

Leasing Company Motor Vehicle

Product Disclosure Statement & Policy Wording



Leasing Company Motor Vehicle

Product Disclosure Statement & Policy Wording

Arranged by:

**DRAKCO INSURANCE
BROKERS PTY LTD**
ABN 65 149 329 233
AFS Licence No. 401199

Insured by:

WFI INSURANCE LIMITED
ABN 24 000 036 279
AFS Licence No. 241461

NEW SOUTH WALES

Lumley House
Level 9, 309 Kent Street
Sydney NSW 2000
Phone (02) 9248 1111
Fax (02) 9248 1122

VICTORIA

99 King Street
Melbourne VIC 3000
Phone (03) 8627 4333
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Level 7 Garema Court
148-180 City Walk
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76 York Street
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SOUTH AUSTRALIA

465 Pulteney St
Adelaide SA 5000
Phone (08) 8228 1700
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WESTERN AUSTRALIA

50 St George's Terrace
Perth WA 6000
Phone (08) 9220 8222
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99 Melbourne Street
South Brisbane QLD 4101
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Level 5, Northtown Tower
Flinders Mall
Townsville QLD 4810
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84 Woods Street,
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Important Customer Information

ABOUT LUMLEY

The Insurer of our product is:

WFI Limited, trading as Lumley Insurance
ABN 24 000 036 279
AFS Licence No. 241461.

Our Head Office is located at:

Lumley House
Level 9, 309 Kent Street
Sydney NSW 2000
Phone: (02) 9248 1111
Fax: (02) 9248 1122

Preparation date: 1 December 2014

ABOUT OUR PRODUCT

This document contains important information to help You:

- decide whether this product meets Your requirements, and
- compare this product with others You may be considering

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

You should read:

- this Important Customer Information part – it contains information on important matters You need to be aware of before applying for this product,
- the copy of the Master Policy which details the terms and conditions of this product,
- any other documents We provide to You about this product which may change the standard cover.

ABOUT THE MASTER POLICY

The Lessor has entered into a Master Policy with WFI Insurance Limited, ABN 24 000 036 279, AFS Licence No. 241461.

Under the Master Policy, Insured Persons as defined in this document (refer Definitions in the Master Policy copy), have automatic access to the insurance cover detailed in this document (subject to the relevant terms, conditions, limitations and exclusions specified).

An Insured Person is not a contracting insured. They are entitled to the benefits of the relevant insurance cover under a statutory right provided by Section 48 of the Insurance Contracts Act 1984. The Lessor is the insured under the Master Policy and is not the insurer. It also does not act on behalf of Lumley and does not guarantee or hold the Section

48 rights on trust for an Insured Person because this is a statutory right the Insured Person has.

ACCESSING COVER

To obtain access to the insurance, You must pay the Lessor the amount it tells You is required for the cover You select when You apply. The cost may vary according to many factors including, but not limited to, the cover option requested, the type of vehicle to be covered and its intended use, where it is garaged and the Insured Persons insurance history. The cost of the insurance cover will be advised to You by the Lessor and included with Your monthly invoice from the Lessor.

When does Your access to cover start and finish?

Your access to the insurance is provided during the period that You are an Insured Person as defined in the Policy.

SUMMARY OF COVER

The Policy cover provided is summarised as follows:

- **Section 1 – Vehicle Cover** – this provides You with cover for loss or damage to Your Vehicle occurring within Australia during the Period of Insurance up to the amount We have agreed upon.
- **Section 2 – Third Party Liability Cover** – this provides You with cover for legal liability for loss or damage to someone else's property as a result of an accident arising out of the use of Your Vehicle within Australia during the Period of Insurance up to the limit of liability.
- Additional Benefits apply for each cover (see each of these Cover Sections for details).

Extension Cover applies to Section 1 Cover and Section 2 Cover to extend the available cover without increasing the specified limits in the Policy (refer 'General Extensions' in the Policy Cover Part for details).

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

Refer to each Cover Section for details of the basis on which We settle any valid claim.

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

Both of the above covers are only payable where the event giving rise to the loss or damage or liability arises during the time You are an Insured Person (See The Policy "Definitions" for details).

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EXCESS

An Excess is the part of a claim You must contribute and is payable for each and every claim covered by the Policy. You will be required to pay the basic Excess shown on Your Schedule for each and every claim and You may have to pay additional Excesses in some cases. (Refer to 'General Conditions' 4 in the Policy and Your Schedule for details.) In some cases, We will waive the requirement for You to pay an Excess (refer 'General Conditions' 4 in the Policy for details).

HIGH PERFORMANCE VEHICLES

If Your Vehicle is High Performance, then additional terms and conditions of cover will apply to You. These include:

- higher Excesses may be payable;
- an additional Excess will be payable if Your Vehicle is stolen, unless it is fitted with an anti-theft tracking alarm system that is operational at the time of Loss;
- there will be no cover for drivers under 21 years of age unless We have specifically noted otherwise in Your Schedule.

Please refer to Your Schedule for full details of the terms and conditions of cover for High Performance Vehicles. If You are unsure whether or not Your Vehicle is classified as High Performance, please contact Lessor.

EXCLUSIONS/CONDITIONS/CANCELLATION

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

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

We may cancel the Policy in certain circumstances where We are permitted to do so by law and in particular under the *Insurance Contracts Act 1984 (Cth)*, e.g. if You fail to comply with a condition or breach Your duty of disclosure.

THE DUTY OF DISCLOSURE

Your duty of disclosure for a new policy

The *Insurance Contracts Act 1984(Cth)* requires that any information that We seek must be collected by a specific question.

