driver training (unless You have told Us Your Vehicle will be used for these purposes and We have agreed in writing to extend cover).

5.10 You are not insured while Your Vehicle is being used on a race track for any purpose (unless You have told Us Your Vehicle will be used for these purposes and We have agreed in writing to extend cover).

5.11 You are not insured for structural failure, mechanical, electrical or electronic malfunction, breakdown or non-operation, normal wear and tear, rust or corrosion, depreciation or loss of use of Your Vehicle.

5.12 You are not insured for tyre damage caused by braking, road puncture, cuts or bursting unless as a result of an insured event.

5.13 You are not insured when You, or someone else with Your agreement or knowledge, deliberately damages or steals Your Vehicle or uses Your Vehicle to deliberately damage another person's property or cause injury to another person.

5.14 You are not insured against theft of Your Vehicle if Your Vehicle is parked in the street overnight at or near the parking facility You have nominated in Your Proposal.

5.15 You are not insured if You agree to or admit to liability for an accident without Our written authority.

5.16 You are not insured if Your Vehicle is repossessed or taken because it was security for a debt.

5.17 You are not insured if Your Vehicle is outside Australia except when being transported between places in Australia.

6. CONDITIONS THAT APPLY TO YOUR POLICY

6.1 Excess

The Excess is the amount of money You contribute to the cost of a claim and is the amount shown in the Certificate of Insurance.

In addition to the amount shown in the Certificate of Insurance You must pay an additional Excess if the driver of the vehicle is:

- ◆ aged 25 years and over and is not shown in the Certificate of Insurance

The amount of this additional Excess is shown in Your Certificate of Insurance.

However, You will not have to pay any additional Excess if

- ◆ Your Vehicle is being driven (in the course of their employment) by an employee of a service station, garage, hotel, restaurant, or other commercial business for the purpose of overhaul, upkeep, repair or car parking; or
- ◆ Your Vehicle is being driven by a licensed driver because a serious medical emergency has arisen; or
- ◆ Your Vehicle is being driven by any licensed driver employed by a professional chauffeur or limousine service for the sole purpose of one-off transportation of Your Vehicle, occupied by You or an Approved Driver, to Your home, workplace or place of temporary accommodation; or
- ◆ the only damage to Your Vehicle is to a windscreen, sunroof or window glass subject to 6.1.2 below.

6.1.1 If the accident is the fault of another driver

If You can satisfy Us that the accident was **entirely** the fault of another driver and You can give Us the name and street address of the owner or driver and registration number of the vehicle at fault, then:

- ◆ You will not have to pay the Excess; and
- ◆ You will qualify to receive the hire car benefit as defined in section 2.10

6.1.2 Broken Glass

If You are only claiming for a broken windscreen, sunroof or other window glass and You make only one windscreen, sunroof or window glass claim in one Period of Your Insurance with Us then You will not have to pay the Excess.

6.2 Your No Claim Bonus

6.2.1 You will not lose any of Your No Claim Bonus discount if You make a claim for an accident that is not Your fault and:

- ◆ You can give Us the name and street address of the owner or driver and registration number of the other vehicle at fault
- ◆ the claim is only for a broken windscreen, sunroof or other window glass and You make only one windscreen, sunroof or window glass claim in one Period of Your Insurance with Us.

6.2.2 No Claim Bonus Protection

If You make any other type of claim during the period of insurance then:

- ◆ if You are entitled to a maximum (60%) No Claim Bonus You will not lose Your discount if You make one at fault claim during the Period of Your Insurance with Us. However, for each subsequent at fault claim Your No Claim Bonus will be reduced two levels.

6.2.3 Lifetime No Claim Bonus

When You have been a MB Rating One policyholder for three consecutive years and had no at fault claims, We will continue to maintain Your maximum No Claim Bonus (60%) irrespective of any subsequent claims for as long as this policy remains current with Us. If You are already entitled to a Lifetime No Claim Bonus then We will continue to provide that benefit.

6.3 Other Persons

Any other person or persons who make a claim under this policy is required to abide by the terms of this policy.

6.3.1 Other Persons or Entities

This policy does not cover any other person or entity which has an interest in Your Vehicle unless they are shown as covered in the Certificate of Insurance.

6.4 Modification of Your Vehicle

You must notify Us within fourteen days if You :

- ◆ add any non-factory accessories, such as a stereo, telephone, air-conditioning, special wheels, an alarm, or other such items to Your Vehicle; or
- ◆ modify Your Vehicle, its engine or other components.

If We alter the terms We may or may not ask You for an additional premium, or, We may cancel the policy and for this reason We will then refund to You a proportionate part of Your premium.

6.5 Cancelling Your Insurance

If You want to cancel Your insurance policy, You must write to tell Us that You want to cancel.

We will pay to You a proportionate part of the premium We have received for the current Period of Your Insurance less an administration charge not exceeding \$50.

We will not pay the refund if We have paid the Agreed Value less any Excess as the result of a claim.

6.6 Replacing Your Vehicle

If You sell Your Vehicle and replace it with another one, We will still provide all the cover shown in this policy.

