

# Motor Vehicle Insurance Supplementary Product Disclosure Statement

The date of preparation of this Supplementary Product Disclosure Statement (SPDS) is 1st August 2017 and will apply to policies taken out, or with a renewal effective date, on or after this date.

This SPDS updates and should be read with, the 'Motor Vehicle Insurance Product Disclosure Statement and Policy' PID0301 (PDS) and any other applicable SPDS.

## Changes to your PDS

### **Change 1: Change to your Duty of Disclosure**

Your PDS is amended by the deletion of the Duty of Disclosure notice.

### **Change 2: Excesses for Learner drivers**

Your PDS is amended by including the following words under 'Excesses that may apply when you make a claim' section:

"If your vehicle is being driven by a learner driver, the applicable excesses will be based on the supervising licensed driver:

- the license held by the supervising driver must meet the class of license required by the learner's permit, and
- for a Nominated Driver Motor Vehicle Insurance Policy and a Nominated Driver Low Kilometre Motor Vehicle Insurance Policy, the supervising licensed driver must be 25 years of age or over."

### **Change 3: Change to ‘Hire vehicle costs after theft or attempted theft’**

The heading and words under the heading ‘Hire vehicle costs after theft or attempted theft’ additional cover in your PDS are deleted and replaced with:

#### **“Hire vehicle costs after theft or attempted theft**

COMPREHENSIVE

THIRD PARTY FIRE & THEFT

If your vehicle is stolen, or if it is unsafe to drive, ride or tow as a result of theft or attempted theft, we will pay (inclusive of GST) the cost of a hire vehicle from the time the theft or attempted theft occurred.

We will only cover the cost of a hire vehicle up to \$100 per day (inclusive of GST):

- until your vehicle is recovered and repaired, or
- until we settle your claim if your vehicle is a total loss, up to a total of 21 days, whichever is the shortest period of time.

The hire vehicle must be similar to your own vehicle:

- we will help to arrange a hire vehicle similar to your own vehicle.

We will not cover:

- loss or damage to the hire vehicle, or any costs to run the hire vehicle, including the cost of fuel
- liability which results from using the hire vehicle (except any amount for any excess and security bond you pay under your hire vehicle agreement under this additional cover), or
- any other additional hire costs.

If you withdraw your claim, or we refuse to accept the claim, you may be required to refund to us any costs we incur for the hire vehicle.

We will also pay up to \$2,000 in total for any excess and security bond you pay under your hire vehicle agreement because there is loss or damage to the hire vehicle or it causes loss or damage.”

## **Change 4: Change to contact details for ‘Financial Claims Scheme’**

Contact information about the scheme listed in the ‘Financial Claims Scheme’ section of PDS has been deleted and replaced with <http://www.fcs.gov.au>

## **Change 5: Change to ‘Replacing your vehicle after a total loss’**

The heading and words under the heading ‘Replacing your vehicle after a total loss’ additional cover in your PDS are deleted and replaced with:

### **“Replacing your vehicle after a total loss**

#### COMPREHENSIVE

If your vehicle is a total loss as a result of an incident, we may decide to replace your vehicle with a new vehicle.

We will only do this if your vehicle is:

- a car less than three years old and has not travelled more than 50,000 kilometres, or
- a motorcycle less than one year old.

The replacement vehicle’s make, model and series must be available in Australia.

The vehicle replacement must occur as a result of an incident we have agreed to cover.”

## **Change 6: ‘Hire car costs after an incident’ has been added as Optional cover**

The following cover is inserted under the ‘Optional cover that can be added to your policy’:

### **“Hire car costs after an incident**

#### COMPREHENSIVE (ONLY FOR CARS)

Under your standard policy, we will pay your hire vehicle costs after theft or attempted theft for up to 21 days.

If you add this option, we will also pay the cost of a hire car following any other incidents we cover.

We will only cover the cost of a hire car up to \$100 per day (inclusive of GST):

- until your car is recovered and repaired, or
- until we settle your claim if your car is a total loss, up to a total of 21 days, whichever is the shortest period of time.

The hire car must be similar to your own car:

- we will help to arrange a hire car similar to your own car.

We will not cover:

- loss or damage to the hire car, or any costs to run the hire car, including the cost of fuel,
- liability which results from using the hire car (except any amount for any excess and security bond you pay under your hire car agreement under this optional cover), or
- any other additional hire costs.

If you withdraw your claim, or we refuse to accept the claim, you may be required to refund to us any costs we incur for the hire car.

We will also pay up to \$2,000 in total for any excess and security bond you pay under your hire car agreement because there is loss or damage to the hire car or it causes loss or damage.