When answering our questions, You must be honest and You have a duty under the *Insurance Contracts Act 1984(Cth)* 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. It is important that You understand You are answering our questions in this way for Yourself and anyone else that You want to be covered by the policy.

Your duty of disclosure before you renew, extend, vary or reinstate your policy

You have a duty, under the *Insurance Contracts Act 1984(Cth)*, to disclose to Us every matter that You know, or could reasonably be expected to know, is relevant to Our decision whether to accept the risk of the insurance and, if so, on what terms.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by Us;
- that is of common knowledge;
- that We know or, in the ordinary course of Our business, ought to know;
- where compliance with Your duty is waived by Us.
- When answering any questions, You must be honest.

We will use the information You disclose in deciding whether to insure You and anyone else to be insured under the policy, and on what terms.

Consequence of non-disclosure

If You fail to comply with your duty of disclosure for a new policy, or before You renew, extend, vary or reinstate Your policy, We may be entitled to reduce Our liability under the policy in respect of a claim or We may cancel the policy. If Your non-disclosure is fraudulent, We may also have the option of avoiding the policy from its commencement.

FINANCIAL CLAIMS SCHEME

This Policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) and only applies in the event of an insurer becoming insolvent and the Federal Treasurer declaring that the FCS will apply to that insurer.

Payment of a claim under the FCS is subject to the Scheme's eligibility criteria being met.

Information about the FCS can be obtained from the Australian Prudential Regulation Authority at www.apra.gov.au by calling 1300 55 88 49.

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COOLING OFF PERIOD

If You are not completely satisfied with the Policy You may cancel it by notifying the Lessor within 30 days of cover having commenced. You will receive a refund of the amount You have paid unless something has occurred for which a claim may become payable under the Policy.

CODE OF PRACTICE

The Insurance Council of Australia Limited has developed the General Insurance Code of Practice, which is a self-regulatory code for use by all insurers. The Code aims to raise the standards of practice and service in the insurance industry.

We are a signatory to the Code. If You require further information about the General Insurance Code of Practice, please contact Us.

COMPLAINTS PROCEDURE

If You have a complaint You may contact Us and request that We review the matter. If You are dissatisfied with Our decision. You may request it be reviewed by Our Internal Dispute Resolution (IDR) Committee.

If You are dissatisfied with our IDR Committee's decision You may refer Your dispute to the Financial Ombudsman Service (FOS). The FOS is a free and independent dispute resolution service for consumers who have general insurance disputes which is approved by the Australian Securities and Investment Commission. The scheme applies to matters that are covered by the FOS' Terms of Reference. We are a member of this scheme and We agree to be bound by the FOS' determinations on disputes, but You are not so bound. If You wish Your dispute to be heard by the FOS, You must refer Your dispute to the FOS within two years from the date of receiving Our IDR Committee's decision. You may refer the matter to the FOS by contacting them at:

Financial Ombudsman Service
GPO Box 3
Melbourne Victoria 3001
Tel: 1300 78 08 08

Email: info@fos.org.au
Website: www.fos.org.au

TERRORISM INSURANCE ACT 2003 (CTH)

This policy excludes cover for losses as a result of terrorism.

In the event that damage to property occurs and the cause of the damage is declared a terrorist incident by the responsible Minister, then You may be afforded protection within the limits of indemnity of this policy by virtue of the Terrorism

Insurance Act 2003. The operation of this Act may also serve to reduce the settlement of Your loss to a percentage of the otherwise recoverable loss. In the event that the settlement is reduced then this will be at the direction of the Minister.

A more detailed explanation of the operation of the Terrorism Insurance Act 2003 can be obtained at www.arpc.gov.au.

INTERMEDIARIES AND GENERAL ADVICE

WFI Insurance Limited trading as Lumley Insurance is an Australian Financial Services licensee (No 241461) and is authorised under its licence to deal in and provide general advice about this insurance.

Any advice We or Our representatives provide is general only and does not take into account Your personal objectives, financial situation or needs. Because of this You should, before acting on the advice, decide if it is right for You and consider the information contained in this document carefully.

Lumley Insurance's employees are paid an annual salary and possibly bonuses based on performance criteria and achievement of company goals. They are not otherwise remunerated for any advice or dealing service that they provide to You unless they tell You otherwise.

If an intermediary has been used to arrange the Policy, We may pay them remuneration such as a commission or fee.

OUR PARTNERED REPAIR NETWORK

We have established an elite preferred repairer network system. Members of our Partnered Repair Network must meet Our stringent acceptance criteria which require the highest standards of repair and service.

Our Partnered Repair Network (PRN) aims to save policy holders time and stress in the event of a motor accident. To search for a Partnered Repairer You can go to a special interactive PRN locator page which provides searching and direction functionality by visiting www.lumley.com.au or alternatively You can download the new PRN app available for Apple mobile devices from the app store.

When You use a repairer from our Partnered Repairer Network You do not need to shop around for quotes and We guarantee:

- a) the quality of repairs and workmanship involved in the repair, and
- b) that the structural integrity of Your Vehicle has been maintained.

You may choose Your own repairer, but if You do, We will not provide this guarantee and may require You to provide quotations for the repair of Your Vehicle.