But We will only provide this cover if:

- ◆ You write to Us within 14 days of buying the replacement vehicle with full details; and
- ◆ You pay any additional premium We ask for within 14 days of being asked by Us; and
- ◆ the replacement vehicle and its security are still acceptable under the MB Insurance Group acceptance criteria.

6.7 Security System

When “Security System” is shown in Your Certificate of Insurance We will not pay for theft if:

- ◆ the security device or devices that have been approved for Your Vehicle are not maintained in working order; or
- ◆ an ignition key and/or service key or the like is left on or in the vehicle whenever the vehicle is left unattended; or
- ◆ the devices have been disabled or removed with Your prior knowledge.

But We will pay if:

- ◆ Your Vehicle is being driven by an employee of a service station, garage, hotel, restaurant or other commercial business for the purpose of overhaul, upkeep, repair or car parking; or
- ◆ You suffer an injury whilst in Your Vehicle that keeps You from turning those devices on.

6.8 Other Insurance

If You obtain any other insurance that covers Your Vehicle, You must notify Us in writing giving Us full details of the other insurance.

6.9 Recoveries

We will attempt to recover any money paid by Us from any person other than:

- ◆ a member of Your family
- ◆ anyone with whom You have a personal relationship
- ◆ the driver of the vehicle if they were driving with Your consent if it might reasonably be expected that You would not exercise a right of recovery or they are uninsured
- ◆ Your employees unless the loss arose out of his or her wilful misconduct

We will:

- ◆ decide the steps to take in the settlement of any claim; and
- ◆ refund to You any amount We have recovered, if it exceeds the amount We have paid; and
- ◆ conduct the defence of any claim against You by another party as We see fit. You must provide Us with any assistance We require to settle or defend a claim under this policy.

6.10 Interest

You cannot transfer this policy to another person or to another vehicle unless We write to You agreeing to the transfer.

6.11 Policy Variation or Waiver

Any provision in this policy can only be varied or waived by mutual agreement in writing.

6.12 Premium

It is a condition of this policy that the insured pay the premium.

7. MAKING A CLAIM

7.1 If You have an accident then You should:

- ◆ obtain full details of any Third Party involved; and
- ◆ obtain any witnesses' names and addresses; and
- ◆ do not admit the accident was Your fault; and
- ◆ ring MB Insurance Group for assistance and advice (refer back page for contact details).

We will send You a claim form.

You should then:

- ◆ obtain quote(s) from Your chosen repairer(s); and
- ◆ complete a claim form; and
- ◆ leave the claim form with the repairer who will arrange for Us to have Your Vehicle assessed.

After Your Vehicle has been assessed, the assessor will:

- ◆ look at the claim form; and
- ◆ where authorised make a decision on the repairs; and
- ◆ send the claim form to Us, with a copy of the quote(s) and their report.

If a claim has been admitted under this policy, We will pay the claim, or authorise repairs to Your Vehicle, less any Excess.

You must fully co-operate during the claims process or recovery action.

7.2 Claiming for a broken windscreen, sunroof or other window glass

If Your windscreen, sunroof or other window glass is damaged or broken, You should either ring O'Brien on 13 16 16 who will arrange to replace or repair the damage if it is covered by the policy or alternatively call Us for a claim form and return the completed form with the repair account.

7.3 Claiming for a stolen vehicle

If Your Vehicle is stolen, You should:

- ◆ immediately report the theft to the Police; and
- ◆ ring Us on (02) 9966 9777 or 1300 651 004

You should then:

- ◆ complete a claim form, and
- ◆ return the claim form to the MB Insurance Group office, and
- ◆ wait four weeks to see if the vehicle is recovered.

If Your Vehicle is recovered, You should immediately notify MB Insurance Group. If Your Vehicle is not recovered, We will pay You as described in section 2.

MB INSURANCE GROUP PTY LIMITED (ABN 96 070 982 106)

NSW: PO Box Q1233, QVB Post Office NSW 1230

Phone (02) 9966 9777 Fax (02) 9928 5656

Registered Office: *Level 3, 89 York Street, Sydney, New South Wales, Australia 2000*

Website www.mbinsurance.com.au

If you are located in a state outside of NSW please contact the following
corresponding office for assistance with any enquiries.

QLD: MB Insurance Group Pty Limited

11/60 Railway Street, Mudgeeraba 4213

Postal: PO Box 1162, Mudgeeraba QLD 4213

Phone (07) 5530 2399 Fax (07) 5530 2914

VIC/TAS: MB Insurance Group Pty Limited

Level 10, Tower 4, World Trade Centre

611 Flinders Street, Melbourne VIC 3005

Phone: (03) 9602 4268 Fax: (02) 9928 5656

SA: Blinsured Pty Ltd

Corporate Authorised Representative

Level 1, 17 O'Brien Street, Adelaide SA 5000

Postal: GPO Box 11013, Adelaide SA 5001

Phone (08) 8410 1788 Fax (08) 8410 6432

WA/NT/ACT: MB Insurance Group Pty Limited

Level 3, 89 York Street, Sydney 2000

Postal: PO Box Q1233, QVB Post Office NSW 1230

Phone 1300 651 004 Fax (02) 9928 5656

QBE INSURANCE (AUSTRALIA) LIMITED (ABN 78 003 191 035)

82 Pitt Street, Sydney NSW 2000