This cover is only available for cars.”

## **Change 7: Changes to ‘How we settle your claim’**

Your PDS is amended by deleting item 3 of the ‘How we settle your claim’ section and replacing it with:

**“3. If we decide your vehicle should be repaired, we can help you find a repairer who is part of our partner network, or you can choose your own repairer**

### **Our network of repairers**

We have an extensive network of partner repairers across Australia who meet our high quality standards. If you choose a repairer that is part of our network of repairers to fix your vehicle, then we’ll manage the whole repair process for you – with minimal fuss – so you don’t have to worry. We’ll also provide a lifetime guarantee on the workmanship of these repairs we authorise (see Repair guarantee).

If you choose your own repairer, you must:

- choose a repairer that has all necessary licenses and authorisations required by law, and
- obtain our authorisation for the repairs and quoted cost before these repairs are commenced.

We may require you to provide an alternative quote from a repairer of our choice for the repair of your vehicle.

We will decide whether to authorise and pay for the fair and reasonable costs of repairs, or decide whether to pay you the fair and reasonable cost to repair your vehicle. If we choose to pay you, we will deduct:

- any excess, and
- any input tax credit you are entitled to under A New Tax System (Goods and Services Tax) Act 1999.

In determining the fair and reasonable cost, we may consider a number of factors, including quotes from other repairers.

For all repairs:

- we may need to inspect your vehicle before authorising repairs. If so, we will tell you where you need to take your vehicle or have your vehicle towed
- we may require you to contribute to the costs if the repairs to your vehicle leave it in a better condition than before the incident, and
- we will not cover any additional costs incurred through the extensive delays and difficulties in obtaining parts.”

## **Change 8: Changes to definition of ‘Market Value’**

Your PDS is amended by deleting the definition of ‘market value’ in the ‘Glossary’ section and replacing it with the following:

### **“market value**

our assessment of your vehicle’s value at the time of the incident you are claiming for, using local market prices and considering the age and condition of your vehicle. It includes:

- any modifications, options or accessories that are attached to the vehicle
- GST
- registration
- Compulsory Third Party Insurance (if applicable), and
- other on-road costs

But it does not include:

- allowance for dealer profit
- warranty costs
- future stamp duty, or
- transfer fees”

## **Change 9: Change to objectives of General Insurance Code of Practice**

The objectives of the code listed in 'The General Insurance Code of Practice' section of the PDS are deleted and replaced with:

- to commit us to high standards of service
- to promote better, more informed relations between us and you
- to maintain and promote trust and confidence in the general insurance industry
- to provide fair and effective mechanisms for the resolution of complaints and disputes between us and you, and
- to promote continuous improvement of the general insurance industry through education and training."

## **Change 10: Change to limits under additional benefit 'Emergency or temporary repairs'**

The following words under the additional benefit of 'Emergency or temporary repairs' in your PDS are deleted:

"If your vehicle needs emergency or temporary repairs so that it can be driven or used, we will cover the cost of repairs, up to \$500 (inclusive of GST) per incident."

and replaced with:

"If your vehicle needs emergency or temporary repairs so that it can be driven or used, we will cover the cost of repairs, up to \$800 (inclusive of GST) per incident."

## **Change 11: Change to additional benefit 'Helmets and protective clothing'**

Your PDS is amended by deleting the words under the heading 'Helmets and protective clothing' in 'Additional cover included in this insurance' section and replacing them with:

"If your helmet or any other protective clothing is stolen from your motorcycle or damaged in an incident, we will pay for the cost to replace them, up to \$2,000 (inclusive of GST).

The most we will pay for any one item of protective clothing is \$1,000.

This cover only applies to motorcycles."

## **Change 12: Change to limits under additional benefit 'Personal items'**

The following words under the additional benefit of 'Personal items' in your PDS are deleted:

"If personal items are damaged in an incident or stolen from your locked car, we will cover the cost to repair or replace them, up to \$500 (inclusive of GST)."

and replaced with:

"If personal items are damaged in an incident or stolen from your locked car, we will cover the cost to repair or replace them, up to \$1,000 (inclusive of GST)."

## **Change 13: Change to details of CGU Insurance Limited ABN 27 004 478 371 AFS Licence No. 238291**

All references to "CGU Insurance Limited ABN 27 004 478 371 AFS Licence No. 238291" are deleted and replaced by "Insurance Australia Limited ABN 11 000 016 722 AFS Licence No. 227681 trading as CGU Insurance".

## **Change 14: Change to details of CGU Insurance Limited**

All references to "CGU Insurance Limited" are deleted and replaced by "Insurance Australia Limited trading as CGU Insurance".