We are a signatory to the Motor Vehicle Insurance and Repair



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Industry Code of Conduct. The voluntary Code is intended to promote transparent, informed, effective and co-operative relationships between smash repairers and insurers based on mutual respect and communication. For further information about the Code visit the website: www.abrcode.com.au

HOW TO MAKE A CLAIM

In the event of an incident occurring which requires You to make a claim against the Policy, contact Our 24 Hr Accident Assist line on 1800 652 256, or the Lessor, or any of Our Partnered Repair Network members listed on Our website www.lumley.com.au. Please refer to the Claims Procedures contained in the General Conditions section of the Policy.

Any claim settlements, up to the total of all amounts insured, will exclude GST. However, if there is a shortfall between the GST component of Your claim and the amount of input tax credit You are entitled to, We will pay this shortfall in addition to the claim settlement.

PRIVACY

We are committed to meeting Our privacy obligations to You under the Privacy Act 1988 (Cth) ('the Act'). The Act provides for information to be collected, used, disclosed and held in accordance with the Australian Privacy Principles (APPs).

You agree that We may collect, use, disclose and hold Your personal information as set out below.

Collection

We collect information which is reasonably necessary to provide Our services for underwriting and administering Your insurance, claims handling, market and customer satisfaction research and to develop and identify products and services that may interest You. Collection will only take place by lawful and fair means.

We collect information regarding You, other people, any risk to be insured, previous claims or losses, details of previous insurances and insurers, credit status and any matters relevant to the insurance to be provided.

We collect personal information directly or indirectly by telephone, email, facsimile, online, post, external agencies and in person from You or another person or persons.

If We collect information pursuant to a law, regulation, or court order then We will advise You of the law or the court order applicable.

If You fail to provide Us with personal information then this insurance may not meet Your needs. If You fail to provide information further to Your duty of disclosure to Us, then there may be no cover or a reduced cover for any claim made and in some cases the Policy may also be avoided.

At the time of collection or as soon as practicable thereafter We will notify You or make sure You are aware of Our identity, contact details, the purposes for which We collect the information, the consequences of not providing the information, how You can access and correct the information, that We will disclose the information overseas and the countries We will so disclose to.

Use and disclosure

We may disclose Your personal information to companies in the Insurance Australia Group (IAG), Our agents, overseas service providers, other insurers, mailing houses and document service providers, financial institutions, insurance and claim reference agencies, credit agencies, loss assessor and adjusters, financial or investigative service providers, internal dispute resolution officers and dispute resolution providers such as the Financial Ombudsman Service.

We use and disclose Your personal information for the purposes of providing insurance, administration of Your Policy, claims handling and dispute resolution.

We may also use or disclose Your personal information for a secondary purpose and You agree that We may so use it.

Indirect collection

When You provide information about other individuals You must make them aware of the disclosure and the use to which their personal information will be put.

We will only collect personal information about an individual from that individual, unless it is unreasonable or impractical to do so.

Overseas recipients

If Your personal information is collected by or supplied to an organisation outside of Australia We will ensure it will be held, used or disclosed only in accordance with the Act. We collect and provide Your personal information to a call centre in South Africa, information technology centres in India and a customer survey service in New Zealand. The countries to which information may be disclosed may vary from time to time. We provide You with notification of these changes by means of Our online privacy policy which You can access at www.lumley.com.au.

Marketing

We also collect Your information so that We and Our related companies and business alliance partners can offer You services and products that We believe may be of interest to You. You agree that We may so use Your personal information. However, You can opt out of receiving such communications by contacting Us.

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Access and correction

You can seek access to Your personal information by contacting Us. You can require Us to correct the personal information if it is inaccurate, incomplete or out of date. We will respond to any such request within a reasonable time. We will provide You with access within a reasonable time in the manner requested, unless We are entitled to refuse to provide access. If We decline to provide You with access We will provide You with the reasons for Our refusal and how You may access Our internal dispute resolution (IDR) process.

If We correct information We will inform You. If We refuse to amend information We will provide You with Our reasons for the refusal and details of how to access Our IDR process.

Data quality and security

We will take such steps as are reasonable in the circumstances to ensure the personal information We collect is accurate, up to date, complete and protected from unauthorised access, misuse, modification, interference or loss.

Privacy policy

If You would like more details about Our privacy policy, would like to seek access to or correct Your personal information, or opt out of receiving materials We send, please contact Us. You can also view a copy of Our privacy policy on Our website at www.lumley.com.au.

Complaints

If You have a complaint regarding Our management of Your privacy You may access Our internal dispute resolution (IDR) process by contacting Us. In the first instance You should contact Us requesting a resolution. The person contacted has one business day to resolve Your complaint and if he or she cannot do so must refer the complaint to a manager. The manager has a further five business days to resolve the matter. If the manager cannot resolve the matter You may ask him or her to refer it to the Lumley IDR Committee which then has 15 business days to make a decision. When We make Our decision We will also inform You of Your right to take this matter to the Office of the Australian Information Commissioner (OAIC) together with contact details and the time limit for applying to the OAIC. In addition if You have not received a response of any kind to Your complaint within 30 days, then You have the right to take the matter to the OAIC.

The OAIC is the statutory body given the responsibility of complaint handling under the Act. The OAIC is independent and will be impartial when dealing with Your complaint. The OAIC will investigate Your complaint, and where necessary, make a determination about Your complaint, provided Your complaint is covered by the Act. You have 12 months from the date You became aware of Your privacy issue to lodge Your complaint with the OAIC. The contact details of the OAIC are:

Office of the Australian Information Commissioner
GPO Box 2999
Canberra ACT 2601

Telephone: 1300 363 992
Website: www.oaic.gov.au
Email: enquiries@oaic.gov.au

You also have a right in limited circumstances to have Your privacy complaint determined by the Financial Ombudsman Service (FOS). The FOS can determine a complaint about privacy where the complaint forms part of a wider dispute between You and Us or when the privacy complaint relates to or arises from the collection of a debt. The FOS is an independent dispute resolution body approved by the Australian Securities and Investments Commission. We are bound by FOS' determinations, provided the dispute falls within the FOS' Terms of Reference, but You are not so bound. You have two years from the date of Our letter of decision to make an application to the FOS for a determination. You can access the FOS dispute resolution service by contacting them at:

The Financial Ombudsman Service
GPO Box 3
Melbourne Victoria 3001

Telephone: 1300 780 808
Website: www.fos.org.au
Email: info@fos.org.au

UPDATING OUR PRODUCT DISCLOSURE STATEMENT

This document only operates as a Product Disclosure Statement (PDS) under the Corporations Act 2001 from 01 June 2013. Other documents may form part of Our PDS. If they do, We will tell You in the relevant document. We may update the information contained in Our PDS when necessary. A paper copy of any updated information is available to You at no cost by contacting the Lessor, by calling Us or accessing Our website, www.lumley.com.au. We will issue You with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or an omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain this insurance.

EXCLUSIONS AND CONDITIONS

Exclusions explain the circumstance in which We will not cover You. General Exclusions apply to all sections of the policy. The General Exclusions are set out on page 15. Exclusions may also be set out in each section of the policy. Please refer to each section of the policy for full details of the exclusions that apply to each section of the policy.

You must meet certain conditions for Your insurance cover to apply. If You do meet the conditions of cover, then We may refuse to pay a claim or reduce the amount that We pay for

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any claim. The General Conditions apply to all sections of the policy. The General Conditions are set out on page 16. Conditions may also be set out in each section of the policy. Please refer to each section of the policy for full details of the conditions that apply to each section of the policy.

SPECIAL CONDITIONS

We may impose additional terms, conditions or exclusions or alter the terms, conditions or exclusions of Your cover. If We do this, any additions or alterations will be shown on Your policy schedule. Please read these additions and alterations carefully to ensure that You understand how they will affect Your insurance cover.

COST OF YOUR INSURANCE

The insurance provided is subject to Your payment or agreement to pay the premium We require by the agreed time. In order to calculate your premium, We take various factors into consideration, including but not limited to:

- the level of cover requested;
- the property to be insured;
- the sums insured;

Your premium also includes amounts that take into account our obligation (actual or in some cases estimated) to pay any relevant compulsory government charges, taxes or levies (for example, Stamp Duty, GST and any Fire Services and/or Fire and Emergency Services Levy where applicable) in relation to your policy.

Where We are required to pay an estimated amount (eg. for Fire Services Levies) based on criteria set by the Government, We allocate to the policy Our estimate of the amount We will be required to pay. We may under or over recover in any particular year but We will not adjust Your premium because of this. You can ask us for more details if You wish.

When You apply for this insurance, You will be advised of the total amount payable, when it needs to be paid and how it can be paid. This amount will be clearly set out in Your schedule, which will be sent to You within 5 days of the issue of this product. If You fail to pay, We may reduce any claim payment by the amount of premium owing and/or cancel the policy.

HOW GOODS AND SERVICES TAX (GST) AFFECTS CLAIM PAYMENTS

When We pay a claim, Your GST status and the GST status of the property which is the subject of the claim, will determine the amount We pay.

When You have a sums insured policy and You are:

- a) not registered for GST, the amount We pay is up to the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- b) registered for GST and the property which is the subject of the claim is used 100% for business use, We will pay up to the sum insured/ limit of indemnity or the other limits of insurance less any relevant GST component, including but not limited to, any input tax credit to which You are entitled for any acquisition which is relevant to Your claim, or which You would have been entitled were You to have made a relevant acquisition.
- c) registered for GST and the property which is the subject of the claim is used 100% for personal use, the amount We pay is up to the sum insured/limit of indemnity or the other limits of insurance cover including GST;
- d) registered for GST and the property which is the subject of the claim is used for business and personal use, We will pay up to the sum insured/limit of indemnity inclusive and exclusive of any relevant GST component with reference to the percentage of personal use and the percentage of business use of the item that is the subject of the claim.

Where You have an agreed value policy, the amount We will pay is the agreed value stated in the policy or schedule regardless of Your GST status or the GST status of the item of property insured.

You must advise us of Your correct entitlement to an input tax credit on Your premium and the correct entitlement to an input tax credit on each item of property to be insured. Should the item of property which is the subject of the claim be used for both personal and business use, any amounts We pay will be in accordance with the percentage of personal and business use.

Any GST liability arising from your incorrect advice is payable by You.

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Claims Payment Examples

The following examples are designed to illustrate how a claim payment might typically be calculated. It is assumed that You are registered for GST purposes. The examples do not cover all scenarios or all benefits and do not form a part of the Policy terms and conditions. They are a guide only.

Claim Payments Examples for Section 1

Example: Total Loss

A Vehicle that is insured under Section 1 for a sum insured of \$150,000. The standard excess is \$500 and the driver is aged 24 years. The Vehicle is damaged in an accidental event and We assess the cost of repair to be \$200,000. We decide it is a total loss.

The Vehicle is 2 years old and We assess the market value to be \$130,000 (GST inclusive).

HOW MUCH WE PAY	EXPLANATION
Market Value is less than the Sum Insured and We assess the Market Value as \$130,000.	The Vehicle is a Total Loss with a Market Value of \$130,000 and the Sum insured is \$150,000. We normally decide a Vehicle is a total loss if the complete repair cost exceeds its Market Value or Sum Insured, whichever is less, less the salvage value.
Less GST component \$11,818.18	The Market Value includes GST. As you do not have a GST liability in respect of any payment we make to you for the Total Loss of Your Vehicle, We will deduct the GST component. In this example the Vehicle is used 100% for business use.
Less combined Excesses \$1,000	The standard Vehicle Excess is \$500 and as the driver is 24 years old an additional Excess of \$500 is also payable.
Total claim \$117,181.82	We would normally pay this amount directly to You in a total loss situation.
If the Vehicle salvage is valued at \$1,000, the salvage becomes Our property and We are entitled to keep the \$1,000 proceeds of its sale.	

Example: Authorised Repair – Licensed Repairer

A Vehicle is insured under Section 1 for a sum insured of \$150,000 or market value whichever is less. The standard excess is \$500, the driver is 20 years of age and the Vehicle is a high performance vehicle.

The Vehicle is damaged in an accidental event and We assess the cost of repair to be \$50,000 (GST inclusive).

HOW MUCH WE PAY	EXPLANATION
We pay the Cost of repair \$50,000.	The Vehicle is damaged and We authorise repairs to Your Vehicle with the cost of \$50,000 in this example.
Less Excess \$2,500	The standard Vehicle Excess \$500, the age Excess is \$1,000 and the high performance vehicles Excess is \$1,000 We deduct this from the amount We pay to the repairer and you would pay the total Excesses of \$2,500 directly to the repairer.
Total claim payable \$47,500	We would normally pay this amount directly to the repairer.

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Claim Payment Example for Section 2

Example: Third Party Liability

Your Vehicle is insured under Section 2 for a sum insured of \$150,000. The basic excess is \$500 and the driver is 26 and the Vehicle is not a high performance vehicle.

You were held legally liable to pay as compensation \$50,000 for damage to Third Party property as a result of an accidental event arising out of the use of Your Vehicle on a public road. The other driver was injured and seeks compensation. The sum of \$50,000 has been adjusted to take into account the GST position of the Third Party.

HOW MUCH WE PAY	EXPLANATION
We pay the Third Party Liability \$50,000.	Third party property damaged with a demand for compensation of \$50,000 in this example.
Total claim \$50,000	We would normally pay the claim directly to Third Party.
Your applicable Excess \$500	The standard Excess of \$500 applies. We will request the Excess \$500 from You if Our Assessor advises there is no damage to Your Vehicle or Insured Property. However, if Our Assessor advises Your Vehicle or Insured Property is damaged and We have authorised repairs under Section 1, then We will deduct from the amount We pay to repair Your Vehicle or Insured Property.
The compensation sought for the injury to the other driver is \$25,000	You should refer this to Your Compulsory Third Party (CTP) insurer as no cover is provided under this policy for personal injury which falls within a CTP insurance scheme or statutory compensation scheme for personal injury.

Definitions

In the Policy some words have a special meaning (whether expressed in the singular or plural):

“Accident” or “Accidental” means unintended, unforeseen, fortuitous or unanticipated happening or mishap, which is not expected or designed.

“Act of Terrorism” means an act including but not limited to the use or threat of force or violence 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) which from its nature or context is committed for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and/or to put the public or any section of the public in fear.

“Excess” means the amount specified in the Policy which You must contribute to each and every claim. The Excess applies to each of Your Vehicles and each claim on Your Vehicle.

“Gross Vehicle Mass” or “GVM” means the maximum weight a vehicle can carry including its own weight according to manufacturer’s specification.

“GST” means Goods and Services Tax.

“Insured Person” means the Lessor named in the Schedule and customers of the Lessor who have requested access to the Master Policy issued by Lumley Insurance.

“Lessor” means the leasing company which has entered into this Master Policy with Us and issued an Insured Person with a lease in respect of Your Vehicle.

“Loss” or “Losses” means sudden physical loss, damage or destruction to Your Vehicle caused by an unexpected event.

“Market Value” means Our assessment of the value of Your Vehicle immediately prior to Loss.

“Master Policy” means the Master Policy entered into between the Lessor and Us.

“Period of Insurance” means from the time You are issued by the Lessor with written confirmation of access to cover (provided that this is after the Master Policy has commenced) until the earlier of the time that:

- a) any amount payable to the Lessor for access to the insurance has remained outstanding by more than 30 days;
- b) the Master Policy is cancelled. The Master Policy will not be cancelled without all Insured Persons being provided with at least 30 days prior written notice from the Lessor;
- c) Your lease agreement ends or You cancel access to this insurance by providing written notice to the Lessor.

“Personal Property” means personal items owned by You or Your employees, which are designed to be worn on the person, or carried about, but not:

- a) Money, cheques, financial transaction cards or negotiable instruments;
- b) Tools or items used in connection with a business or occupation; or
- c) Portable global positioning systems (GPS) or mobile phones.

“Policy” means this document, the schedule and any other notice We give You in writing. Together they form the insurance contract.

“Schedule” means the attachment which forms part of the Policy and shows the Policy number, together with the details of cover.

“Sum Insured” means the amount or Market Value shown in the Schedule.

“Vehicle(s)” means motor vehicle(s) that are financed through the Lessor where insurance has been selected and monthly premium is paid. Your Vehicle includes:

- manufacturer’s standard tools and accessories, and
- fitted or non-standard tools and accessories which You have advised to the Lessor.

“You”, “Your” means the insured named in the Schedule.

“We”, “Us”, “Our” means WFI Insurance Limited (Lumley) ABN 24 000 036 279 AFS Licence No. 241461.

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THE AGREEMENT

After You have agreed to pay the premium within the timeframe We require and are duly listed on the Lessors Vehicle Schedule submitted to Us, We will indemnify You against Loss, or liability as described in the Policy occurring within Australia, during the Period of Insurance.

SECTION 1 - COVER FOR YOUR VEHICLE

We will indemnify You for Loss to Your Vehicle as a result of an Accident occurring within Australia, during the Period of Insurance by paying, at Our option:

- a) to repair, reinstate or replace Your Vehicle, or
- b) an amount equal to Your Vehicle's Market Value, or
- c) an amount equal to the Sum Insured shown in the Schedule.

The amount insured by the Policy and any claim settlements, exclude GST. However, if there is a shortfall between the GST component of Your claim and the amount of Input Credit to which You are entitled, We will pay this shortfall in addition to the claim settlement.

ADDITIONAL BENEFITS – APPLICABLE TO SECTION 1

Where there is Loss We will also pay:

1. Completion of Journey Costs

If Loss occurs more than 100 kilometres from where Your Vehicle is normally garaged, the reasonable costs incurred to:

- a) hire another vehicle of similar make and model to complete the journey or to return Your driver to where the journey first commenced;
- b) return Your Vehicle to the premises where it is normally garaged; and
- c) obtain overnight accommodation if the journey cannot be completed in the same day as Loss occurs.

We will not pay more than \$1,000 under this Additional Benefit in respect of any one Loss nor more than \$2,000 in the aggregate for all such Losses in any one Period of Insurance.

2. Personal Property

For loss of or damage to personal property of You or Your employees but not more than \$2,000 in respect of any one Loss.

3. Signwriting

The replacement cost of signwriting or fixed advertising signs or materials forming a permanent part of Your Vehicle at the time of Loss.

4. Hiring Costs

For the cost of hiring, up to \$100 per day, a similar vehicle, if Your Vehicle is damaged or stolen. We will not pay for hiring charges incurred after the date of repair or recovery/replacement of Your Vehicle nor for more than a maximum of \$2,100 any one event.

5. Lease Payout

If Your Vehicle is damaged beyond an amount We consider economical to repair and the Market Value is less than the amount owing by You under a valid hire purchase, leasing or other finance agreement, Market Value or lease payout whichever is the greater less any:

- a) payments and interest in arrears at the time of Loss; and
- b) discount in respect of finance charges and/or interest for the unexpired term of such an agreement.
- c) applicable Excess

6. Removal or Retrieval Costs

The necessary cost of removal or retrieval of Your Vehicle (excluding debris or load) to the nearest repairer or place of safety and to any other location approved by Us up to a maximum of \$25,000 per event.

7. Removal of Debris

The costs and charges that are necessarily incurred to clean up or remove debris resulting from goods falling or leaking from Your Vehicle.

We will not pay more than \$25,000 under this Additional Benefit in respect of all claims arising from one accident.

8. Tyre Replacement

For any tyre damaged and unable to be used again as a direct result of Loss, provided that the condition of the damaged tyre's remaining tread conformed with all legal requirements at the time of Loss, and was not recapped or retreaded.

We will pay for the cost of replacing the damaged tyre with a new tyre of similar make and specification.

9. Windscreen/Window Glass

In respect of breakage of windscreen/window glass and consequent scratching to body work without applying any Excess nor prejudicing Your premium rating. This Additional Benefit applies only in the event of Your Vehicle being a sedan, station wagon, utility or goods carrying vehicle less than 3.2 tonnes Gross Vehicle Mass.

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10. Keys and Locks

If the keys to Your Vehicle are lost or damaged or there are reasonable grounds to believe Your keys may have been illegally duplicated, the cost of replacing Your Vehicle keys and/or locks up to a maximum of \$4,000 in any one Period of Insurance.

11. Disability Modifications

If Your driver is injured as a direct result of Loss and such injuries render Your driver with a permanent disability that necessitates vehicle modifications to Your Vehicle, the reasonable cost incurred in effecting such modifications up to a maximum of \$5,000.

12. Funeral Expenses

Costs associated with burial or cremation in the event of Your driver sustaining fatal injury, whether or not death occurs at the time of the Loss.

Such expenses will include any travel cost within Australia of the deceased driver or any member of the immediate family and are in excess of any amount payable through any Accident Compensation Authority or Medical Society.

We will not pay more than \$5,000 under this Additional Benefit in respect of any one Loss.

13. Emergency Repairs

Costs up to \$500 for the reasonable cost of immediate repairs to enable Your vehicle to be driven safely, following loss, destruction or damage.

14. Expediting Expenses

Costs up to \$5,000 or 50% of the normal repair costs, whichever is the less, for the reasonable cost necessary to effect immediate temporary repairs or to expedite permanent repairs to Your Vehicle.

15. Emergency Services Costs

Costs up to \$5,000 for Your Liability for charges imposed by the following authorities, as a result of an accident involving Your Vehicle:

- a) Fire Brigade;
- b) State, Federal or Local Government Emergency Services;
- c) Police.

16. Use of Trailers

Costs up to \$1,000 or the Market Value of the trailer, whichever is the less, for loss, destruction, or damage sustained by any two wheeled or four wheeled trailer whilst it is attached to Your Vehicle.

17. Substitute Vehicle

We will pay for Your liability arising from the use of a substitute vehicle, as if it were Your Vehicle, if:

- a) The substitute vehicle is being used because Your Vehicle is being repaired or serviced as a result of damage, or mechanical or electrical breakdown or failure;
- b) The substitute vehicle is not owned by You and is in Your custody or control;
- c) No other insurance policy provides cover for the same liability; and
- d) Not more than one substitute vehicle is used at any one time in respect of the Vehicle.

We will pay for Your liability for loss, destruction or damage to the substitute vehicle not otherwise insured.

SPECIFIC EXCLUSIONS APPLICABLE TO SECTION 1

We will not pay for:

1. For damage to the tyres of Your Vehicle caused by the application of brakes or by road punctures, cuts or bursts.
2. For Loss if reasonable steps to protect or safeguard Your Vehicle have not been taken.
3. Any consequential loss or financial expenses incurred as a result of You not being able to use Your Vehicle.
4. Loss under Section 1 where Your Vehicle is insured only for Third Party Property Damage as indicated in the Schedule.
5. Depreciation, wear and tear, rust or corrosion, mechanical, structural, electrical or electronic breakdown or failure.
6. Loss arising from theft or conversion by a prospective purchaser.
7. Loss arising from failure of, or defect or fault in, the design or specification of Your Vehicle.
8. Any loss or damage of whatever kind arising directly or indirectly out of:
 - a) the corruption, destruction or alteration of or damage to data, coding programme or software; or
 - b) the unavailability of data or reduction in the functionality, availability or operation of hardware, software or embedded chips; or
 - c) any business interruption losses resulting therefrom.

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SECTION 2 – LIABILITY TO THIRD PARTIES

In respect of legal liability as the result of an accident caused by, or in connection with, Your Vehicle resulting in damage to property and/or loss of use of property belonging to someone other than You, We will indemnify:

- a) You, or
- b) any other person driving, using or in charge of Your Vehicle with Your consent, or
- c) any authorised passenger getting in, on or out of Your Vehicle, or
- d) Your employer or principal if Your Vehicle is being driven on their behalf with Your consent.

We will not pay more than \$35,000,000 in respect of all claims (including the cover provided by Additional Benefits 1. to 6.) arising from one accident or series of accidents resulting from a single original cause.

ADDITIONAL BENEFITS – APPLICABLE TO SECTION 2

Where there is liability under this Section We will also pay:

1. Supplementary Bodily Injury (other than “Compulsory Third Party”)

Provided it does not amount to the provision of cover for third-party death or injury which is required to be insured under a compulsory statutory insurance scheme or a statutory accident compensation scheme, the amount which You may be held legally liable to pay as compensation in respect of death or bodily injury arising out of the use of Your Vehicle with Your consent, provided that Your Vehicle is registered for use on a public road when such liability is incurred.

2. Defence Cost

The reasonable costs of legal representation if Your driver is charged with careless driving causing death. We will not pay more than \$5,000 under this Additional Benefit in respect of any one accident.

3. Goods, Carried, Loaded and Unloaded

For damage to property caused by goods falling from Your Vehicle, including while being loaded or unloaded.

4. Legal Costs

All legal costs and expenses incurred with Our written consent.

5. Towing Disabled Vehicles

For damage occasioned whilst Your Vehicle is towing any disabled vehicle provided such disabled vehicle is not being towed for reward or financial gain.

6. Trailers/Caravans

For damage to property caused by or arising out of the use of any trailer/caravan attached to Your Vehicle.

SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 2

We will not pay for:

1. any claim caused by or in connection with Your Vehicle, or any plant or equipment attached to Your Vehicle, whilst being operated as a tool of trade, other than for driving on a public road.
2. claims caused by discharge, dispersal, release or escape of any trade waste material.
3. damage to property belonging to or held in trust or in the custody or control of You or any entity or person entitled to indemnity under this Section.
4. any fines, penalties, or aggravated, exemplary or punitive damages.
5. claims in respect of death or bodily injury if You or any person using Your Vehicle with Your consent:
 - a) is partly or wholly entitled to indemnity under any compulsory statutory insurance scheme or accident compensation scheme, or
 - b) would have been entitled but for a failure to insure or register Your Vehicle or lodge a claim or comply with a term or condition in accordance with the requirements of any such scheme.
6. any claim resulting from death or bodily injury to any:
 - a) person driving and/or in charge of Your Vehicle
 - b) of Your employees
 - c) member of Your family
7. death or bodily injury if Your Vehicle is registered in the Northern Territory of Australia.
8. any vehicle which is involved in racing, pacemaking, reliability trials, speed or hill climbing tests or whilst being tested in preparation thereof.

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GENERAL EXTENSIONS – APPLICABLE TO ALL SECTIONS

1. Breach

Breach – or non-compliance of any exclusion or condition by You or any person driving Your Vehicle with Your consent does not prejudice the right of the Lessor to claim indemnity under Section 1 or Section 2 of the Policy. Where the Lessor exercises such rights We retain Our right to recover from You any amounts paid in settling such losses with the Lessor.

2. Other Interested Parties

The cover provided under Section 1 and Section 2 – Cover for Your Vehicle and Liability to Third Parties extends to include any entity or person who has a financial and insurable interest in Your Vehicle.

3. Sea Transportation

We will pay General Average and Salvage Charges which are incurred whilst Your Vehicle is being transported by sea between places in Australia.

GENERAL EXCLUSIONS – APPLICABLE TO ALL SECTIONS

We will not pay for loss or liability:

1. if Your Vehicle is driven by You or by any person with Your consent who is not licensed to drive Your Vehicle under any relevant law.
2. if Your Vehicle is driven by any person:
 - a) whose faculties are impaired by any drug or intoxicating liquor, or
 - b) who is convicted of driving, at the time of Loss, under the influence of any drug or intoxicating liquid, or
 - c) with a percentage of alcohol or drugs in their breath, blood or urine in excess of the percentage permitted by law, or
 - d) who refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by law.

However, We will pay if You did not know or could not reasonably have known that the driver of Your Vehicle was so affected or refused to undergo an appropriate test at the time of Loss, but We will not cover the driver of Your Vehicle.

3. if Your Vehicle is used to carry a greater number of passengers or to convey or to tow a load in excess of that for which Your Vehicle was constructed. We will pay if the Loss or liability was not caused or contributed to by such greater number of passengers or load.

4. if Your Vehicle is used in an unsafe or unroadworthy condition and such condition caused or contributed to the Loss or liability. We will pay if You could not have reasonably detected the unsafe or unroadworthy condition.
5. if Your Vehicle is used:
 - a) for any illegal purpose with Your knowledge or consent; or
 - b) in connection with the motor trade for experiments, test, trials, demonstration or breakdown purposes; or
 - c) for carrying passengers for hire or reward other than under a private pooling arrangement; or
 - d) for or being tested in preparation for any race, rally, trial, speed trial, test, contest, motor sport, or any driver training course conducted without Our written consent.
6. occasioned by lawful seizure or other operation of law.
7. of any nature directly or indirectly caused by, resulting from, or in connection with, any of the following regardless of any contributing cause or event:
 - a) war, invasion, acts of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, rebellion, revolution, insurrection, military rising, civil commotion assuming the proportions of or amounting to a popular rising, military or usurped power; or
 - b) any Act of Terrorism regardless of any other contributing cause or event, or any action taken in controlling, preventing, suppressing or in any way relating to any Act of Terrorism; or
 - c) radioactivity or any radioactive substances or nuclear fuel, nuclear waste or nuclear material.
 - d) asbestos
8. if Your Vehicle is being used or attached to or towing a vehicle being used for the commercial transportation of dangerous goods as defined in the Australian Code for the Transport of Dangerous Goods by Road or Rail. However, if transportation complies with such Code, then the maximum We will pay in respect of all claims arising out of one accident is \$250,000.
9. occurring whilst Your Vehicle is:
 - a) on rails other than as cargo; or
 - b) any vehicle not running solely on terra firma; or
 - c) in an underground mine, mining shaft, or tunnels which are not public roads.

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10. intentionally caused by You or any person acting with Your consent.
11. any GST, or any fine, penalty or charge for which You are liable arising out of Your misrepresentation of, or failure to disclose, Your actual Input Tax Credit entitlement in the settlement of any claim or premium relating to the Policy.

GENERAL CONDITIONS – APPLICABLE TO ALL SECTIONS

1. Claims Procedures

- a) In the event of an accident which may become the subject of a claim under the Policy You must immediately forward to Us:
 - i) full details in writing
 - ii) any communication or court documents received.
- b) You may choose a repairer from Our Preferred Repairer Network or Your own licenced repairer, but before repairs are authorised:
 - i) You must obtain Our written agreement
 - ii) You must make Your Vehicle available for Our inspection.

We reserve the right to invite, accept, adjust or decline estimates or to arrange (at Our expense) for the removal of Your Vehicle to other repairers for quotation purposes.

- c) In respect of each claim or potential claim, You must:
 - i) not make any admission of guilt or offer of payment without Our written consent
 - ii) allow Us to have the sole conduct of all negotiations and proceedings
 - iii) give Us all reasonable assistance and co-operation in all aspects including recovery from the responsible person
 - iv) notify Us of any other insurance that also provided cover, whether in whole or in part
 - v) notify the Police as soon as possible in respect of theft of or malicious damage to Your Vehicle.

2. Cancellation

You may cancel Your cover under the Policy by giving written notice to the Lessor.

We may cancel the Policy only in accordance with the provisions of the Insurance Contracts Act 1984(Cth). However, the Master Policy will not be terminated

without all Insured Persons being provided with at least 30 days prior written notice from the Lessor.

Cover is automatically terminated when:

- a) any amount payable to the Lessor for access to the insurance has remained outstanding by more than 30 days, or
- b) Your lease agreement with the Lessor ends.

However, nothing affects any right of an Insured Person to claim in relation to an event which occurred prior to the time Your right to access the policy ended.

3. Interpretation

- a) Any word or expression which is given a specific meaning in the Policy will have that meaning where ever it may appear provided that it commences with a capital letter.
- b) words in the singular include reference to the plural and vice versa
- c) headings have been included for ease of reference and the terms and conditions of the Policy are not to be construed or interpreted by reference to such headings.

4. Excess

You will have to contribute the Excess of \$500 and one of the following additional amounts if the person driving Your Vehicle is :

- a) Under 21 years of age – \$1,000; or
- b) 21 or over 21 years but under 25 years of age – \$500.

High Performance Vehicles will attract a standard \$1,000 Excess for accident and \$2,000 for theft claims.

However, You will not have to contribute the Excess if, in Our opinion, the Loss was not Your fault and You can provide Us with the name, current address and vehicle registration number of the person responsible for the Loss.

5. Transfer of Interest

No interest in the Policy can be transferred without Our written consent.

6. Diligence

You will take all reasonable steps to protect Your Vehicle and will comply with all legal requirements regarding the safety, maintenance and operation of Your Vehicle.

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Launceston
Melbourne
Newcastle
Perth
Sydney

